

Allegheny County Council

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Meeting Minutes

Wednesday, January 25, 2017

5:00 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 5:00.

Invited Guests:

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

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

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

Mr. Pollock was present from Regional Development Partners.

Mr. Barker and Mr. Szymaski were present from the Office of County Council.

II. Roll Call

Members Present: 4 - Walton, Sam DeMarco, Ed Kress and Bob Macey

Members Absent: 1 - Nick Futules

Members Phone: 2 - Tom Baker and John Palmiere

Members 1 - Patrick Catena

Non-Members:

III. Approval of Minutes

[9994-17](#)

Motion to approve the minutes of the December 14, 2016 meeting of the Committee on Economic Development and Housing.

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

IV. Agenda Items

Ordinances

[9947-16](#)

An Ordinance approving the sale of approximately 8.2031 gross acres [7.9993 net acres] of County property bordering McIntyre Road in Ross Township, Pennsylvania, 15237 identified as a portion of Lot & Block No. 612-S-64 known as the John J. Kane Regional Center - Ross Township, to Regional Development Partners LP, a Pennsylvania Limited Partnership for a sale price of \$1,250,000.00

Sponsors: Chief Executive

At the request of the Chair, the clerk read the title of the bill and Mr. Hurley provided a brief overview of the history of the proposed development project.

Mr. Hurley presented a PowerPoint presentation regarding the proposed property sale, noting that the County would not be participating in a nearby retail development, and reviewing a map of the area depicting the property to be sold, describing the proposed

development as a mixed use retail, hotel and apartment complex with dedicated parking. Mr. Hurley indicated that putting the property on the tax rolls will realize significant tax revenue over and above the sale price, and the municipality is in favor of the proposed development. Mr. Hurley described the Kane Ross facility, noting that the portion of the parcel to be sold is unoccupied and undeveloped. Mr. Hurley indicated that an appraisal was done in May of 2015 and shows an appraised value of \$970,000, and noted that Regional Development Partners submitted the only responsive bid, which offered \$1.250 million. Mr. Hurley indicated that at this time the County is anticipating no public financing for the development, but Regional Development Partners reserved the right to seek public financing in the future. Mr. Hurley summarized job creation, indicating that 275 jobs are forecast for the hotel, 115 for the apartments, 235 for the retail portion, and 160 for the restaurant portion for a total of 785. Mr. Hurley also noted that the County has the option to buy the property back in the event that the development does not go forward.

In response to questions from Mr. Kress, Mr. Hurley indicated that he could provide a copy of the appraisal to the committee and discussed the process through which County properties are identified for potential sale, which includes a review of potential future usefulness of the property, an internal appraisal, an external appraisal, and a competitive bidding process prior to Council approval and execution of a sale agreement. Mr. Hurley noted that the publicly noticed bidding process began in March of 2016 and closed in May of 2016, and indicated that the County did retain enough property to accommodate the development of an additional senior living facility on the site, should that be deemed desirable.

In response to a question from Mr. Palmiere, Mr. Hurley noted that the continuing functionality of the Kane facility was one of the fundamental goals of the bidding process, and that the belief is that there will be no significant impact on that functionality due to this development.

In response to a question from Ms. Means, Mr. Hurley noted that the County would not agree to pay more than the purchase price in any buyback scenario, and also indicated that he had never seen an instance in which the County had to buy a property back due to a lack of progress by a developer during his tenure here.

In response to questions from Mr. Catena, Mr. Hurley described the appraisal process, and Mr. Earley noted that the development bid opportunity was advertised in the Post Gazette and the Trib.

In response to a question from Mr. Kress, Mr. Hurley agreed to provide copies of the bid advertisement to the committee.

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

Members Yes: 3 - Walton, DeMarco and Macey

Members Abstain: 1 - Kress

Members Absent: 1 - Futules

Members Yes Phone: 2 - Baker and Palmiere

Members 1 - Catena
Non-Member:

Resolutions

[9963-17](#)

A Resolution of the County Council of Allegheny County enacted pursuant to Section 6930.5 (7) of Pennsylvania Tax Increment Financing Act declaring that the County of Allegheny will not participate in a Tax Increment Financing district for the proposed “The Block at North Tax Increment District” located in the Township of Ross.

Sponsors: Chief Executive

At the request of the Chair, the clerk read the title of the bill and Mr. Hurley discussed the history of the TIF district at issue, noting that the administration and Department arrived at their decision not to participate in the proposed TIF district due to it being solely retail in character. Mr. Hurley noted that the TIF Act requires a resolution signalling an intent not to participate by any taxing body within which a proposed TIF district is located and which does not wish to participate prior to participation by the other taxing bodies.

In response to a question from Mr. Kress, Mr. Hurley noted that the County had decided to opt out of proposed TIF districts in a few prior instances, but that those ultimately did not proceed, so no opt-out legislation needed to be introduced in those cases.

In response to a question from Mr. Kress, Mr. Hurley described the County's policy of not participating in 100% retail TIFs.

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

Discussion Topic - Act 167 Stormwater Training

At Mr. Hurley's request, the Chair agreed to defer the training session until the full Council could be invited to the session.

V. Adjournment

The meeting was adjourned at 5:33.