

Bill No. 1451-04

No. 06-04-RE

A RESOLUTION

A Resolution of the County of Allegheny, Commonwealth of Pennsylvania adopting and authorizing participation in a tax increment financing plan presented by the Urban Redevelopment Authority of Pittsburgh, and authorizing related agreements.

Whereas, Pennsylvania's Tax Increment Financing Act, 53 P.S. § 6930 *et seq.* (the "Act"), provides local taxing bodies with the legal authority to cooperate in providing financing for development of blighted areas within their respective jurisdictions in order to increase the tax base and improve the general economy; and

Whereas, under the Act, the Urban Redevelopment Authority of Pittsburgh (the "Authority") is legally empowered to prepare a Tax Increment Financing ("TIF") proposal to provide financing for the elimination and prevention of the development or spread of blight within specified tax increment districts located in the City of Pittsburgh (the "City"); and

Whereas, the County of Allegheny (the "County") by Resolution No. 20-03-RE, Bill No. 1107-03, and the City and the School District of Pittsburgh (the "School District") by their separate resolutions each have endorsed the concept of, and agreed to participate in, a TIF plan for financing a portion of the costs of site work, public infrastructure improvements and related costs (the "TIF Project") in connection with a commercial and residential development which is expected to include the expansion of an existing supermarket to approximately 70,000 square feet, the construction of a residential tower containing approximately 78 apartment units, and the expansion and construction of related parking facilities to be located within a portion of the Baum Boulevard / Centre Avenue Redevelopment Area known as the Centre & Negley Tax Increment Financing District (the "TIF District"), requesting the Authority to prepare a detailed TIF Proposal and designating the County's representative to work with the Authority, the County, the City and the School District toward development and implementation of a TIF plan with respect to the TIF District; and

Whereas, the Authority, working with the designated representatives of the City, the County and the School District, has adopted and recommended a Tax Increment Financing Plan (the "Project Plan") in accordance with the requirements of the Act, which Project Plan, as prepared by the Authority, provides for the financing of a portion of the costs of the TIF Project in connection with a commercial and residential development to be located in a portion the TIF District;

Whereas, the Act provides for the cooperation of the local taxing bodies in the financing of projects within TIF districts and for the issuance of debt to pay for certain of the costs of implementing such plans; and

Whereas, the County is expected to benefit from the use of tax increments to pay certain project costs within the TIF District by stimulation of private investment, increases in property values, creation of employment opportunities and improvement of surrounding properties.

The Council of the County of Allegheny hereby resolves as follows:

SECTION 1. Adoption of Project Plan.

The Project Plan prepared by the Urban Redevelopment Authority of Pittsburgh, attached hereto as Exhibit A and incorporated herein, providing for financing a portion of the costs of the TIF Project within the TIF District is hereby adopted and the County, in accordance with the Act, hereby agrees to participate in the TIF District to the extent provided for in the Project Plan.

SECTION 2. Pledge of Revenues.

A portion of the tax revenues due, owing to, or received by the County from the TIF District to the extent described in the Project Plan are hereby pledged, and a security interest therein is hereby granted, to secure the repayment of any debt incurred by the Authority for the purpose of financing the TIF Project.

SECTION 3. Delivery of Resolution.

The County Manager is directed to deliver a copy of this resolution to the Mayor of the City of Pittsburgh, as provided in the Act.

SECTION 4. Additional Authority.

The appropriate public officials of the County are hereby directed to take such additional actions in cooperation with the Authority, the City and the School District in furtherance of the implementation of the Project Plan, including without limitation the execution and delivery of a Cooperation Agreement by and among the Authority, the County, the City and the School District subject to the County Manager and County Solicitor approving the form and content of the TIF Cooperation Agreement and Project Plan.

SECTION 5. Severability. If any provision of this Resolution shall be determined to be unlawful, invalid, void or unenforceable, then that provision shall be considered severable from the remaining provisions of this Resolution which shall be in full force and effect.

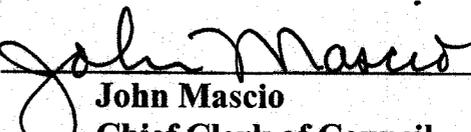
SECTION 6. Repealer. Any Resolution or Ordinance or part thereof conflicting with the provisions of this Resolution is hereby repealed so far as the same affects this Resolution.

Enacted in Council, this 6th day of APRIL, 2004.

Council Agenda No. 1451-04.



Rich Fitzgerald
President of Council

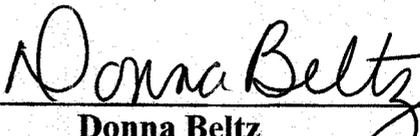
Attest: 

John Mascio
Chief Clerk of Council

Chief Executive Office April _____ 15, 2004.

Approved: 

Dan Onorato
Chief Executive

Attest: 

Donna Beltz
Executive Secretary

Summary – Giant Eagle at Centre and Negley, Shadyside

- ECHO Development
- Expansion of 20,000 sq.ft. Giant Eagle to 70,000 sq.ft. store with 78 rental apartments on top
- 56 Surface Parking spaces expanded to 144; 56 garage space expanded to 248 spaces
- County participation rate of 50%, same as City and School
- TIF District Term – 20 years
- The total tax revenue is projected to be \$530,000 when the project is complete.
- Total increment to 3TB will be \$349,640; County increment will be \$56,938.
- Estimated Bond Issue is projected to be \$1.825 million to fund the following (minus fees):
 - **Infrastructure - \$ 410,840.00**
 - **Site Work - \$1,188,160.00**
 - **Total - \$1,599,000.00**
- Total Development Costs - \$40 million
- An inducement resolution was approved on May 6, 2003 by County Council

**CENTRE & NEGLEY TIF DISTRICT
TAX INCREMENT BASE**

<u>Lot & Block</u>	<u>Fair Market Value as of January 2004</u>	<u>Base Taxes as of January 2004 *</u>
51-M-130	\$ 3,141,300	\$ 90,469
51-M-134	\$ 173,700	\$ 5,003
51-M-136	\$ 225,300	\$ 6,489
51-M-171	\$ 93,300	\$ 2,687
51-M-172	\$ 60,600	\$ 1,745
51-M-172A	\$ 260,000	\$ 7,488
51-M-173	\$ 89,800	\$ 2,586
51-M-174A	\$ 61,300	\$ 1,765
51-M-174B	\$ 35,000	\$ 1,008
51-M-174C	\$ 45,000	\$ 1,296
51-M-175	\$ 93,500	\$ 2,693
51-M-175A	\$ 31,800	\$ 916
51-M-175B	\$ 59,400	\$ 1,711
51-M-175C	\$ 58,800	\$ 1,693
51-M-176	\$ 61,700	\$ 1,777
51-M-176A	\$ 58,200	\$ 1,676
51-M-176B	\$ 58,000	\$ 1,670
51-M-176C	\$ 49,400	\$ 1,423
51-M-178	\$ 102,800	\$ 2,961
51-M-180	\$ 111,300	\$ 3,205
51-M-181	\$ 82,500	\$ 2,376
51-M-182	\$ 91,500	\$ 2,635
51-M-183	\$ 82,000	\$ 2,362
51-M-259	\$ 48,800	\$ 1,405
51-M-259A	\$ 87,000	\$ 2,506
51-M-262	\$ 990,000	\$ 28,512
51-M-303	\$ 10,500	\$ 302
	<u>\$ 6,262,500</u>	<u>\$ 180,360</u>

* The tax base will be calculated using the actual fair market values as of the date the TIF Plan is adopted.



Urban Design Ventures

Community Planning Consultants

Urban Design Ventures, LLC, 6608 Howe Street, Pittsburgh, PA, 15212

Map Legend

-  Residential Use
-  Commercial Use
-  Mixed Res. / Commercial
-  Vacant Land / Building
-  Public Use
-  Semi-Public Use
-  Educational Use
-  Redevelopment Area Boundary
-  Light Industrial Use
-  Park / Open Space
-  Parking Lot / Garage

**Baum Boulevard - Centre Avenue
Proposed Redevelopment Area
Existing Land Use Map**

Prepared For: Urban Redevelopment Authority of Pittsburgh
200 Ross Street, Pittsburgh, Pennsylvania 15219



URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH

CENTRE & NEGLEY TIF DISTRICT

TAX INCREMENT FINANCING PLAN

Outline

1. TIF District (See Map).

2. Proposed Improvements at Giant Eagle – Centre & Negley.
 - a. Grocery Store Expansion
 - b. Apartment Building Construction
 - c. Parking Garage Expansion
 - d. Public Infrastructure Improvements / Site work
 - e. Property acquisition

3. Proposed Improvements to be financed with TIF proceeds.
 - a. Site Work
 - b. Public infrastructure improvements

4. Estimated Cost of Proposed Improvements.

a. Grocery store expansion & acquisition	\$17 million
b. Parking garage expansion	\$6 million
c. Public infrastructure / site work	\$3 million
d. Apartment buildings	\$9.5 million
e. Soft costs	\$4.5 million

GRAND TOTAL

\$40 million

- | | | |
|----|--|----------------|
| 5. | a. Current Fair Market Value of taxable real property in the Centre & Negley TIF District. | \$6,262,500 |
| | b. Projected Fair Market Value following Improvements in the Centre & Negley TIF District. | \$18,778,350 * |

* Minimum

6. Proposed term of TIF District – 20 years

7. Proposed Distribution of Tax Increment.

- 50% pledged to repay TIF Notes/Bonds.
- 50% to go to the three taxing bodies.

8. Calculation of estimated Tax Increment pledged for Notes/Bonds based on current millage.

a. Estimated total tax revenue after completion of improvements

City -	\$198,750
County -	\$86,309
School District -	<u>\$244,941</u>

TOTAL	\$530,000
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b. Estimated tax increment pledged

Total tax revenue -	\$530,000
Minus tax base -	<u>\$180,360</u>
Tax Increment -	\$349,640

Minus 50% of increment	<u>\$174,820</u>
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Tax Increment to be pledged -	\$174,820
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9. Estimated real estate taxes generated from project based on current millage.

	<u>Current</u>	<u>Increment</u>	<u>Total</u>
City	\$67,635	\$131,115	\$198,750
County	\$29,371	\$56,938	\$86,309
School District	\$83,354	\$161,587	\$244,941
TOTAL	\$180,360	\$349,640	\$530,000

	<u>To TIF Debt</u>	<u>To Taxing Body</u>	<u>Total</u>
City	\$65,557	\$65,557	\$131,115
County	\$28,469	\$28,469	\$56,938
School District	\$80,793	\$80,793	\$161,587
TOTAL	\$174,820	\$174,820	\$349,640

10. Estimated Note/Bond Amount	--	\$1.825 million
11. Estimated Funds Available for Project	--	\$1.599 million
12. Estimated Taxable Interest Rate	--	7%
13. Estimated TIF District Creation Date	--	March 30, 2004
14. Estimated Note/Bond Issue Date	--	May 2004
15. Revenue for Note/Bond Payment		\$174,820

16. Capitalized Interest		Approx. \$151,114
17. Estimated Project Start	--	January 2004
18. Estimated Start of TIF Expenditures		
a. Site Work	--	February 2004
b. Public Infrastructure Improvements	--	April 2004
19. Job Creation		
a. Retained	--	140
b. Created	--	110

Devhome\giant eagle\centre & negley\tif summary - \$1.8m

URBAN REDEVELOPMENT AUTHORITY OF PITTSBURGH

CENTRE & NEGLEY TAX INCREMENT FINANCING PLAN

January 2004

I. INTRODUCTION

A. Background on ECHO Real Estate Services Company's proposal for Giant Eagle store and Residential Apartment Building at Centre Avenue and Negley Avenue

ECHO Real Estate Services Company (or an affiliate) (the Developer), will develop an expanded Giant Eagle store as well as the new construction of apartment units. In addition, parking will be increased to serve the newly expanded store and the residential portion of the development. TIF financing is needed to fill a financing gap in this project. If there is no TIF financing, the apartment units will not be built.

Located in Shadyside, on Centre Avenue near the intersection with South Negley Avenue, this Giant Eagle supermarket was formerly operated as a Food Gallery. Giant Eagle acquired the Food Gallery lease for this location in November 1999, at which time the store was converted to a Giant Eagle.

The store is located on an approximately 1.28 acre site, which contains 56 surface parking spaces and 58 garage parking spaces, for a total of 114 parking spaces. The store operates in approximately 18,000 square feet of sales area, with an additional 6,000 square feet of vestibule, storage and prep areas on the first floor. Total first floor area is approximately 24,000 square feet. The proposed project calls for expanding the store to approximately 70,000 square feet. Above the expanded portion of the new store, a residential tower will be constructed that will contain approximately 78 one and two bedroom apartment units. Surface parking will be expanded from the existing 56 surface parking spaces to a total of 144 parking spaces (72 spaces to service the expanded store and 72 spaces to service the residential units). The garage parking under the existing store will be expanded from 56 spaces to approximately 248 spaces.

B. Centre / Negley Tax Increment Financing Project

Upon designation of the Centre / Negley Tax Increment Financing (TIF) district encompassing portions of the Baum Boulevard / Centre

Avenue Redevelopment Area (see map on page 13), the URA will issue Bond(s)/Note(s) generating proceeds totaling approximately \$1.825 million of which approximately \$1.599 million will be available for direct Project costs to fill the financing gap in this project. These net proceeds will be applied to construction costs for site work and public infrastructure improvements.

The Bond(s)/Note(s) will be repaid by up to 50% of the real estate tax increments realized by the School District of Pittsburgh, the City of Pittsburgh and Allegheny County. As described above, the project will involve an expansion of the existing Giant Eagle store from approximately 24,000 square feet to approximately 70,000 square feet. In addition, in the air rights above the expanded portion of the Giant Eagle, a residential tower will be constructed that will contain approximately 78 apartment units. Further, garage parking underneath the expanded portion of the store will be expanded from one level of parking to two levels of parking containing approximately 248 parking spaces.

C. Baum Boulevard / Centre Avenue Redevelopment Area

The Giant Eagle store located at Centre Avenue and Negley Avenue is located in the Baum Boulevard / Centre Avenue Redevelopment Area (map on page 13). The Baum Boulevard / Centre Avenue Redevelopment Area was certified as blighted in January 2003 as a result of findings in the Baum Boulevard / Centre Avenue Study Area Basic Conditions Report dated December 2002.

II. PROPOSED IMPROVEMENTS FINANCED WITH TIF PROCEEDS

The projected net proceeds of the TIF Bonds/ Notes, approximately \$1.599 million, will be used to finance the cost of completing extensive site work and to pay for certain public infrastructure costs (see site plan on page 9B). TIF proceeds will pay approximately \$1.188 million of the cost of the site work with the balance of the construction costs (approximately \$1.4 million) to be covered by Echo Real Estate. Site work will include site demolition, site utilities, grading and paving, fencing and railings, retaining walls, sidewalks and exterior stairs, bus shelter, site furnishings, landscaping and site lighting. There will be approximately \$410,840 in public infrastructure costs, which will be financed with the proceeds of the TIF Bonds/Notes. The public infrastructure and site work to be paid using TIF proceeds costs include:

Public Infrastructure to be financed with TIF Proceeds		\$410,840
A. Public access steps, sidewalks	\$187,840	
B. Traffic signal	\$180,000	
C. Cul de sac paving	\$ 10,000	
D. Bus shelter	\$ 23,000	
E. Walkway lighting	\$ 10,000	
Site Work to be Financed with TIF Proceeds		<u>\$1,188,160</u>
Total Projected Net TIF Proceeds		\$1,599,000

III. IMPACT ANALYSIS

The impact analysis of the expanded Giant Eagle development is detailed on page 11.

IV. ECONOMIC FEASIBILITY ANALYSIS

A. DEVELOPMENT COSTS		
1. Public Infrastructure/Site Work*	\$ 3,000,000	
2. Grocery Store Acquisition & Expansion	\$17,000,000	
3. Apartment Building	\$ 9,500,000	
4. Parking Garage Expansion	\$ 6,000,000	
5. Soft Costs	<u>\$ 4,500,000</u>	
Total Development Costs		\$40,000,000

* Includes \$410,840 for public infrastructure.

SOURCE OF FUNDS

1. Developer Financing/Equity	\$38,401,000
2. Tax Increment Financing	<u>\$ 1,487,000</u>
Total Sources	\$40,000,000

B. Tax Increment Financing

1. Bond/Note Amount(s)

The Tax Increment Finance (TIF) Bond(s) and/or Note(s) to be issued to fund a portion of the costs of the Centre Avenue / Negley Avenue TIF Project will be serviced by:

50% of the School District, City and County incremental real estate taxes on all parcels within the TIF District estimated to

be \$178,820 annually.

Those annual increments are projected to support gross TIF debt of approximately \$1.825 million.

2. Pledged Revenues

With respect to the School District, City and County, 50% of the real estate tax increment from the Pledged Parcels (all the parcels in the TIF District are pledged), as defined by the lot & block designations below, will be used to support the TIF Bond(s)/Note(s).

3. Pledged Parcels

<u>Owner</u>	<u>Lot & Block</u>
Gallery Center Associates	51-M-130
Gallery Center Associates	51-M-134
Mascilli, Arthur & Florinda	51-M-136
South Negley Associates	51-M-171
South Negley Associates	51-M-172
South Negley Associates	51-M-172A
South Negley Associates	51-M-173
South Negley Associates	51-M-174A
South Negley Associates	51-M-174B
South Negley Associates	51-M-174C
South Negley Associates	51-M-175
South Negley Associates	51-M-175A
South Negley Associates	51-M-175B
South Negley Associates	51-M-175C
South Negley Associates	51-M-176
South Negley Associates	51-M-176A
South Negley Associates	51-M-176B
South Negley Associates	51-M-176C
South Negley Associates	51-M-178
South Negley Associates	51-M-180
South Negley Associates	51-M-181
South Negley Associates	51-M-182
South Negley Associates	51-M-183
South Negley Associates	51-M-259
South Negley Associates	51-M-259A
South Negley Associates	51-M-262
South Negley Associates	51-M-303

NOTE 1: ECHO Real Estate Services (South Negley Associates - SNA) has entered into sales agreements for all of the properties

not controlled by SNA and closings will occur prior to start of project construction (with the exception of 51-M-136 for which there is a long term land lease).

NOTE 2: Pledged parcels will include any air rights above pledged parcels.

4. Provisions for Unused TIF Bond/Note Proceeds

Any TIF Bond(s)/Note(s) proceeds which remain after financing the construction of the site work, and the public infrastructure costs may be used for any public improvements in the Centre / Negley TIF District. The URA does not anticipate that the TIF Bond(s)/Note(s) proceeds will exceed the site work and public infrastructure costs.

5. Tax Base for Purpose of Increment Calculation

Subject to the provision of the Tax Increment Financing Act (53 P.S. §6930.1 et seq.), the aggregate taxable market value of all of the Pledged Parcels as of the date of the creation of the District will be used as the "base" for the purpose of calculating tax base.

As a result, the Taxing Bodies will continue to receive the base of real estate taxes from all of the Pledged Parcels throughout the term of the TIF District. The base for such term is illustrated on the schedule entitled Tax Increment Base on page 19.

6. Actual Tax Increment in Excess of Assumed Increment

Any increases in tax revenues from the Pledged Parcels, attributable solely to an increase in assessed value over and above that determined necessary to pay debt service on the TIF Bond(s)/Note(s), will be distributed pro rata to the taxing bodies in proportion to the then-current millages.

Any increases in tax revenues from the Pledged Parcels, attributable to increased millage above the current millage by any of the taxing bodies, will be retained by the Taxing Body that increased the millage rate.

7. Interest Earnings

Any interest earnings will be used towards debt service, including payment of capitalized interest and prepayment of the TIF Bond(s)/Note(s) as permitted.

8. Financial Details

The illustrative Tax Increment Financing Analysis on page 15 is intended to describe the expected financing assumptions. Additional detail is included on pages 16 -18

It is expected that the Centre Avenue / Negley Avenue TIF District will be established in March 2004. The TIF Bond(s)/Note(s) are projected to be issued in May 2004. The Project is expected to be complete by the 2nd Quarter of 2005.

In order to reduce the cost associated with the issuance of debt, the Developer, or a related entity acceptable to the URA, through the Minimum Payment Agreement, will guarantee the entire annual minimum real estate tax and other payments necessary to pay off the TIF Bond(s)/Note(s).

The specific terms and structure of the TIF Bond(s)/Note(s) will be determined at the time of issuance. However, it is contemplated that the TIF Bond(s)/Note(s) will be amortized over an approximate 19 year term, beginning in 2005.

TIF Bond(s)/Note(s) proceeds may be used to pay construction period interest.

The various assumptions associated with the financing are the best currently available. Many of these assumptions may change, including the interest rate to be paid on the TIF Bond(s)/Note(s), the cost of issuance, the interest rate to be earned on the various sources, projected net proceeds, and the timing on the commencement of the tax increments. Credit enhancement, such as a letter of credit, insurance and/or other financing structures, such as variable rate, compound interest loans, will be obtained or utilized for the TIF Bond(s)/Note(s) to the extent they are available privately or in the market place and they are cost effective.

The TIF Bond(s)/Note(s) are contemplated to be issued as taxable instruments. That legal determination will also have an impact on the interest rates and the proceeds to be received.

The specific uses for various sources of funds may be interchanged as necessary to efficiently fund the total project. It is currently anticipated that TIF Bond(s)/Note(s) proceeds will be used to pay construction costs for site work and public infrastructure, but may be also be used for some soft costs related to such work.

The URA may be reimbursed for the costs of the TIF Project through a pass through of the pledged real estate increment, over time, instead of from proceeds of Bonds or Notes.

V. MAPS OF TIF DISTRICT, EXISTING USES AND CONDITIONS AND PROPOSED IMPROVEMENTS

The map on page 10 shows the boundaries of the proposed Centre Avenue/Negley Avenue TIF District.

The map on page 13 shows existing land use and the map on page 9 shows the preliminary site plan for the Giant Eagle development.

VI. PROPOSED ZONING CHANGES

The parcels in the Centre Avenue / Negley Avenue TIF District were zoned "RM-H", Residential Multi-Unit High Density and "LNC", Local Neighborhood Commercial. The Zoning District Map No. 11 has been amended to change the zoning of these parcels to "AP" Residential / Commercial Planned Unit Development. The Planning Commission approved this amendment on December 3, 2002 and City Council approved it on March 25, 2003. As site control was completed in stages, a subsequent application for parcels 51-M-136, 51-M-259, and 51-M-259A was approved by the Planning Commission on July 1, 2003 and was approved by City Council in November 2003. However, the amendment shall take effect only upon the recording of a Planning Commission approved Improvement Subdivision Site Plan for the subject property in the office of the Recorder of Deeds, County of Allegheny, within two years of the date of enactment of the zoning ordinance. See map on page 14 that shows the current zoning districts.

VII. ESTIMATED NON-PROJECT COSTS

The development does not include any non-project costs.

VIII. PROPOSED RELOCATION STATEMENT

The site has been assembled from 27 parcels that the Developer has been privately acquiring. The Developer has acquired 24 of the parcels, has a ground lease for one property and has sales agreements for the remaining two parcels. These parcels included three vacant commercial properties and 20 residences. The Urban Redevelopment Authority was not involved in the site assembly.

Residents that occupied the site can apply for financing under the URA's business development and residential lending programs for assistance in reestablishing at other locations.

IX. 1% NEIGHBORHOOD DEVELOPMENT FEE

As per City of Pittsburgh Ordinance No. 28 enacted in December 1998, the developer, from their own funds, will be required to pay a 1% fee to be expended by the Urban Redevelopment Authority and to be used for neighborhood development in the City of Pittsburgh.

X. 1% SCHOOL DEVELOPMENT FEE

As per Pittsburgh School Board Resolution No. 12 approved on May 26, 1999, the developer, from their own funds, will be required to pay a 1% fee to be expended by the Pittsburgh School Board and to be used for school development in the City of Pittsburgh.

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ECONOMIC IMPACT ANALYSIS

I. Impact of Construction of Giant Eagle and Apartment Complex

Construction of Supermarket, Site and Garage	\$	28,500,000
Apartment Towers	\$	11,500,000
Total Construction Cost	\$	40,000,000

A. Employment Impact	Labor hours ~ (per \$1,000 constr.)	Total Labor Hours*	Full-time Equiv. Jobs*
On-Site construction	19,968	499,200	250
Manufacturing	5,500	137,500	69
All other sectors	1,532	38,300	19

B. Income Impact	Total Labor Hours*	Average Hourly Earnings	Total Earnings
On-Site construction	499,200	\$ 40.00	\$ 19,968,000
Manufacturing	137,500	\$ 40.00	\$ 5,500,000
All other sectors	38,300	\$ 40.00	\$ 1,532,000
Total Earnings			\$ 27,000,000
Disposable Income (80%)			\$ 21,600,000
Personal consumption expenditures (92%)			\$ 19,872,000

C. Expenditure Impact	Fraction of Total consumption	Expenditures
Shopping goods	0.171	\$ 3,398,112
Convenience goods	0.232	\$ 4,610,304
Other consumption	0.597	\$ 11,863,584
		\$ 19,872,000

II. Impacts from Operation Phase

A. Income Impacts	Number of Workers	Average Hourly Earnings	Annual Wages/Income
Giant Eagle Store			
Retained Employment	140	\$ 9.87	\$ 2,874,144
New Employment	110	\$ 9.87	\$ 2,258,256
Apartment Complex	5	\$ 18.65	\$ 193,980
Total:	255		\$ 5,326,380
Disposable Income (80%)			\$ 4,261,104
Personal consumption expenditures (92%)			\$ 3,920,216

B. Expenditure Impacts	As a fraction of Total Consumption	Expenditures
Shopping goods	0.171	670,356.88
Convenience goods	0.232	909,490.04
Other consumption goods	0.597	2,340,368.76
		\$ 3,920,216

C. Total Impacts	Wages & Salaries	Wages & Salaries as a Percent of Output	Gross Output
All Employment	\$ 5,326,380	0.42	\$ 12,681,857

D. Employment Impacts	Output	Employment Multiplier#	Total Employment Impacts (FTE Jobs)
All Employment	\$ 12,681,857	33.00	418.50

E. Income Impacts	Output	Income Multiplier	Total Income Impacts
All Employment	\$ 12,681,857	0.90	\$ 11,413,671

Per \$1,000,000 of output

**CENTRE & NEGLEY TIF DISTRICT
TIF ANALYSIS - GIANT EAGLE, CENTRE & NEGLEY**

02/26/04

Assumptions:

- 1) Real Estate tax participation (City) 50%
- 2) Real Estate tax participation (County) 50%
- 3) Real Estate tax participation (School Board) 50%

Current FMV Tax Base (as of 4/26/2003) \$6,262,500

Projected FMV \$18,778,350 *

* Minimum

Projected Annual R.E. Tax Increment

Total New Taxes	\$ 530,000
Less: Current Taxes	\$ 180,360
Tax Increment	\$349,640
Less: 50% Distribution to 3TB	\$174,820
Real Estate Tax Increment Pledged	\$174,820

TOTAL TAX INCREMENTS PLEDGED \$174,820

Real Estate Tax Analysis				
	Millage	Current	Increment	Total
City	0.0108	\$67,635	\$131,115	\$198,750
School District	0.01331	\$83,354	\$161,587	\$244,941
County	0.00469	\$29,371	\$56,938	\$86,309
Total Taxes		\$180,360		
Total Taxes at 2% discount			\$349,640	\$530,000

Summary of Tax Increment Allocations at 2% Discount for pledged parcels

	TIF	To Taxing Body	Total
CITY (Real Estate)	\$65,558	\$65,558	\$131,115
SCHOOL DISTRICT	\$80,794	\$80,794	\$161,587
COUNTY	\$28,469	\$28,469	\$56,938

TIF Note/Bond

Gross Annual Cash Flow Available	\$174,820
Less: Annual Fees	\$20,000
URA Administration	\$500
Tax Fund Fee	\$3,000
Audit	\$3,000
Annual Cash Flow Available for Note/Bond	\$151,320
Less: Debt Coverage	100%
Interest Rate	7.000%
Term (single annual payment)	19 Years

Gross Note Amount Available \$1,825,000

Less:	Issuer (URA) Fee (@1%)	\$18,250
	TIF Counsel Fees	\$15,000
	Placement Fee	\$10,000
	Lender Upfront Fee	\$27,375
	Capitalized Interest (Est.)	\$151,114
	Miscellaneous	\$4,500

Net Proceeds Available for Project \$1,598,761

MEMORANDUM
OFFICE OF THE COUNTY MANAGER

TO: John Mascio
Chief Clerk

FROM: James M. Flynn, Jr. 
County Manager

DATE: February 26, 2004

RE: Proposed Resolution—Centre/Negley Tax Increment Financing District

Attached is a Proposed Resolution adopting and authorizing participation in a tax increment financing plan for the Centre/Negley TIF District.

This TIF district will require the participation of the County, City, and Pittsburgh Public School District. The Pittsburgh Public School District has approved their participation in this project.

The Allegheny County Law Department has reviewed this legislation prior to submitting it to Council.

Please place this on the next agenda for County Council approval.

Thank you.