

Allegheny County Council

*County of Allegheny
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Committee Meeting Minutes

Thursday, June 28, 2007

4:00 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 4:00 PM*

Invited Guests:

Jim Flynn, County Manager or Designee

Dennis Davin, Director, Economic Development or Designee

Frank Aggazio, Executive Director, Housing Authority

Summary: *Invited Guests in attendance: Mr. Flynn, Mr. Aggazio, and Darnel Moses for Mr. Davin.*

Recognized attendees: Maurice Strul and Michael Pehur, Economic Development; Steve Schillo and Dave Grousoski, Duquesne University; Chris Rayl, Cohen & Grisby; Linda Hackett, Houston Harbaugh, and Jim Konieczny, UPMC.

Council staff in attendance: John Mascio and Jennifer Liptak

II. Roll Call

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

III. Agenda Items

Resolutions

3273-07 Resolution approving a project and declaring the financing of such project by the Allegheny County Higher Education Building Authority on behalf of Duquesne University of the Holy Spirit as desirable for the health, safety and welfare of the people in the county.

Sponsors: Chief Executive

Summary: *The Chair briefly described the purpose of the bill. She said that , on behalf of Duquesne University, the Allegheny County Higher Education Building Authority intends to issue \$48,000,000 of tax-exempt bonds and that The bonds will be used to finance the costs of certain capital expenditures at the college.*
She also said that these bonds are the limited obligations of the Authority and that there would be no cost to the County

Darnell Moses, representing the Redevelopment Authority of Allegheny County, provided the committee with a detailed summary of the bill.
He also said that , on behalf of Duquesne University, the Allegheny County Higher Education Building Authority intends to issue \$48,000,000 of tax-exempt bonds, in order to finance the costs of certain capital expenditures at the college.

He said that the proceeds of the bonds will be used to fund capital expenditures including the expansion of the Energy Center, construction of Rooney Field grandstands, renovations to the second floor of Duquesne Union, renovations to St.

Martin Hall, and improvements to other facilities within the campus of Duquesne University; and for the refinancing of all or a portion of the Authority's outstanding University Revenue Bonds. He also said that they would fund any necessary reserves; and provide credit support and/or liquidity support, if necessary.

He reiterated that, as is typical with these transactions issued through the Higher Education Building Authority, the Bonds are limited obligations of the Authority, payable solely from the project or from Duquesne University.

Mr. Schillo also provided the committee with a summary of the bill.

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

3274-07

Resolution adopting the Northfield Site Phase I Tax Increment Financing Plan presented by the Redevelopment Authority of Allegheny County, creating the Northfield Site Phase I Tax Increment Financing District and authorizing related agreements.

Sponsors: Chief Executive

Summary: *The Chair indicated that at the June 27, 2007 Economic Development and Housing Committee meeting, the Department Economic Development provided a presentation regarding the bill and that they are here again to answer any additional questions the committee may have.*

Mr. Strul and Mr. Pehur provided the committee with a visual presentation of the Northfield Site Phase I TIF Project. They said that the Allegheny County Airport Authority Northfield Site is located immediately adjacent to the Pittsburgh International Airport and the newly constructed International Drive Cargo Interchange in Findlay Township.

They also said that the proposed development within the TIF District will facilitate the development of approximately 900,000 square feet of warehouse/distribution and air cargo space on eight sites and will make immediate use of the International Drive cargo interchange of PA Business Route 60 opened in 2003. Also, public infrastructure improvements to be constructed by the Authority include site preparation, the extension of utilities and an access road from the cargo interchange located on Business Route 60. TIF proceeds will finance a portion of a new access road to intersect with Halverson Drive, along with portions of administrative, engineering, construction and financing costs, including interest expense. In addition, public sewer and other utilities will be extended to the development site.

Ms. Cleary asked if there was community support for this project. Mr. Pehur said that the community was in favor of the project.

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

3277-07

A Resolution of the Council of the County of Allegheny adopting and authorizing financing of a project by the Allegheny County Hospital Development Authority on behalf of UPMC as desirable for the health, safety, and welfare of the people in Allegheny County.

Sponsors: Chief Executive

Summary:

The Chair provided a brief summary of the bill. She said that on behalf of UPMC, the Allegheny County Hospital Development Authority intends to issue \$165,000,000 of tax-exempt bonds. She said that the bonds will be used to refund all of the Authority's outstanding Hospital Revenue Drawdown Note, and to pay all or a portion of the financing costs.

Darnell Moses, representing the Redevelopment Authority of Allegheny County, provided the committee with detailed information on the bill. He said that, on behalf of UPMC, the Allegheny County Hospital Development Authority intends to issue \$165,000,000 of tax-exempt bonds, in order to finance the costs of refunding all of the Authority's outstanding Hospital Revenue Drawdown Note, and payment of all or a portion of the financing costs.

He also said that the Municipality Authorities Act requires that hospital facilities and projects be financed with loans to nonprofit hospital corporations serving the public may be financed by an authority created under the Act, if the municipality organizing such authority declares by resolution or ordinance that such financing is desirable for the health, safety and welfare of the people to be served by the expenditure. This resolution accomplishes the required declaration.

Linda Hackett and Jim Konieczny also provided the committee with information on the bill.

Action:

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

Motions

Discussion Topic:

The Allegheny County Housing Authority

Summary:

Mr. Aggazio provided the committee with a presentation on the various programs, operations and organizational structure of the Housing Authority.

Ms. Cleary asked him how they determine rental fees. Mr. Aggazio said that it is based on income.

Mr. Burn asked him to discuss the public safety services provided by the authority, specifically, crime and drug prevention. Mr. Aggazio provided a description of the Public Safety Division of the Housing Department. Mr. Burn said that he will bring the Housing Authority back before his committee - Public Safety - for further discussion on the authority's Public Safety Division.

Mr. Fitzgerald asked Mr. Aggazio to provide a brief overview of the Section 8 Program. Mr. Aggazio provided the committee with a summary of the program and how individuals can qualify for the program. He further discussed the process for investigations of complaints received regarding Section 8 housing or tenants. He reminded the committee that the Federal Government has jurisdiction over the program where Section 8 housing is located.

The Chair said that she will invite the Housing Authority back to answer more questions at another meeting.

IV. Adjournment

Summary: *The meeting adjourned at 4:55 PM*