

Bill No. 8387-14

No. 23-14-RE

A RESOLUTION

A Resolution of the Council of the County of Allegheny authorizing the third amendment to the South Side Works TIF Plan to remove three parcels from the previously established TIF District.

Whereas, Pennsylvania's Tax Increment Financing Act, 53 P.S. § 6930.1 *et seq.*, as amended (the "Act"), provides local taxing bodies the legal authority to cooperate in providing financing for the development of blighted areas within their respective jurisdictions in order to increase the tax base and improve the general economy; and

Whereas, the "South Side Works Tax Increment Financing Plan" (the "Original TIF Plan") prepared by the Urban Redevelopment Authority of Pittsburgh (the "Authority") was approved by the School District of Pittsburgh (the "School District") by resolution of December 16, 1998 and by the County of Allegheny (the "County") by resolution of December 30, 1998; and

Whereas, by resolution of February 16, 1999, the City of Pittsburgh (the "City" and, together with the County and the School District, the "Taxing Bodies") approved and adopted the Original TIF Plan and created the South Side Works Tax Increment Financing District (the "TIF District"); and

Whereas, the Original TIF Plan was amended by Amendment No. 1 dated December 31, 2001 (together with the Original TIF Plan, the "TIF Plan") by resolution of the City effective December 31, 2001; by resolution of the School District dated September 25, 2001; by resolution of the County, through its Council, dated December 4, 2001; and by resolution of the Authority dated September 13, 2001; and

Whereas, pursuant to the TIF Plan, the Taxing Bodies and the Authority entered into a Cooperation Agreement regarding the South Side Works Tax Increment Financing District dated as of November 1, 1999, as amended December 31, 2001 (collectively, the "Cooperation Agreement"); and

Whereas, the Cooperation Agreement contemplates that the Authority may propose such amendments to the TIF Plan, the TIF District, and the Cooperation Agreement as it deems advisable but no such amendment shall be effective until approved by each of the Taxing Bodies and the Authority; and

Whereas, upon review of the boundaries of the TIF District and the status of the projects contemplated by the TIF Plan, the Authority has determined that there are three parcels included in the TIF District for which no portion of the tax revenues generated by or attributable to such parcels has been pledged to secure the payment of debt service on any outstanding tax increment obligations; and

Whereas, the Authority, in consultation with the designated representatives of the Taxing Bodies, has determined that the release of these parcels from the TIF District will further the purposes of the Act by making them available for potential development programs and by creating additional capacity for the future use of tax increment financing by the City as a means of funding development and redevelopment in distressed areas; and

Whereas, the Authority has recommended that the TIF Plan be amended to revise the boundaries of the TIF District by removing from the TIF District the parcels identified on Exhibit A hereto (the "Excluded Property"); and

Whereas, the City will hold a public hearing at which interested parties will be afforded a reasonable opportunity to express their views on the proposed amendment described herein.

The Council of the County of Allegheny hereby resolves as follows:

SECTION 1. Incorporation of the Preamble.

The provisions set forth in the preamble to this Resolution are incorporated by reference in their entirety herein.

SECTION 2. Revision of Boundaries.

Upon the recommendation of the Authority, and subject to the approval of the City and the School District, the County approves the amendment of the TIF Plan to change the boundaries of the TIF District by removing the Excluded Properties described in Exhibit A from the TIF District.

SECTION 3. Cooperative Actions.

The appropriate public officials of the County are hereby directed to take such actions in cooperation with the Authority, the City, and the School District as are necessary or appropriate to accomplish the foregoing, including, but not limited to, amending the Cooperation Agreement, to among other things, revise the definition of pledged parcels, and any other appropriate documents to reflect such amendments; provided, however, that in the absence of such action, any reference in such documents to the TIF Plan and/or TIF District and/or pledged parcels shall be deemed to refer to such TIF Plan and/or TIF District and/or pledged parcels, as amended hereby.

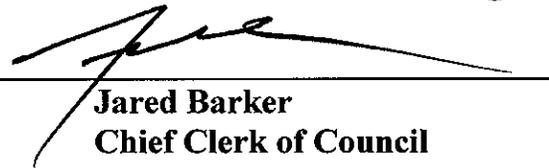
SECTION 4. Severability. If any provision of this Resolution shall be determined to be unlawful, invalid, void or unenforceable, then that provision shall be considered severable from the remaining provisions of this Resolution which shall be in full force and effect.

SECTION 5. Repealer. Any Resolution or Ordinance or part thereof conflicting with the provisions of this Resolution is hereby repealed so far as the same affects this Resolution.

Enacted in Council, this 19th day of August, 2014

Council Agenda No. 8387-14


John DeFazio
President of Council

Attest: 
Jared Barker
Chief Clerk of Council

Chief Executive Office August 28, 2014

Approved: 
Rich Fitzgerald
County Executive

Attest: 
Sonya Dietz
Executive's Secretary

EXHIBIT A

EXCLUDED PROPERTIES

All those certain lots or parcels of land, situate in the 16th Ward of the City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania, known as:

1. Parcel B2c first revised in the South Side Works Plan of Lot No. 24 as recorded in the Department of Real Estate of Allegheny County at Plan Book Volume 261, Page 97, also designated in the Deed Registry Office of Allegheny County, Pennsylvania, as tax parcel number 12-H-250; and
2. Parcel B2d in the South Side Works Plan of Lot No. 20 as recorded in the Department of Real Estate of Allegheny County, Pennsylvania at Plan Book Volume 248, Page 43, also designated in the Deed Registry Office of Allegheny County, Pennsylvania, as tax parcel number 12-H-265;
3. Parcel E2b in the South Side Works Plan of Lot No. 21, recorded in the Department of Real Estate of Allegheny County, Pennsylvania, in Plan Book Volume 249, page 178, also designated in the Deed Registry Office of Allegheny County, Pennsylvania, as tax parcel number 29-P-350.

SUMMARY OF LEGISLATION
THIRD AMENDMENT TO SOUTH SIDE WORKS TAX INCREMENT FINANCING PLAN
REMOVAL OF PARCELS B2c, B2d, and E2b
SUBMITTED FOR COUNCIL JULY 8, 2014

On January 16, 2014, the Urban Redevelopment Authority of Pittsburgh’s Board of Directors (“URA Board”) authorized the removal of Parcels B2c and B2d (“Development Parcels”) from the South Side Works TIF District (“TIF District”); and on June 12, 2014, the URA Board authorized the removal of Parcel E2b from the TIF District. Village Green Development Holding, LLC and 3030 South Water Street, LP (the “Developers”) are requesting removal of parcels so that they qualify for the City of Pittsburgh Local Economic Revitalization Tax Assistance (LERTA) abatement programs pursuant to Chapter 267 of the City Ordinance 23-2002, as amended. They will not seek abatements from Allegheny County or the School District.

<u>Parcel</u>	<u>Lot & Block</u>	<u>Development Name</u>	<u>Developer Name</u>
<u>Village Green Project</u>			
B2c	12-H-250	S. Side Works City	Village Green Development Holding, LLC
B2d	12-H-265	S. Side Works City	Village Green Development Holding, LLC
<u>3030 South Water Street</u>			
E2b	29-P-350	3030 S. Water St.	3030 South Water Street, LP

Development Description

The South Side Works City Apartments & Open Hearth Garage Development will consist of 262 apartment units and a 559 space parking garage (“Village Green Project”). The 3030 South Water Street development will consist of 56 market rate rental apartment units and 69 parking spaces (“3030 South Water Street Project”).

History

In 1998, the South Side Works TIF Plan was approved and adopted by the taxing bodies for a period of 20 years. The TIF Plan projected the total value of the development at full build-out to be \$230M. To date, private investment totals \$375M and the project has reached the TIF cap of \$25M. These development parcels have been vacant and undeveloped from the inception of the TIF District and are not pledged to any TIF financing.

Jobs and Taxes

Currently, there are 3,845 jobs at the South Side Works and \$4.17 million in annual real estate taxes are being generated. The South Side Works TIF District will expire in 2018.

MEMORANDUM

OFFICE OF THE COUNTY MANAGER

TO: Jared E. Barker
Allegheny County Council

FROM: William D. McKain CPA
County Manager

DATE: July 3, 2014

RE: Proposed Resolution

Attached is a Resolution of the Council of the County of Allegheny authorizing the third amendment to the South Side Works TIF Plan to remove three parcels from the previously established TIF District.

I am requesting that this item be placed on the agenda at the next Regular Meeting of Council.

JUL3'14 11:31AM
ALLEGHENY COUNTY

COUNCIL