

Allegheny County Council

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



Committee Meeting Minutes

Tuesday, March 14, 2006

4:00 PM

Conference Room 1

Committee on Economic Development

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

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

Maurice Strul, Business Development Specialist

Steve Guy, Oxford Development

Summary: *Invited Guests In Attendance: Derek Uber for Mr. Flynn, Mr. Davin, and Mr. Guy*

Recognized Attendees: Angelo Taranto, URA; Sarah Bus, URA Bond Counsel; Michael Pehur, URA.; Darnell Moses, Economic Development; Betsy Santillo, PNC Capital Markets; and Jeff Listwak, Robert Morris University.

Council Staff In Attendance: John Mascio, Jared Barker, and Stephanie Buka

II. Roll Call

Summary: *President Rich Fitzgerald - Ex-Officio*

Roll Call: Present: Chair Brenda Frazier, Jim Burn, Joan Cleary, Matt Drozd, Dave Fawcett, Michael Finnerty, and Jan Rea
Absent: John DeFazio, and C.L. Jabbour

III. Approval of Minutes

2468-06 Motion to approve the Minutes of the February 28, 2006 Economic Development Committee Meeting.

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

IV. Agenda Items

Resolutions

2422-06 A Resolution of the Council of the County of Allegheny adopting and authorizing participation in a tax increment financing plan presented by the Urban Redevelopment Authority of Pittsburgh, and authorizing related agreements for financing a portion of the costs of public infrastructure and other necessary public improvements for a new mixed-use development to be located within a portion of Redevelopment Area No. 44 - Market Stanwix / Downtown Triangle known as the Fifth and Market TIF District.

Sponsors: Chief Executive

Summary: *The Chair provided the committee with a summary of the bill. She said that the bill is a resolution creating the Fifth and Market Tax Increment Financing (TIF) district and authorizing related agreements to this project. The Urban Redevelopment Authority is*

working with PNC Bank to construct a new mixed-use development expected to include office space, a hotel and residential condominiums to be located along Fifth Avenue between Wood Street and Market Street. She indicated that the last time the committee met they did not have the Market and Impact Study, but that since then they have received it. She asked Angelo Taranto from the Urban Redevelopment Authority to provide the committee with highlights of the study. Mr. Taranto complied.

He said that the Authority commissioned studies for all components of the project. He said that the study revealed that an upscale Boutique Hotel was well suited to the market. He also said that the study supported a market for the condominiums, the office space and retail stores.

Mr. Guy discussed Reed Smith Law Firm's plan for use of the space. He also said that interest has been shown for the remainder of the space. He said that the upper floors were high density and would house class "B" and "C" occupants.

Mr. Fawcett expressed concern that the committee has not seen a design of this plan, and he asked what assurances they could receive regarding this. Mr. Guy said that the key issue was getting the design in place. He said that they did have renderings of the project and that it is very pedestrian friendly. He also said that PNC and the design team showed a strong emphasis toward green and environmental design. He said they wanted to bring the outside in and the inside out. He said that PNC has a history with the City of Pittsburgh in providing what they promise. Mr. Davin said that he was very comfortable with the design team.

Mr. Fawcett said that he would urge Council not to vote on this until they actually see a design. Mr. Guy said that if they waited that long they will miss their tenants' window. Mr. Fawcett asked if there was some kind of a compromise. Mr. Guy said that there was a lot of analysis taking place but they should have some preliminary drawings by the beginning of May. He said that he would welcome Council to meet with them to view the direction of the project, which he said was positive.

Mr. Fitzgerald said that since they have to wait for City Council approval anyway, maybe they can postpone action until they see some type of drawing. Ms. Buss said that County Council must opt in prior to the April 17, 2006 Public Hearing of City Council.

The Chair asked the committee if they would be interested in accepting Mr. Guy's invitation to view the preliminary designs. There was a positive consensus of the committee that there is an interest in doing this.

Mr. Fitzgerald said that he agreed with Mr. Fawcett that council needs to see some kind of design, and he said that he did not think that waiting a couple of weeks to act would hurt the project.

The Chair told Mr. Guy that they would contact him to set up a meeting with the committee and other members of council. She said that the next meeting of the committee will take place on March 28, 2006 and that the committee should be moving the bill forward to the full council for final action for the April 4, 2006 Regular Meeting.

I

Action: Held in Committee

2446-06

A Resolution of the Council of the County of Allegheny authorizing pursuit of a Tax Increment Financing plan in Castle Shannon Borough, Allegheny County, Pennsylvania.

Sponsors: Chief Executive

Summary:

The Chair provided a summary of the bill. She said that the Resolution would authorize the County to pursue a Tax Increment Financing (TIF) proposal in conjunction with the Redevelopment Authority of Allegheny County in order to facilitate the construction of a mixed-use transit oriented development on the existing Park N' Ride located at the Castle Shannon light-rail stop in the South Hills area of Allegheny County. TIF proceeds are expected to help fund a deck to be constructed over the existing parking lot which will serve as a structured parking facility and the foundation for the development. The proposed project calls for between 110-136 apartment units above approximately 50,000 square feet of retail space and an out parcel. In addition to the dedicated parking for the projects residential and retail components, the deck facility will accommodate 600 additional spaces committed for Port Authority of Allegheny County patrons. Total development costs are estimated at \$ 31.3 million.

Michael Pehur provided the committee with an overview of the project and a visual presentation of an aerial view of the site.

Ms. Cleary spoke in favor of the project saying that it would be beneficial to the community.

Mr. Davin said that they are working closely with Port Authority on the project. Mr. Burn, who is also a member of the Port Authority Board, spoke in favor of the project.

The Chair reminded the committee that all they are doing is asking permission to seek TIF funding. There were no objections.

Action: A motion was made by Cleary, seconded by Rea, that this matter be Affirmatively Recommended. The motion carried unanimously.

2448-06

Resolution declaring the financing of a project by the Allegheny County Hospital Development Authority on behalf of Jefferson Regional Medical Center (formerly South Hills Health System) as desirable for the health, safety and welfare of the people in the County.

Sponsors: Chief Executive

Summary:

The Chair gave a summary of the bill. She said that the Resolution would authorize the Allegheny County Hospital Development Authority to issue bonds on behalf of Jefferson Regional Medical Center to refinance bonds previously issued by the Authority in 1996 and would fund any necessary reserves. Additionally, she said that the proceeds of the Bonds will pay all or a portion of the costs of issuance, including the costs of providing credit enhancement for the Bonds.

Darnell Moses provided the committee with an overview and description of the project. He said that the county is not liable for the debt associated with this project.

Betsy Santillo provided an explanation of the bond series process and rate strategy.

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

2449-06

Resolution declaring the financing of a project by the Allegheny County Higher Education Building Authority on behalf of Robert Morris University as desirable for the health, safety, and welfare of the people in the County.

Sponsors: Chief Executive

Summary: *Jeff Listwak provided the committee with a summary and overview of the bill. He said that the Resolution would authorize the Allegheny County Higher Education Building Authority to issue bonds on behalf of Robert Morris University (RMU) to (1) refinance bonds previously issued by the Authority in 1996 (which funded various capital projects on Robert Morris's Moon Campus such as the renovation of various facilities and the construction of a new student center, student townhouses, library addition and a parking lot.) and (2) fund any necessary reserves. Additionally, the proceeds of the Bonds will pay all or a portion of the costs of issuance, including the costs of providing credit enhancement for the Bonds. He said that the county is not liable for any debt associated with the project.*

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

V. Adjournment

Summary: *The meeting adjourned at 5:10 PM*