

# **Allegheny County Council**

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## **Meeting Minutes**

**Wednesday, October 3, 2018**

**5:15 PM**

**Conference Room 1**

### **Committee on Economic Development & Housing**

*Dewitt Walton, Chair; Tom Baker, Patrick Catena, Sam DeMarco, Nick Futules, Bob Macey and John Palmiere, Members*

## I. Call to Order

*The meeting was called to order at 5:19.*

### Invited Guests:

**William D. McKain, CPA, Allegheny County Manager or designee(s)**  
**Lance Chimka, Director, Allegheny County Department of Economic Development**

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

*Mr. Chimka 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:** 2 - Sam DeMarco and DeWitt Walton

**Members Absent:** 3 - Patrick Catena, Bob Macey and John Palmiere

**Members Phone:** 2 - Tom Baker and Nick Futules

**Members** 3 - Cindy Kirk, Anita Prizio and Sue Means

**Non-Members:**

## III. Approval of Minutes

[10786-18](#)

Motion to approve the minutes of the September 12, 2018 meeting of the Committee on Economic Development and Housing.

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

## IV. Agenda Items

### Resolutions

[10757-18](#)

A Resolution of the Council of the County of Allegheny adopting and authorizing participation in the Smallman Street Tax Increment Financing Plan, as presented by the Urban Redevelopment Authority of Pittsburgh, and authorizing related agreements.

**Sponsors:** Chief Executive

*The Chair noted that the bill would be held in committee until the next session's discussion is completed, per the Rules of Council.*

*At the request of the Chair, the clerk read the title of the bill and Mr. Strul summarized its provisions via a PowerPoint presentation that included visual representations of the TIF district as it currently exists and as it would look upon completion of the development, a delineation of the proposed use of the TIF proceeds, a notation that the project would pay prevailing wage and would follow the URA's M/W/DBE goals, an estimate that the County's real estate taxes from the project would approximately double*

*from about \$16,000 per year to about \$31,000 per year during the TIF term, with a final County tax revenue of about \$145,000 per year once the TIF expires.*

*In response to a question from Mr. DeMarco, Mr. Strul indicated that the County's policy is to disfavor TIF arrangements for primarily retail developments, but that the proposed development in this instance contains mixed use to the point that it is not primarily retail in character.*

*Mr. DeMarco and Mr. Strul discussed the County's recent TIF arrangements involving hotels or residential developments that incorporate some degree of retail space, and Mr. Chimka suggested that the nature of the neighborhood must be considered in relation to any proposed TIF and, in this case, retail is prevalent in the Strip District. Mr. Strul noted that the proposed development includes significant new parking facilities, which are important to the Strip District.*

*In response to a question from Mr. Futules, Mr. Strul noted that there is no particular percentage of retail specified as permissible or impermissible for TIF financing in the Rules of Council or applicable law.*

*In response to a question from Mr. DeMarco, Mr. Strul noted that the amount of debt to be incurred by the County through the development is under \$4 million, and suggested that the real nature of the project from the County's perspective is infrastructure improvement, which will ultimately result.*

*In response to questions from Mr. Baker and the Chair, Mr. Strul and Ms. Niemi-Stanger noted that there would be a significant aggregate gain in parking spaces as a result of the proposed development.*

*Ms. Kirk, the Chair and Mr. Strul discussed the safety considerations that are being taken into account for the street layout improvements.*

*Ms. Kirk and Mr. Chimka discussed the location of the new Facebook offices.*

*The Chair related his own experiences driving in the area of the proposed TIF, and indicated that the area can be chaotic and challenging to traverse.*

*In response to a question from Ms. Kirk, Mr. Strul noted that the project timeline is approximately 18 months long.*

*In response to questions from Ms. Means, Mr. Strul noted that the Pittsburgh City Schools have already approved its participation in the TIF, and also discussed the tax revenue increases that the County will experience.*

*In response to a question from Mr. DeMarco, Mr. Strul noted that the County would not derive any revenue from the parking facility apart from property taxes.*

## **V. Adjournment**

*The meeting was adjourned at 5:43.*