

DRAFT
TAX INCREMENT FINANCING (TIF)
PLAN AND PROPOSAL AMENDMENT
FOR
RIVERPLACE – CITY CENTER
OF DUQUESNE

APRIL 2014

Prepared by:

Redevelopment Authority of the City of Duquesne

For

City of Duquesne
Duquesne School District
County of Allegheny

Exhibit C

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INTRODUCTION

The TIF Project and Proposal Plan Amendment is prepared in accordance with the Tax Increment Financing Act 113 of 1990 for consideration and approval by the three local taxing bodies. The three (3) taxing bodies are the City of Duquesne, Duquesne School District and Allegheny County.

In September 1999, the Redevelopment Authority of the City of Duquesne prepared the Tax Increment Financing (TIF) Plan and Proposal for Riverplace – City Center of Duquesne and presented it to the City of Duquesne, the Duquesne City School District and the County of Allegheny. Subsequently the three (3) taxing bodies approved the plan and proposal and the TIF District was created.

The objective of the TIF project is to revitalize and develop the former USX property located along the Monongahela River. The project district was designated as blighted by the Duquesne Planning Commission in accordance with the Urban Redevelopment Law of 1985, as amended. Revitalization is to be accomplished by utilizing a portion of this increased tax yield after new private investment for a defined period to offset public costs required for site preparation and improvements.

Utilizing the TIF resources, TIF Project #1 was undertaken assisting Thermal Transfer Corporation to locate at Riverplace – The City Center of Duquesne. Thermal Transfer Corporation later expanded its operations resulting in increased revenues for the taxing bodies and a significant number of jobs.

Other developments have taken place in the TIF District, without TIF resource support. Among these developments are American Textile Company, Dura-Bond Industries, Inc., the Greater Pittsburgh Community Food Bank, the Commonwealth of Pennsylvania and the Regional Industrial Development Corporation. The Flyover Ramp opened in 2009 providing additional Riverplace land for redevelopment. Property owned by the Redevelopment Authority of the City of Duquesne adjacent to Riverplace and State Route 837 is being offered for commercial redevelopment. Thus, it is appropriate to amend the project plan, proposal and the TIF District boundaries.

In accordance with Act 113 the City of Duquesne, “shall hold at least one public hearing at which interested parties are afforded a reasonable opportunity to express their views on the concept of tax increment financing, on the proposed creation of a tax increment district and its proposed boundaries, on the proposed adoption of a project plan for the district and the benefits to the municipality.”

The TIF Plan and Proposal Amendment will be formally presented to the City, School District and County for approval following a properly advertised public hearing. The Redevelopment Authority of the City of Duquesne will administer the project on behalf of the approving taxing bodies.

PROJECT BOUNDARY – TAX INCREMENT DISTRICT

The Riverplace – City Center of Duquesne TIF area is amended as set forth below and is located wholly within the City of Duquesne and is further defined on the TIF District Boundary Map included as Exhibit “A”.

APPROVAL PROCESS FOR TAX INCREMENT DISTRICT

The provisions of the Tax Increment Financing Act, Act 113 of 1990, specify that an amendment to a tax increment district and project plan shall be approved in the following manner:

1. The Redevelopment Authority of the City of Duquesne shall submit an amended Project Plan to the governing bodies; City of Duquesne (City), County of Allegheny (County) and Duquesne School District (School District) which levy taxes within the tax increment district.
2. The Redevelopment Authority recommends the amended boundaries of the TIF District with an amended TIF Plan and Proposal for consideration by the participating taxing bodies.
3. The City shall hold at least one public hearing at which interested parties are afforded a reasonable opportunity to express their views on the concept of tax increment financing, on the proposed amendment of a Project Plan for the tax increment district, and the benefits to the taxing bodies.

Notice of the hearing shall be published in accordance with the terms of July 3, (P.L. 388, No. 84), known as the Sunshine Act, and said notice shall be provided by first class mail, postage prepaid, to the City, County and School District. This notice shall be provided not less than 30 days before date of the hearing. The School District and County shall notify the City of its acceptance of the amended TIF District and the amended TIF Plan and Proposal prior to the public hearing.

4. In order to amend the TIF and an amended TIF Plan and Proposal, the City shall enact, not earlier than three weeks after the public hearing described in 3 above, an ordinance amending the TIF District and approving the amended TIF Plan and Proposal pursuant to Section 6 of Act 113.
5. The amount of estimated new tax yield is determined from the Developer Package and said new tax yield shall control the amount of financing identified for necessary supporting improvements.
6. Any Tax Increment Financing of seven (7) years or less will not require the approval of the governing bodies. The use of such a TIF of seven (7) years or less will be reviewed by the TIF Committee for consistency with the plan and referred to the Redevelopment Authority for approval. Any TIF in excess of seven (7) years will require the approval of the governing bodies.

7. After approval of the Amended TIF Plan and Proposal by all parties; the City, School District, and County the Redevelopment Authority shall execute an Amendment to the existing Intergovernmental Cooperation Agreement. The Agreement will specify that the Amended TIF Plan will be in place for fifteen (15) years from the date of the Amended Project and Plan approved and the TIF Committee, comprised of two (2) representatives from each of the governing bodies and the Redevelopment Authority of the City of Duquesne, will remain in place during that time.

AMENDED TIF PLAN

1. Statement Listing the Kind, Number and Location of all Proposed Public Improvements Within the District:

Exhibit "B" attached hereto describes certain public improvements and private investment to be undertaken as part of the Amended Project Plan.

2. Economic Feasibility Study of the Project and the Fiscal Effects on the Municipal Tax Base
3. Detailed List of Estimated Project Costs

The estimated project costs for the RIDC Flex Building are set forth in Exhibit "B" attached hereto.

The cost per development package shall be controlled by the projected increased tax increment. Each development package shall be independent and free-standing in regard to incurring of debt and debt service.

The Authority may include up to 10% of the project cost for planning, legal, engineering and administration.

4. Description of the Methods of Financing All Estimated Project Costs and the Time When Related Costs on Monetary Obligations are to be Incurred

Each development package will be independently financed through a negotiated line of credit or loan based on the estimated increased tax yield. As a number of development packages are financed, the Authority may consider a long term bond.

Administrative costs may be paid on a "pay as you go" basis. To the extent feasible, the developer will guarantee the line-of-credit or loan during construction and that portion of the debt service will not be available for repayment from the tax increment.

Existing cash balances in the RACD Tax Increment Fund will be advanced on behalf of the Developer in the amount of \$300,000 that will be applied to certain public infrastructure improvements. 70 percent of the anticipated incremental property tax yield on the RIDC Flex Building will be collected by the taxing bodies and placed in the RACD Tax Increment Financing account to enable the fund to be available for future projects in the TIF District. 30% of the anticipated incremental property tax yield will go directly to the three taxing bodies.

After the public improvement loan related to a Development Package is repaid (7 years or less) 100% of the total new tax increment will be paid to the respective taxing bodies.

5. Map Showing Existing Uses and Conditions of Real Property in the Tax Increment District

A map of the Amended TIF District showing buildings to remain and main roadways is attached as Exhibit A.

6. Map Showing Proposed Improvements and Uses in the Tax Increment District

7. Proposed Changes of Any Zoning Ordinance, Master Plan, Map, Building Code or Ordinance

The City of Duquesne has adopted a Zoning Ordinance and other building related codes to control the development of the TIF District. The District is zoned for multiple uses with emphasis on environmentally acceptable standards for industrial type uses.

8. List of Estimated Non-Project Costs

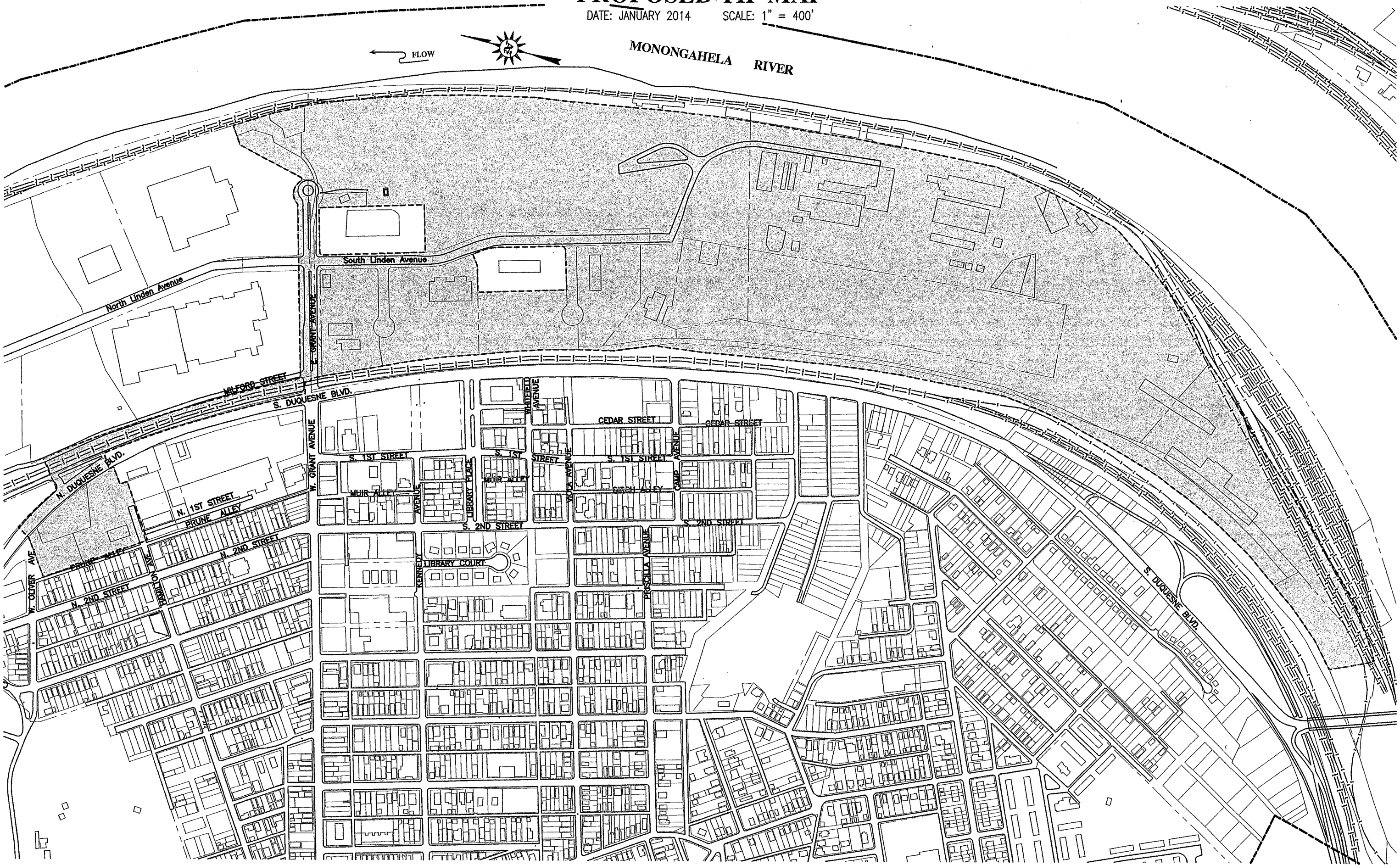
There are no non-project costs anticipated.

9. Statement of a Proposed Method for the Relocation of Families, Persons and Business

There will be no displacement of on-site families, persons or businesses.

PROPOSED TIF MAP

DATE: JANUARY 2014 SCALE: 1" = 400'



EXISTING TIF MAP

DATE: JANUARY 2014

SCALE: 1" = 300'

