

Bill No. 2719-06

No. 31-06-RE

## A RESOLUTION

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.

**Whereas**, Pennsylvania's Tax Incremental Financing Act (53 P.S. §6930.01 *et seq.*, as amended) (the "TIF Act") provides local taxing bodies with legal authority to cooperate in providing financing for development of blighted areas within their respective jurisdictions in order to increase the tax base and improve the general economy; and

**Whereas**, the County created the Waterfront Tax Increment Financing District (the "TIF District") in 1998 and, pursuant to The Waterfront Tax Increment Financing District Project Plan, as amended (the "TIF Plan"), the Redevelopment Authority of Allegheny County (the "Authority") issued Tax Increment Financing Bonds (the "Bonds") in 2000 to finance certain infrastructure improvements within the TIF District; and

**Whereas**, the County previously authorized use of the proceeds of one series of the Bonds (the "Series C Bonds") for payment of costs of engineering and constructing a flyover bridge in the Borough of West Homestead; and

**Whereas**, in accordance with the TIF Plan, principal of and interest on the Series C Bonds are payable solely from revenues provided by the County; and

**Whereas**, the Authority, after consulting with the developer, the municipalities and the school district that participated in the TIF Plan, has recommended that the use of the Series C Bonds proceeds be changed from payment of costs of engineering and constructing the flyover bridge to instead payment of costs of engineering and constructing for the improvement of the existing Seventh and Eighth Avenue intersection in West Homestead, and perform associated public infrastructure improvements in the adjacent two-block area of Eighth Avenue. (the "2006 Capital Project").

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

***Section 1.    Change in Use of Proceeds***

The change in the use of the proceeds of the Series C Bonds from payment of costs of a flyover bridge to payment of costs of the 2006 Capital Project is hereby approved. Amendment No. 1 to the TIF Plan, which was adopted by the County on November 4, 1999 pursuant to a Resolution at agenda number 1207-A-99 ("**Resolution 1207-B-99**"), is hereby

modified, but only to the extent necessary to accommodate the change in use of the Series C Bonds proceeds.

***Section 2.     Copy of Resolution to be Delivered to Mayors***

The Chief Clerk of County Council or the County Manager is directed to deliver a copy of this resolution to the Mayor of the Borough of West Homestead, the Mayor of the Borough of Homestead, the Mayor of the Borough of Munhall and the President of the Board of Directors of the Steel Valley School District.

***Section 3.     Additional Actions***

The Director of Economic Development, or his designee (hereinafter "Director"), is hereby appointed as the County's representative to review and execute all relative documentation. The Director and such other appropriate public officials of the County are hereby authorized and directed to take such additional actions in cooperation with the Authority that may be required to further the implementation of the TIF Plan, as modified by this Resolution.

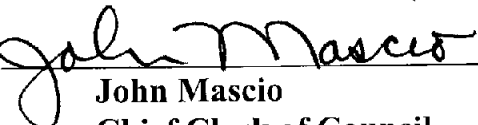
***Section 4.     Severability. If any provision of this Resolution shall be determined to be unlawful, invalid, void or unenforceable, then that provision shall be considered severable from the remaining provisions of this Resolution which shall be in full force and effect.***

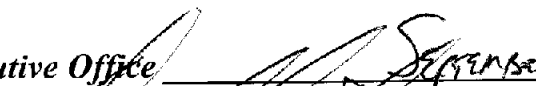
***Section 5.     Repealer. Any resolution or ordinance or part thereof conflicting with the provisions of this Resolution is hereby repealed in so far as the same affects this Resolution.***

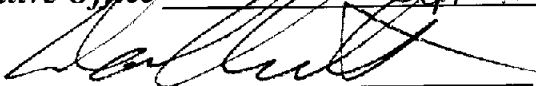
Enacted in Council, this 29<sup>th</sup> day of August, 2006,

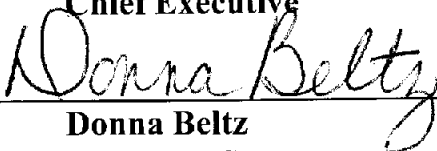
Council Agenda No. 2719-06

  
Rich Fitzgerald  
President of Council

Attest:   
John Mascio  
Chief Clerk of Council

Chief Executive Office  SEPTEMBER 1, 2006.

Approved:   
Dan Onorato  
Chief Executive

Attest:   
Donna Beltz  
Executive Secretary

SUMMARY PAGE  
WATERFRONT TIF AMENDMENT RESOLUTION  
SUBMITTED FOR COUNCIL MEETING 08/22/06

The Waterfront Tax Increment Financing District was created pursuant to actions of the Board of County Commissioners, Allegheny County, Pennsylvania, on July 9, 1998, July 30, 1998 and September 24, 1998 (the TIF District"). The Waterfront Tax Increment Financing District Plan, adopted by the Board of County Commissioners, Allegheny County, Pennsylvania, on July 9, 1998 (the "Original TIF Plan") set forth certain incremental real estate taxes to be made available by Allegheny County, and by the Boroughs of Munhall, West Homestead and Homestead and by the Steel Valley School District. Additionally the original TIF Plan approved the use of TIF proceeds for "secondary" improvements that benefit the TIF District.

Amendment 1 to the Original TIF plan was approved by action of the Board of Commissioners on November 4, 1999. The Boroughs of Homestead, Munhall and West Homestead, and the Steel Valley School District opted out of participation in this supplemental action. The amendment approved a supplemental pledge of only Allegheny County real estate tax revenues to be used to fund the cost of an easement for an extension of West Drive in West Homestead. 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. The proposed bridge was not constructed due to insufficient funds and escalating costs. The supplemental pledge of only Allegheny County real estate taxes services debt on a bond issued by the Redevelopment Authority of Allegheny County specifically for this use. The proceeds of this bond, in the approximate amount of \$ 2 million, are currently held in trust by US Bank.

In accordance with the intended use of these funds to improve access to the Waterfront from the west, it is now proposed that the funds allocated in the TIF for the acquisition of the West Bridge/Drive easement be used instead to improve the existing Seventh and Eighth Avenue intersection in West Homestead, and perform associated public infrastructure improvements. The existing intersection configuration does not adequately facilitate the traffic flow from SR 837 to the Waterfront, nor does it match well with the existing street grid.


Since the Boroughs and the School District had previously opted out of participation in Amendment 1 by formal action, the proposed amendment must be approved only by Allegheny County. The Boroughs of Munhall, West Homestead and Homestead have each taken formal action endorsing the use of these funds for the proposed use.

The Redevelopment Authority of Allegheny County requests that the Council of the County of Allegheny:

- (a) consider a resolution to modify Amendment 1 to include secondary improvements as described in the original TIF plan; and
- (b) appoint the Director of Economic Development, or his designee, as representative to review and execute all relative documentation

**MEMORANDUM**  
**OFFICE OF THE COUNTY MANAGER**

TO: John Mascio  
Chief Clerk

FROM: James M. Flynn, Jr.   
County Manager

DATE: August 17, 2006

RE: Proposed Resolution

ALLEGHENY COUNTY COUNCIL

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Attached is a Resolution amending the tax increment financing plan for the Waterfront Tax Increment Financing District, and authorizing related actions.

The Allegheny County Law Department has reviewed this legislation prior to submitting it to Council.

Please place this on the next agenda for County Council approval.

Thank you.