

Allegheny County Council

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Committee Meeting Minutes

Tuesday, September 4, 2007

5:00 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

I. Call to Order

Summary: *The meeting was called to order at 5:07.*

Invited Guests:

Jim Flynn, County Manager or Designee

Dennis Davin, Director, Economic Development

Summary: *Invited Guests or Designees Present: Mr. Strul, Mr. Flynn, Mr. Uber, and Mr. Pehur*

*Recognized Attendees: Robert Rubenstein (URA), Chuck Brodbeck (URA Counsel),
Kelly Vehec (URA Counsel)*

Council Staff Present: Mr. Barker, Ms. Liptak, and Mr. Catanese

II. Roll Call

Roll Call: Present: Chair Brenda Frazier, Jim Burn, Joan Cleary, Matt Drozd, Michael Finnerty, Bob Macey, Jan Rea, Council Member William Robinson, Council Member Susan Caldwell, and Council Member Rich Fitzgerald
Absent: John DeFazio, and Dave Fawcett

III. Approval of Minutes

3386-07 Motion to approve the minutes of the June 27, and June 28, 2007 Economic Development & Housing Committee Meetings.

Summary: *VV*

Action: **A motion was made by Burn, seconded by Macey, that this matter be Passed. The motion carried unanimously.**

IV. Agenda Items

Resolutions

3347-07 A Resolution of the County of Allegheny adopting the Bakery Square Tax Increment Financing Plan presented by the Urban Redevelopment Authority of Pittsburgh, and authorizing related agreements.

Sponsors: Chief Executive

Summary: *The Chair summarized the bill and deferred to Mr. Rubenstein, who summarized the project again.*

The Chair referred the Members to their packets for a summary of the Economic Impact Study.

Mr. Robinson noted that stakeholders other than Walnut Capital are not identified, and asked that this happen before final action. He also noted that there are no written delineations of how community partners are participating, even though some have been

asserted to be willing to endorse the project to Council.

The Chair noted the important of community involvement, but expressed concerns about how the timing would work out. The Chair suggested that perhaps the better time to delve into community involvement would be at the initial TIF study bill, rather than at final approval of the plan, but even now the best course may be to discuss the issue as a committee rather than attach it to the bill.

The Chair asked Mr. Strul about Economic Development's procedure.

Mr. Strul indicated that the Department does not solicit community involvement directly absent a request for involvement. He noted that the TIF committee process looks at municipal and school district concerns. In response to a question from the Chair, he indicated that the Department would be willing to consider creating a procedure, but did note that this will require resources and expressed uncertainty about how funding for the procedure would work out, as well as concerns about how such a procedure would impact project timelines.

Ms. Rea asked what the issue would be with waiting for a written response from Economic Development. She indicated that in her view, Mr. Robinson deserves to have his questions answered, but there may be a way of doing that without holding the process up.

Mr. Drozd expressed agreement, but noted that time is important to the project.

Mr. Robinson indicated that he does not want to overburden the committee, but in this case, the developer and URA have said there are other stakeholders and there are agreements made, and Council should know who the County is dealing with when public money is being given to a project and what, exactly, the County is agreeing to. He requested a list of stakeholders in writing and a description of what agreements may exist.

Mr. Rubenstein indicated that stakeholders that he is aware of are East Liberty Chamber, East Liberty Development Inc, East Liberty Concerned Citizens, and another group from Shadyside the name of which he could not recall. He indicated that the TIF plan Paragraphs 11 and 12 speak to written agreements, and noted that the City of Pittsburgh is receiving funds for Penn Circle, while Pittsburgh Partnership and Three Rivers Investment Board are receiving funds for workforce issues.

The Chair asked for all of that in written form to the Committee Members.

Mr. Robinson indicated that he would prefer more specificity, and asked how existing agreements will be enforced and whether the existing process provides for community groups or citizens to voice their concern about this TIF before we take final action.

Mr. Brodbeck noted that the funding agreement between the URA and developer will be the document that sets a lot of these conditions. Mr. Rubenstein noted that there are no side agreements beyond what's referenced in the TIF plan.

Mr. Robinson expressed a preference to get the information in advance and not take a legislative approach, but right now, it appears that Council is being asked to move forward without any assurances of what is actually going on.

Mr. Fitzgerald suggested that the bill be moved, which gives a week to get the information, because he does not want to see the questions work to the detriment of the project, but also suggested that there is no reason that people in the community should not come forward and communicate concerns to Council if they have any.

Ms. Cleary expressed agreement with Mr. Robinson regarding constituent input, because Council should be aware if people have legitimate concerns.

Mr. Finnerty noted that project is over a year old, and there has been time to work on this issue. He suggested that this looks like a great project that should be moved forward, but that Mr. Robinson has legitimate questions that should be answered before the final vote.

Mr. Macey expressed concerns that, even though the committee met a week ago and these questions were raised at that time, no additional information was provided at this meeting.

Mr. Burn asked how many meetings were held in the neighborhood to discuss the project, and Mr. Rubenstein said there were probably over 2 dozen meetings all told with community groups, elected officials, the developer, and the TIF Committee. He indicated that probably 12 or so were with community groups.

Mr. Burn asked if any of the feedback from those meetings is reflected in the TIF Plan? Mr. Rubenstein answered that it is, although he did note that there is no way to assure that every comment made it in. In response to a question from Mr. Burn, Mr. Rubenstein indicated that there were no minutes taken at the meetings, and detriments/concerns of the community groups are not reflected.

Ms. Rea indicated that there are a lot of questions at this point, and she would not be comfortable voting for the bill without answers.

The Chair asked if the timeline could accommodate a two week window to answer these questions.

The Chair asked for all input given both in support and opposed to the TIF. Mr. Rubenstein indicated that some groups did have opposition to facets of the project, and these were negotiated to everyone's satisfaction. A breakdown of feedback received can be sent, however.

Mr. Strul noted that the TIF Plan does not provide for public money to go to any community group, and wants to reassure everyone that this will not happen; any funding along those lines would come directly from the developer.

Mr. Fitzgerald suggested that if the bill does not need to be approved on the 11th, there may be no time pressure for this approval. Mr. Rubenstein offered to check on timeline.

The Chair asked Mr. Robinson to provide a list of what he wants to the Department of Economic Development and URA.

*Motion to release bill w/o recommendation Finnerty, Drozd
VV*

Action: **A motion was made by Finnerty, seconded by Drozd, that this matter be Returned Without Recommendation. The motion carried unanimously.**

3348-07 A Resolution of the Council of the County of Allegheny revising the boundaries of the Center Triangle Tax Increment Financing District and authorizing related agreements.

Sponsors: Chief Executive

Summary: *The Chair summarized the bill and deferred to Mr. Rubenstein.*

Mr. Rubenstein discussed this along with Bill Nos. 3349-07 and 3350-07. He noted that state TIF Law limits the amount of property within a municipality that can lie within a TIF District at 10%. The City of Pittsburgh is now at 8.23%, so we want to revise the boundaries to drop that percentage a bit. The proposed changes will get us to about 5.31%.

Mr. Fitzgerald asked for clarification on why the changes are appropriate, and Mr. Rubenstein provided it.

Mr. Brodbeck noted that LERTAs can be applied to areas outside TIF districts, but not to areas inside them.

*Motion to approve 3348-07, 3349-07 and 3350-07 Finnerty, Macey
VV*

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

3349-07 A Resolution of the Council of the County of Allegheny revising the boundaries of the North Shore Tax Increment Financing District and authorizing related agreements.

Sponsors: Chief Executive

Summary: *Motion to approve (Finnerty, Macey)
VV*

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

3350-07 A Resolution of the Council of the County of Allegheny revising the boundaries of the Station Square Tax Increment Financing District and authorizing related agreements.

Sponsors: Chief Executive

Summary: *Motion to approve (Finnerty, Macey)*
 VV

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

V. Adjournment

Summary: *The meeting adjourned at 6:08.*