

Allegheny County Council

436 Grant Street
Pittsburgh, PA 15219
Phone (412) 350-6490
Fax (412) 350-6499



Meeting Minutes

Thursday, July 6, 2017

6:00 PM

Conference Room 1

Committee on Economic Development & Housing

Dewitt Walton, Chair

Members; Tom Baker, Patrick Catena, Sam DeMarco, Nick Futules, Ed Kress, Bob Macey, John Palmiere

I. Call to Order

The meeting was called to order at 6:01.

Invited Guests:

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

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

Mr. Earley and Mr. Strul were present from the Department of Economic Development.

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

II. Roll Call

Members Present: 4 - Sam DeMarco ,Nick Futules,Ed Kress andBob Macey

Members Absent: 2 - Patrick Catena andJohn Palmiere

Members Phone: 1 - Tom Baker

Members 2 - John DeFazio andSue Means

Non-Members:

III. Approval of Minutes

[10243-17](#)

Motion to approve the minutes of the May 18, 2017 meeting of the Committee on Economic Development and Housing.

A motion was made by Macey, seconded by DeMarco , that this matter be Passed. The motion carried by a unanimous vote.

IV. Agenda Items

Resolutions

[10235-17](#)

A Resolution of the Council of Allegheny County, Pennsylvania, made pursuant to the Local Economic Revitalization Tax Assistance Act ("LERTA"), Pa. Stat. Ann. tit. 72, §4722 *et. seq.* (1995), as amended, providing for: a program of temporary exemption from increases in Allegheny County Real Property Taxes, for specified time periods, resulting from improvements made by an owner of property located within the Second Ward of the City of Pittsburgh, County of Allegheny, Commonwealth of Pennsylvania, generally known as the Strip District Neighborhood, previously determined to be a deteriorated area; establishing a schedule for exempting increases in Allegheny County property taxes resulting from such improvements; and prescribing the requirements and procedures by which an owner of proerty located within the deteriorated area can secure the temporary exemption resulting from such improvements.

Sponsors: Chief Executive

At the request of the Chair, the clerk read the title of the bill and Mr. Earley summarized

its provisions, noting that the project is to be undertaken in the Strip District by RDC Star on property leased for 90 years from the Buncher Corporation in order to build a LEED certified 105,000 square foot, four story office building with 150 parking spaces. Mr. Earley noted that this is a different developer and project separate from the Produce Terminal Building redevelopment, and that the primary reason a LERTA is being sought is because the leased premises constitutes a brownfield, and the top 2 feet of the surface must be removed in its entirety in order to remediate the site, while 3 feet of fill must be placed on the entire site in order to replace the material removed and raise the site above the floodplain. Mr. Earley noted that the developer plans to have robust M/W/DBE participation during construction and after completion, with strong trade participation in the construction phase.

In response to a question from the Chair, Mr. Strul provided a handout delineating the taxes that would be realized from the development over the course of the LERTA.

In response to a question from Mr. Macey, Mr. Earley noted that the brownfield designation is a function of the DEP classification system, with this particular property being a former industrial site for which soil testing revealed contamination.

In response to questions from Mr. Macey, Mr. Strul noted that the LERTA term would be 10 years, and described the process by which deteriorated areas are designated for the purpose of creating LERTA districts.

In response to questions from Mr. Kress, Mr. Earley noted that the two foot soil removal was a solution that was tailored to this particular site, and indicated that the developer had not yet retained a contractor for the construction phase, but that the goal is 100% trade participation.

In response to a question from Mr. Kress, Mr. Earley noted that the bid package is currently out to two contractors, and both of them are aware of the e-verification process.

In response to a question from Mr. DeMarco, Mr. Earley noted that no specific tenants have definitively leased space, but that his understanding is that most if not all of the potential tenants are tech firms.

In response to a question from Ms. Means, Mr. Earley and Mr. Strul noted that the Pittsburgh Public School District was in the process of approving the proposed LERTA, and that the County's approval is contingent upon the School District's.

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

[10236-17](#)

A resolution of the County Council of Allegheny authorizing the development of a Tax Increment Financing Plan for the Terminal Building for Smallman Street in the Strip District of the City of Pittsburgh.

Sponsors: Chief Executive

At the request of the Chair, the clerk read the title of the bill and Mr. Strul summarized its provisions, noting that the bill is an entirely nonbinding resolution that only authorizes the evaluation of a potential TIF plan for the Produce Terminal building.

In response to a question from Ms. Means, Mr. Strul noted that TIF committees generally are comprised of one or two representatives of each of the taxing bodies, with additional

participation by the URA. Mr. Strul noted that the weight of probability is that this particular TIF committee would be comprised of 6 or 8 individuals. Mr. Earley noted that his view of the TIF committee is solely as an investigatory body.

Mr. Macey and Mr. Strul discussed the possibility of including the Chair on the TIF committee.

In response to a question from Mr. Kress, Mr. Strul noted that the project has not proceeded far enough to discuss contractors and related issues.

Mr. Kress and Mr. Strul discussed potential design factors for the project that could require infrastructure improvements.

In response to a question from Mr. DeMarco, Mr. Strul described the TIF process. The Chair indicated that his intent is to have educational sessions regarding TIFs and LERTAs during the recess in order to ensure that all members understand the processes.

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

V. Adjournment

The meeting was adjourned at 6:21.