



Legislation Details (With Text)

**File #:** 2003-1522    **Version:** 1  
**Type:** Ordinance    **Status:** Passed Finally  
**File created:** 3/4/2003    **In control:** Committee on Planning, Zoning & Land Use  
**On agenda:**    **Final action:** 7/29/2003  
**Enactment date:** 7/29/2003    **Enactment #:** 21  
**Effective date:** 8/11/2003

**Title:** An Ordinance establishing a Neighborhood Improvement District for the City of Pittsburgh and for a specific South Main Street Business Improvement District to be benefited with specific improvements to be undertaken including, but not limited to, financing of said improvements, method of assessing specific properties to be benefited, establishing a Neighborhood Improvement District Management Association to conduct administrative procedures for the Business Improvement District, providing for the establishment of a separate account for deposit and withdrawal of project funds, and providing the cost thereof.

**Sponsors:** Alan Hertzberg

**Indexes:** BID/NID (BUSINESS/NEIGHBORHOOD IMPROVEMENT DISTRICTS)

**Code sections:**

**Attachments:**

Date	Ver.	Action By	Action	Result
8/11/2003	1	Mayor	Signed by the Mayor	
7/29/2003	1	City Council	Passed Finally	Pass
7/23/2003	1	Committee on Planning, Zoning & Land Use	AFFIRMATIVELY RECOMMENDED	Pass
6/12/2003	1	Committee on Hearings	Public Hearing Held	
3/12/2003	1	Committee on Planning, Zoning & Land Use	Referred for Report and Recommendation	Pass
3/12/2003	1	Committee on Planning, Zoning & Land Use	Held for Cablecast Public Hearing	Pass
3/4/2003	1	City Council	Read and referred	

Presented by Ms. Burns

An Ordinance establishing a Neighborhood Improvement District for the City of Pittsburgh and for a specific South Main Street Business Improvement District to be benefited with specific improvements to be undertaken including, but not limited to, financing of said improvements, method of assessing specific properties to be benefited, establishing a Neighborhood Improvement District Management Association to conduct administrative procedures for the Business Improvement District, providing for the establishment of a separate account for deposit and withdrawal of project funds, and providing the cost thereof.

**The Council of the City of Pittsburgh hereby enacts as follows:**

**Section 1.**

**Creation:** In accordance with the Act of December 20, 2000, P.L. 949, 73 Pa.C.S.A. §831 et seq., an

Act of the Legislature of the Commonwealth of Pennsylvania known as the "Neighborhood Improvement District Act", the South Main Street Business Improvement District (hereinafter "SMSBID") is herewith established.

**SECTION 2.**

**Boundaries:** The boundaries of the SMSBID are set forth as follows:

"All real properties that front on South Main Street between the Saw Mill Run Creek Bridge and the Nobelstown Road intersection." (See SMSBID Map attached hereto as Exhibit "A").

**SECTION 3.**

**Designation of Neighborhood Improvement Management Association:** The West Pittsburgh Partnership for Regional Development shall be designated as the SMSBID Management Association for purposes of governing and administering programs, improvements and services within the SMSBID. The West Pittsburgh Partnership for Regional Development shall convene a District Advisory Council to additionally monitor and guide the SMSBID. This District Advisory Council shall consist of seven members that are property or business owners within the Neighborhood Improvement District and shall be appointed in a manner consistent with the by-laws of West Pittsburgh Partnership for Regional Development.

**SECTION 4.**

**Improvements and Costs:** Within the designated "SMSBID", the following improvements shall be constructed at the estimated costs:

Mobilization / Demolition & Site Preparation	\$	103,000
Electrical Line Removal / Relocation	\$	47,500
New Construction / Site Work	\$	256,000
Lighting / Electrical Installation	\$	277,000
Landscaping & Other	\$	4,000
Design & Inspection	\$	23,500
Bonds, Mobilization, Overhead, Permits	\$	59,000
Administration & Contingency	\$	90,000
<b>Total costs of the improvements</b>	<b>\$</b>	<b>900,000.</b>

**SECTION 5.**

**West Pittsburgh Partnership for Regional Development Funding:** The total project cost is presently estimated to be \$900,000. This amounts less the proportionate amount from the accounts set forth in Section 6, herenbelow, shall be financed by a loan from the West Pittsburgh Partnership for Regional Development. The West Pittsburgh Partnership for Regional Development shall advance one-third (1/3) of the construction cost, not to exceed \$300,000, to the SMSBID, which shall be directly repaid by assessments. Said loan will have a term of three (3) years and an interest rate not to exceed 10%.

**SECTION 6.**

**Additional Funding:** In addition, the following URA account will be supplying the remaining two-thirds (2/3) of the total construction costs, not to exceed \$600,000.

URA / Main Streets Pittsburgh	\$600,000
Pubic Space Improvements	
2003 Funding Award	
Total	\$600,000

**SECTION 7.**

**West Pittsburgh Partnership for Regional Development Repayment:** The total amount of repayment to the West Pittsburgh Partnership for Regional Development is estimated to be \$300,000 plus interest, not to exceed 10%. This repayment amount, or 1/3 of the total construction costs plus interest, if the total construction costs are less than \$900,000, shall be provided by an assessment of all benefited properties located within the SMSBID, as described in Section 2 above. Said assessments shall be levied in accordance with the requirements of the Commonwealth of Pennsylvania pursuant to the Neighborhood Improvement District Act referred to in Section 1 above. Specifically, the West Pittsburgh Partnership for Regional Development loan referred to in Section 5, shall be repaid by the SMSBID in equal annual installments over a three (3) year period.

**SECTION 8.**

**Payments to SMSBID Management Association from benefited Property Owners:** Benefited Property Owners may elect to pay the assessment in full upon determination of final costs, or extend the assessment period over a three (3) year period, paying their total assessment, plus interest, not to exceed 10% in the following manner:

Not less than 1/3<sup>rd</sup> of the total assessment amount within sixty (60) days of determination of the final costs of the project and the balance in two equal annual installments, the first of which is due one (1) year after the initial assessment bill, plus interest, not to exceed 10%. The last installment shall be due one (1) year from date of first annual installment. Property owners shall have the right to anticipate any payments due hereunder. Said payment shall be applied to pay interest first and then principal amount remaining due.

**SECTION 9.**

**Assessment Method:** The amount principle repayment for the West Pittsburgh Partnership for Regional Development loan to be financed by the assessment of all benefited properties is estimated to be \$300,000 plus interest, not to exceed 10%. This amount shall be assessed on all properties within the SMSBID, in accordance with the following method of assessment:

- (a) By an assessment upon all benefited properties fronting on South Main Street between the Saw Mill Run Creek Bridge and Nobelstown Road as set forth in Section 2. Said assessment shall be established by the front-foot method of assessment determined by multiplying total lineal footage of frontage of each benefited property to the total lineal footage of frontages of all benefited properties in the SMSBID. The frontage corner properties shall not include the curb radius measurement, but shall include the length of property fronting on South Main Street only.

The assessed amount shall not exceed \$125 per linear foot

## SECTION 10.

**Liens:** Claims to secure the assessments shall be entered in the Prothonotary's Office of Allegheny County at the same time and in the same manner of form and shall be collected in the same manner as municipal claim are filed and collected, except the following shall apply:

- (a) In the case of default in the payment of any installment and interest for a period of ninety days (90) days after the same shall become due, then the entire assessment, with accrued interest and penalties, shall become due and become a lien from the due date of the installment. Interest shall be calculated at the repayment rate of interest, not to exceed 10%, from the date of any default in payment on any installment due, plus an additional 10% shall added to the amount due and payable for the costs incurred by the City in collection of the entire assessment amount.
- (b) Any owner of property, against whom an assessment has been made, may pay the same in full, at any time, with the accrued interest and costs thereon, as specified in Section 10(a), and such payment shall discharge the lien of such assessment or installments then constituting a lien, and shall also release the claim to any later installments.

## SECTION 11.

**SMSBID Account:** The SMSBID Management Association is hereby authorized and directed to create and establish an account, (i.e. "lock-box") with an approved financial institution for the SMSBID project. Said account shall be deposited any and all appropriate funds referred to in Sections 5,6,8, and 10 of this Ordinance.

## SECTION 12.

**Annual Audits:** The SMSBID Management Association shall:

- (a) Submit an audit of all income and expenditures to the Department of Community and Economic Development and the City of Pittsburgh, Department of Finance, within 120 days after the end of the fiscal year; and
- (b) Submit a report, including financial and programmatic information, including a summary of audit findings, to the City of Pittsburgh, Department of Finance, and to all assessed property owners located within the SMSBID

## SECTION 13.

**Improvement Dedication:** At the completion of all improvements pursuant to the SMSBID, the SMSBID Management Association shall dedicate and convey all improvements to the City of Pittsburgh, who shall accept all improvements as a part of the infrastructure of the City of Pittsburgh.

## SECTION 14.

**Sunset Provision:** This Ordinance will automatically terminate after three (3) years or after all owners of property, against whom assessments have been made, have paid in full, whichever is sooner.

**SEE ATTACHMENT (MAP)**