

# Allegheny County Council

County of Allegheny  
436 Grant Street  
Pittsburgh, PA 15219  
Phone (412) 350-6490



## Meeting Minutes

Wednesday, January 22, 2014

5:00 PM

Conference Room 1

## Committee on Budget and Finance

*Michael Finnerty, Chair*

*Members:*

*Barbara Daly Danko*

*Amanda Green Hawkins*

*Heather Heidelbaugh*

*Bob Macey*

*Chuck Martoni*

*Sue Means*

*John Palmiere*

*Jan Rea*

## I. Call to Order

*The meeting was called to order at 5:00.*

### Invited Guests:

**William D. McKain, CPA - County Manager**  
**Warren Finkel - Budget and Finance Director**  
**Andrew Szefi - County Solicitor**

*Mr. McKain as present from the Office of the County Manager.*

*Mr. Szefi was present from the Law Department.*

*Mr. Finkel and Mr. Schepis were present from the Department of Budget & Finance.*

*Mr. Barker and Mr. Szymanski were present from the Office of County Council.*

## II. Roll Call

**Council Members Present:** 6 - Finnerty, Daly Danko, Heidelbaugh, Means, Palmiere and Rea

**Council Members Absent:** 3 - Green Hawkins, Macey and Martoni

**Council Members Non-Members:** 2 - Kress and DeFazio

## III. Approval of Minutes

[7983-14](#)

Motion to approve the minutes of the Budget and Finance Committee Meeting of Allegheny County Council on December 11, 2013.

**A motion was made by Palmiere, seconded by Means, that this matter be Passed. The motion carried by a unanimous vote.**

## IV. Agenda Items

### Resolutions

[7958-14](#)

A resolution amending the New Home Construction/Improvement Program Resolution enacted May 23, 1996 by the Board of Commissioners of Allegheny County at Agenda No. 700-96, subsequently amended by Resolutions Nos. 22-00, 6-01, 61-02, 04-04-RE, 49-05-RE, 07-08-RE, and 25-09-RE by providing for the continuation of the Allegheny County New Home Construction/Improvement Exemption Program.

**Sponsors:** Council Member Martoni, Council Member Kress and Council Member Macey

*At the request of the Chair, the clerk read the title of the bill.*

*The Chair noted that a fiscal note was not required for this bill, but that one had been prepared. The Chair offered a brief summary of the fiscal note.*

The Chair indicated that he had prepared an amendment to the bill, and asked Mr. Szymanski to distribute copies to the Members. The Chair provided an overview of the proposed amendment.

Ms. Means suggested that reducing the Act 202 abatement for property owners who have one year remaining on their exemptions may not be particularly fair. The Chair expressed sympathy for her suggestion, but also noted that it would not be equitable to have some owners with 100% exemptions while others had only 50% exemptions.

At the request of the Chair, Mr. Szefi provided an overview of the impact of the proposed reduction on program participants, noting that the amount of the abatement would be 50% of the assessed value of the new construction for all program participants.

Ms. Means and Mr. Szefi discussed the possibility that owners previously enrolled in the program may be surprised by that outcome.

In response to a question from Ms. Danko, the Chair and Mr. Szefi noted that there is no cap on the total amount of the abatement.

Ms. Danko asked if circumstances had changed regarding the Act 202 abatement, and the Chair indicated that the program may no longer be necessary to incentivize new construction, insofar as the County taxes on any property are comparatively low. The Chair's philosophy is to reinforce the Act 42 exemption in order to incentivize home improvements.

Ms. Heidelbaugh suggested that tax policy is a result of balancing revenue receipts and encouraging or discouraging human behavior, and asked what statistics exist supporting the proposition that the Act 202 abatement has proven effective in stimulating new home construction since the program's origin in 1996. Ms. Heidelbaugh proposed that, if the program did not have a meaningful effect on new home construction, then it may not be an effective in realizing the intent behind the program, and noted that such an outcome would be inherently unfair.

Ms. Rea moved to adopt amendment Finnerty 1, Mr. Palmiere seconded, and the motion passed with the Chair, Ms. Danko, Mr. Palmiere and Ms. Rea voting in the affirmative, and Ms. Heidelbaugh and Ms. Means voting in the negative.

**A motion was made by Daly Danko, seconded by Rea, that this matter be Affirmatively Recommended. The motion carried by the following vote:**

**Council Members Yes:** 4 - Finnerty, Daly Danko, Palmiere and Rea

**Council Members No:** 2 - Heidelbaugh and Means

**Council Members Absent:** 3 - Green Hawkins, Macey and Martoni

**Council Members Non-Member:** 2 - Kress and DeFazio

[7959-14](#)

A resolution amending the New Home Construction/Improvement Program Resolution enacted May 23, 1996 by the Board of Commissioners of Allegheny County at Agenda No. 700-96, subsequently amended by Resolutions Nos. 22-00, 6-01, 61-02, 04-04-RE, 49-05-RE, 07-08-RE, 25-09-RE and 30-11-RE.

**Sponsors:** Council Member Kress and Council Member Macey

*At the Chair's request, the Clerk read the title of the bill and the Chair explained summarized the general parameters of the Act 42 program.*

*The Chair offered amendment Finnerty 1 and summarized its provisions, noting that it would function to increase the cap on Act 42 abatements from \$36,009 in assessed improvement value to \$66,000 in assessed improvement value.*

*In response to a question from Ms. Means, the Chair indicated that the proposed increase is in accordance with the provisions of applicable law.*

*Ms. Means asked what qualifies as an improvement, and Mr. Szefi indicated that it would be any change that increases the assessed value of the home.*

*Ms. Danko noted that the County relies heavily upon municipalities to inform the County of the issuance of building permits for improvements.*

*Ms. Means moved to approve Amendemnt Finnerty 1, Mr. Palmiere seconded, and the motion passed unanimously.*

**A motion was made by Daly Danko, seconded by Palmiere, that this matter be Affirmatively Recommended. The motion carried by a unanimous vote.**

#### 7961-14

A Resolution of the County of Allegheny amending the Grants and Special Accounts Budget for 2014 (Submission #1-14).

**Sponsors:** Chief Executive

*At the request of the Chair, the clerk read the title of the bill, and Mr. Szymanski provided a brief overview of the bill's provisions.*

*In response to a question from Ms. Rea, Mr. Szymanski noted that the proceeds of the Heinz Endowment grant under consideration would go to the Allegheny County Health Department.*

**A motion was made by Palmiere, seconded by Daly Danko, that this matter be Affirmatively Recommended. The motion carried by a unanimous vote.**

Enactment No: 01-14-RE

## V. Adjournment

*The meeting adjourned at 5:42.*