

Allegheny County Council

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Meeting Minutes

Thursday, December 5, 2019

4:30 PM

Conference Room 1

Committee on Economic Development & Housing

Dewitt Walton, Chair; Tom Baker, Patrick Catena, Sam DeMarco, Nick Futules, Bob Macey and John Palmiere, Members

I. Call to Order

The meeting was called to order at 4:30.

Invited Guests:

William D. McKain, CPA, Allegheny County Manager or designee(s)
Lance Chimka, Director, Allegheny County Department of Economic Development

Mr. McKain was present from the Office of the County Manager.

Mr. Barker was present from the Office of County Council.

II. Roll Call

Members Present: 2 - Bob Macey and DeWitt Walton

Members Absent: 3 - Tom Baker, Sam DeMarco and John Palmiere

Members Phone: 2 - Patrick Catena and Nick Futules

Members 1 - Sue Means

Non-Members:

III. Approval of Minutes

IV. Agenda Items

Resolutions

[11309-19](#)

A Resolution approving a project for the benefit of Carnegie Mellon University (the "**Borrower**") to be financed by the Allegheny County Higher Education Building Authority (the "**Authority**") by the issuance of the Authority's tax-exempt revenue bonds, in one or more series, to be designated "Allegheny County Higher Education Building Authority, Carnegie Mellon University Revenue Bonds, Series A of 2020" (or such other designation as may be determined by the Authority and the University), in an aggregate principal amount not to exceed \$55,000,000 (the "**Bonds**"), provided that the taxing power of the County of Allegheny, Pennsylvania (the "**County**") shall not be obligated in any way with respect to the Bonds, and declaring the financing of such project as desirable for the health, safety, and welfare of the people in the County.

Sponsors: Chief Executive

At the request of the Chair, the clerk read the title of the bill and Mr. McKain summarized its provisions, describing the function of the Higher Education Building Authority, and noted that the County is happy to support the project on behalf of Carnegie Mellon University. Mr. McKain described the student housing to be constructed, noting it would be approximately 99,000 square feet with about 465 beds. Mr. McKain noted that the closing fee for the bond issuance would be \$31,000, with annual maintenance fees of

approximately \$13,750 and some additional one time fees.

A motion was made by Macey, seconded by Futules, that this matter be Affirmatively Recommended. The motion carried by a unanimous vote.

[11327-19](#)

A Resolution providing for a program of temporary exemption from County real property taxes for improvements, including repairs, construction, or reconstruction, made on industrial, commercial or business property in a deteriorated area in the City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania, pursuant to the Local Economic Revitalization Tax Assistance Act, Pa. Stat. Ann. tit. 72 §4722 et seq.

Sponsors: Chief Executive

At the request of the Chair, the clerk read the title of the bill and Mr. McKain summarized its provisions, noting that the proposed development would consist of affordable housing, retail space, and a parking garage, and that both the City of Pittsburgh and Pittsburgh Public Schools have already approved the project.

In response to a question from Mr. Macey, Mr. McKain noted that the exemption schedule is tied to the provision of affordable housing, and Mr. Walton noted that the property involved in the proposed development meets the criteria specified in the LERTA statute.

The Chair noted that the Council had requested a review of all LERTA and TIF districts earlier in the year.

Mr. Macey and Mr. McKain discussed the methodology by which projects are selected, and noted that deteriorated areas exist in other areas of the County.

In response to a question from Mr. Catena, the Chair noted that Oxford Development is the developer for this project, and that they are involved in other developments to which LERTAs apply currently.

Ms. Means noted that the parcels involved are in brownfield condition, and in response to a question, representatives from Oxford Development indicated that the site requires environmental remediation and is located in a flood plain, and that those factors imposed additional costs on the project of about \$800,000 to \$1 million for the environmental remediation, and another \$250,000 to \$300,000 for managing potential flooding issues.

In response to a question from Ms. Means, Mr. McKain and representatives from Oxford Development noted that standards have been set for occupancy by individuals/families meeting the criteria specified in the resolution, and that marketing and other strategies have been established in order to make the appropriate individuals aware of vacancies. The Chair suggested that while the standards are based on Average Monthly Income, his belief is that it should not be terribly difficult to find occupants who meet them, particularly given that the prevailing market rate for other housing in the same general area can be fairly expensive.

A motion was made by Macey, seconded by Futules, that this matter be Affirmatively Recommended. The motion carried by a unanimous vote.

V. Adjournment

The meeting was adjourned at 4:47.

