

Allegheny County Council

*County of Allegheny
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Committee Meeting Minutes

Tuesday, December 8, 2009

5:00 PM

Conference Room 1

Committee on Economic Development & Housing

Mike Finnerty, Chair; Jim Burn, Joan Cleary, John DeFazio, Matt Drozd, Nick Futules, Amanda Green, Bob Macey, and Jan Rea - Members

I. Call to Order

Summary: *The meeting was called to order at 5:05.*

Invited Guests:

Jim Flynn, County Manager or Designee

Dennis Davin, Director, Economic Development or Designee

Summary: *Invited Guests Present:*

Dennis Davin, Director of the Economic Development

Council Staff Present:

Jared Barker, Jennifer Liptak

II. Roll Call

Roll Call: Present: John DeFazio, Matt Drozd, Nick Futules, Amanda Green Hawkins, Bob Macey, and Michael Finnerty
Absent: Jim Burn, Joan Cleary, and Jan Rea
Non-Member: Rich Fitzgerald, and Chuck Martoni

III. Approval of Minutes

5280-09 Motion to approve the minutes of the October 27, 2009 Economic Development & Housing Committee Meeting.

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

IV. Agenda Items

Resolutions

5240-09 A Resolution approving a Project for the benefit of UPMC, doing business as the University of Pittsburgh Medical Center (“UPMC”), to be financed by the Allegheny County Hospital Development Authority by the issuance of the Authority's tax-exempt refunding bonds, to be issued in one or more series, in a principal amount not to exceed \$1,175,000,000, provided that the taxing power of the County of Allegheny, Pennsylvania, shall not be obligated in any way with respect to the Bonds (hereinafter defined), and determining that the purpose of the financing will be to benefit the health and welfare of the citizens of Allegheny County, Pennsylvania.

Sponsors: Chief Executive

Summary: *The chair read the title and called Director Davin and Darnell Moses to the table. Tal Heppenstal (UPMC Treasurer), Sara Davis Buss (Bond Counsel), Linda Hackett (Solicitor for Finance & Development Commission) were also present.*

Director Davin described the bond issuance process and purpose of this issue, and Mr. Moses provided additional detail.

Mr. Macey expressed support for the bond issuance.

In response to a question from Mr. Futules, Director Davin described the fee revenue realized by the County through the bonds to be refinanced, and the fee revenue that would be realized through the refinance. Mr. Moses described the up front fees that would be involved.

In response to a question from Ms. Green, the Chair discussed the potential budgetary impact of foregoing the fees from the refinance.

In response to a question from Mr. Drozd, the Chair and Director Davin addressed the issue of potential County liability in the event of a default on the bond issuance.

President Fitzgerald discussed Council's history with regard to bond issuances.

In response to a question from Mr. DeFazio, Director Davin described the mechanics of the transaction.

Dr. Martoni gave his views on the relationship between UPMC and the County.

The Chair called Bob Kennedy (UPMC VP of Government Relations) to the table, and a discussion of the closing of UPMC Braddock ensued. Mr. Kennedy indicated that UPMC plans to maintain the UPMC Braddock building as long as the process of determining future use and UPMC community efforts is still ongoing. The Chair, Mr. DeFazio, Dr. Martoni and Mr. Kennedy discussed the possibility of keeping the facility open beyond January 31.

In response to a question from Ms. Green, Mr. Kennedy discussed regulatory agencies that have been notified of the closing date.

The Chair requested that Mr. Kennedy provide information on the Braddock payroll tax for the UPMC facility, the timeframe for which UPMC envisions maintaining the facility, the potential for extending the closing date by 6 months, the extent to which equipment would be removed from the hospital, the regulatory agencies that require notice of the closing, and potential community assistance that could be provided by UPMC.

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

Enactment No: 44-09-RE

5272-09

A Resolution of the County of Allegheny authorizing the distribution of certain assets of the Allegheny County Economic Development, Community Infrastructure and Tourism Board to the Redevelopment Authority of Allegheny County, as agent for the County of Allegheny; ratifying and adopting all actions of the Allegheny County Economic Development, Community Infrastructure and Tourism Board as actions of Allegheny County; appointing the Redevelopment Authority of Allegheny County as agent for Allegheny County for the purpose of administering the FY 2007-08 funds provided for use in the County under the Pennsylvania Race Horse Development and Gaming Act and previously accepted by the County; and approving an Agency Agreement with the Redevelopment Authority of Allegheny County regarding the FY 2007-08 funds.

Sponsors: Rich Fitzgerald, John DeFazio, Michael Finnerty, William Russell Robinson and Bob Macey

Summary:

The Chair read the title and deferred to the primary sponsor, who described the intent behind and effect of the bill.

Action:

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

Enactment No: 46-09-RE

V. Adjournment

Summary: *The meeting adjourned at 5:56.*