

Allegheny County Council

*County of Allegheny
436 Grant Street
Pittsburgh, PA 15219
Phone (412) 350-6495
Fax (412) 350-6499*



Committee Meeting Minutes

Thursday, August 24, 2006

4:00 PM

Conference Room 1

Committee on Economic Development & Housing

Brenda Frazier, Chair; Jim Burn, Joan Cleary, John DeFazio, Matt Drozd, Dave Fawcett, Mike Finnerty, Bob Macey, and Jan Rea - Members

AGENDA REVISED - 8/23/06

I. Call to Order

Summary: *The meeting was called to order at 4:00 PM*

Invited Guests:

Jim Flynn, County Manager or Designee

Dennis Davin, Director, Economic Development or Designee

Darnell Moses, Housing Project Planner

Summary: *Invited Guests Present: Derek Uber for Mr. Flynn, Mr. Davin, and Mr. Moses*

*Recognized Attendees: Peter Beaman, Bond Counsel; John Mazur, Carnegie Mellon;
Mark Patrick and Adam Meyer, Economic Development*

Council Staff Present: John Mascio, Jennifer Liptak, Jared Barker, and Stephanie Buka

II. Roll Call

Summary: *Non Committee Council Members Present: Council Member Cleary*

Roll Call: Present: Chair Brenda Frazier, Jim Burn, Joan Cleary, Michael Finnerty, and Jan Rea
Absent: John DeFazio, Dave Fawcett, and Bob Macey
Phone: Matt Drozd

III. Approval of Minutes

2707-06 Motion to approve the Minutes of the June 27, 2006 Economic Development & Housing Committee Meeting.

Action: **A motion was made by Finnerty, seconded by Chair Frazier, that this matter be Passed. The motion carried unanimously.**

IV. Agenda Items

Ordinance

2486-06 An Ordinance of the County of Allegheny, Commonwealth of Pennsylvania, establishing a policy of providing for an allocation for children's care or services when the County provides hospital funding through a direct appropriation, a subsidy or deferment of taxes, a bond project, or appropriate grant funded project.

Sponsors: Vince Gastgeb

Summary: *The bill was held because the sponsor was not present at the meeting*

Action: **Held in Committee**

Resolutions

2718-06

Resolution approving a Project for the benefit of Carnegie Mellon University to be financed by the Allegheny County Higher Education Building Authority by the issuance of the Authority's University Revenue Bonds (Carnegie Mellon University) Series 2006 to be issued in aggregate principal amount not in excess of \$165,000,000, provided that the taxing power of the County of Allegheny, Pennsylvania, shall not be obligated in any way with respect to the Bonds, and determining that the purpose of the financing will be to benefit the health and welfare of the citizens of Allegheny County, Pennsylvania, and constituting the elected official approval required by Section 147 of the Internal Revenue Code of 1986, as amended.

Sponsors: Chief Executive

Summary:

Darnell Moses provided the committee with a summary of the bill. He said that the bill would authorize the Allegheny County Higher Education Building Authority to issue bonds on behalf of Carnegie Mellon University for the construction or improvement of new and existing University facilities, information technology upgrades and various other capital improvements and equipment acquisitions.

He also said that the funds will be used to pay for advanced refunding of all or portions of the Allegheny County Higher Education Building Authority University Revenue Bonds and to pay all or a portion of the costs of issuance of the 2006 Bonds.

Mr. Davin said that many hospitals come through the county because it offers them an opportunity to obtain funding a much lower costs.

Action:

A motion was made by Finnerty, seconded by Burn, that this matter be Affirmatively Recommended. The motion carried unanimously.

2719-06

A Resolution of the Council of the County of Allegheny amending the tax increment financing plan for the Waterfront Tax Increment Financing District, and authorizing related actions.

Sponsors: Chief Executive

Summary:

Mark Patrick gave a brief summary of the bill. He said that the bill is requesting Council's approval to change the use of proceeds from the Waterfront Tax Increment Financing Plan Series C Bonds. These bonds were approved by the Board of Commissioners as an amendment to the original TIF plan on November 4, 1999.

He said that the original use of these bonds was for the payment of costs of a flyover bridge. This extension of West Drive, coupled with the construction of a proposed "West Bridge" over the active rail lines, was intended to facilitate vehicular access from the west to the Waterfront and the Sandcastle Water Park.

Mr. Finnerty asked him why they abandoned the fly over bridge project.

Mr. Patrick said that the proposed bridge was not constructed due to insufficient funds and escalating costs. He said that this Plan Amendment will pay for engineering and construction improvements to the existing Seventh and Eighth Avenue intersection in West Homestead. It will also pay for associated public infrastructure improvements in

the adjacent two-block area of Eighth Avenue.

In 1999, Allegheny County approved this supplemental pledge of real estate taxes to service the debt of this bond issue. The proceeds of this bond, approximately \$ 2 million, are currently held in trust by US Bank. Since the Boroughs and the School District opted out of participation in this 1999 Plan Amendment, the proposed amendment must be approved only by Allegheny County. He said that the Boroughs of Munhall, West Homestead and Homestead have each taken formal action endorsing the use of these funds for the proposed use.

Mr. Davin said that the project would maximize activities off the Waterfront site. He said it would also provide easier access in and out of the Waterfront.

Mr. Burn asked if the county was using Eminent Domain for this project. Mr. Davin said that the Redevelopment Authority was handling this. He said that the borough of Homestead asked that they do not take existing businesses. He said that the a lot of the property was vacant land and severe tax delinquent property, and some was acquired amicably.

The Chair asked if this legislation was time sensitive. Mr. Patrick said that they need to be committed by November 1, 2006. Mr. Burn said that he sees no reason to hold this. The Chair agreed but said that Mr. Fitzgerald, the Council Member representing, that district is not present at the meeting and she would like him to have some input. She said she will give him that opportunity at the August 29, 2006 Regular Meeting, when this bill would be before Council for final action.

Mr. Davin said that he would meet with Mr. Fitzgerald and review this prior to that meeting.

Action: **A motion was made by Finnerty, seconded by Burn, that this matter be Affirmatively Recommended. The motion carried unanimously.**

V. Adjournment

Summary: *The meeting adjourned at 4:45 PM*