

MOTION OF THE COUNCIL OF ALLEGHENY COUNTY

Amending the Rules of Council, adopted February 17, 2004, by adding a new Section D to Article IV.

NOW THEREFORE, IT IS MOVED, BY THE COUNCIL OF ALLEGHENY COUNTY, that Article IV of the Rules of Council is amended to add a new Section D as follows:

D. Tax Increment Financing (TIF)

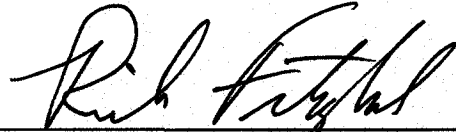
1. When considering legislation authorizing participation in tax increment financing, Council will utilize tax increment financing:
 - a) Principally to facilitate the creation of high quality employment opportunities;
 - b) For uses that are consistent with applicable comprehensive plans and the appropriate municipal land use ordinances, as they apply to the proposed project site; and taking into account environmental impact, the desired redevelopment of brownfields, and the fabric and general needs of the community to ensure that investments are made in the appropriate locations, that sustainable design is encouraged, and that green space and other community assets are strengthened and protected;
 - c) Where its use adds aggregate value to the regional economy;
 - d) In areas so designated by applicable comprehensive plans, and which take advantage of existing public infrastructure investment;
 - e) Principally in areas suffering economic distress, such as deteriorated urban areas and brownfields;
 - f) When there is a good faith effort on the part of the developer for participation in the project by existing Southwestern Pennsylvania residents, including individuals and small businesses;
 - g) Where the project in question does not have substantial adverse environmental effects; and
 - h) Only to assist with the financing of public improvements, public infrastructure, and such other appropriate uses as are detailed in the Tax Increment Financing Act, 53 P.S. § 6930.5.
2. Participation in the tax increment financing will only be to the extent necessary to make a project viable and at a maximum participation rate of 60% unless:

- a) A sliding scale for participation will be used depending on the proportion of retail uses within the project, as measured by square footage, with projects with little or no retail eligible for the County's maximum participation; and
 - b) Projects that create significant economic impact in depressed communities can have a maximum participation rate of 75%.
3. The Allegheny County Department of Economic Development shall request County Council to approve a Resolution of Intent to Participate in the preparation of a TIF Plan. Pursuant to the TIF Act, the resolution assigns the Department the responsibility to work as part of a TIF Committee composed of representatives from each of the taxing bodies to prepare the proposed TIF Plan. Where feasible, the TIF Committee shall also include the Council Member in whose district the proposed project is located.
4. Prior to determining whether to approve a TIF District and/or participate in another municipality's TIF District, the Department of Economic Development shall request County Council to approve a Resolution to Participate. Such action shall be discussed at two regular meetings of Council's Economic Development Committee and two regular meetings of the full Council before action is taken. The request shall include, at a minimum the following information:
 - a) A completed, standard and uniform Allegheny County Department of Economic Development Tax Increment Financing application form;
 - b) A detailed breakdown of the proposed uses of the proceeds from the tax increment financing agreement;
 - c) A preliminary site plan for the proposed development;
 - d) A report paid for by the developer, but commissioned by the Department, identifying the economic impacts of the project on the County, including projected and estimated direct and indirect revenues and costs; the conditions constituting blight; and a discussion of all other applicable policy considerations including public investments that will likely be induced by the approved TIF (road, water, sewer, public transportation, etc.);
 - e) Substantiation of compliance with provisions of applicable municipal and county comprehensive plans; and
 - f) A written recommendation from the Department Director on whether the County should approve a TIF District and/or participate in another municipality's TIF District.
5. Every TIF agreement shall include a plan or formula that would be applied if the owner sells the development during the term of the TIF. The plan or formula would result in a sharing of the revenues with Allegheny County, not to exceed the cost of the TIF to the County.

6. The Department and County Council shall have the prerogative to amend the percentage of the TIF when presented or grant an abatement instead, depending upon the merits of the project.

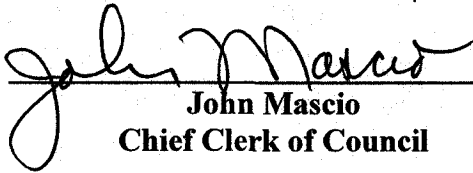
SPONSORED BY COUNCIL VICE PRESIDENT FONTANA

In Council September 7, 2004.



**Rich Fitzgerald
President of Council**

Attest:



**John Mascio
Chief Clerk of Council**