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Title: Resolution adopting the Fifth and Market Tax Increment Financing Plan presented by the Urban Redevelopment Authority of Pittsburgh, repealing LERTA exemptions and making certain findings. (Council District 6).

Sponsors:

Indexes: URA TIFS (TAX INCREMENT FINANCING)

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Date	Ver.	Action By	Action	Result
5/17/2006	1	Mayor	Signed by the Mayor	
5/9/2006	1	City Council	Passed Finally	Pass
5/3/2006	1	Committee on Housing, Economic Development & Promotion	AFFIRMATIVELY RECOMMENDED	Pass
4/17/2006	1	Committee on Hearings	Public Hearing Held	
3/16/2006	1	Committee on Housing, Economic Development & Promotion	Public Hearing Scheduled	
3/15/2006	1	Committee on Housing, Economic Development & Promotion	Held for Cablecast Public Hearing	Pass
3/7/2006	1	City Council	Read and referred	

Presented by Ms. Payne

Resolution adopting the Fifth and Market Tax Increment Financing Plan presented by the Urban Redevelopment Authority of Pittsburgh, repealing LERTA exemptions and making certain findings. (Council District 6).

Whereas, Pennsylvania's Tax Increment Financing Act, 53. P.S. § 6930.1 et seq., as amended (the "TIF Act"), provides local taxing bodies 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 TIF 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 City, the School District of Pittsburgh (the “School District”) and the County of Allegheny (the “County”) have each adopted resolutions endorsing the concept of a TIF plan for financing a portion of the costs of development and construction of a new building that will provide additional office space, a hotel and residences in the City's central business district (the “TIF Project”); 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 TIF Act, providing for creation of the Fifth and Market Tax Increment Financing District (the “TIF District”) and the financing of a portion of the costs of the TIF Project by allocation of certain incremental tax revenues; and

Whereas, the TIF Act permits local taxing bodies to cooperate in the financing of projects within TIF districts and it authorizes the Authority to issue obligations for the purpose of paying certain costs of implementing TIF plans; and

Whereas, the City is expected to benefit from the TIF Project and the resultant stimulation of private investment, by virtue of the projected increases in property values, creation of employment opportunities, improvement of surrounding properties and elimination of blight in the City's central business district; and

Whereas, parcels of real property located in the proposed TIF District are located within the Market Stanwix/Downtown Triangle Redevelopment Area #44 and the City has previously adopted legislation permitting persons making certain improvements to such parcels to apply for and receive tax exemptions to the extent provided pursuant to Pennsylvania's Local Economic Revitalization Tax Assistance Act (“LERTA”); and

Whereas, the TIF Act prohibits granting exemptions pursuant to LERTA to any property located within a TIF district; and

Whereas, as of the date hereof, the City has neither received any applications for, nor granted, any tax exemptions pursuant to LERTA with respect to any parcels comprising the proposed TIF District.

Be it resolved by the Council of the City of Pittsburgh as follows:

Section 1. No owner of any parcel located within the TIF District shall be entitled to receive, and the City shall not grant, any tax exemptions pursuant to LERTA for so long as the TIF District remains in existence, and the taxes exempted with respect to such parcels shall be \$0.

Section 2. After due consideration, the City finds as follows:

- (a) the TIF District is a contiguous geographic area within a redevelopment area;
- (b) the improvement of the area is likely to enhance significantly the value of substantially all of the other real property in the TIF District;
- (c) the aggregate value of equalized taxable property of the TIF District, plus all existing tax increment districts, does not exceed 10% of the total value of equalized taxable property within the City;
- (d) the area comprising the TIF District, as a whole, has not been subject to adequate growth and development through investment by private enterprise and would not reasonably be anticipated to be adequately developed by private enterprise without the adoption of the Project Plan;

(e) a feasible method exists for the compensation of individuals, families and small businesses that will be displaced by the project and for their relocation to decent, safe and sanitary dwelling accommodations within their means, without undue hardship to such individuals, families and businesses;

(f) the Project Plan will afford maximum opportunity, consistent with the sound needs of the community as a whole, for the rehabilitation or redevelopment of the TIF District by private enterprise; and

(g) the TIF District is a blighted area containing characteristics of blight as described in the Urban Redevelopment Law and the TIF project to be undertaken is necessary to eliminate such conditions of blight.

Neither the City nor the County has, as of the date of this Resolution, adopted a master plan.

Section 3. The Project Plan is hereby adopted substantially in the form presented to Council by the Authority and the TIF District as specifically described in such Project Plan is hereby created.

Section 4. The boundaries of the TIF District shall be identified in the Project Plan and shall include only those whole units of property assessed or assessable for general property tax purposes.

Section 5. The TIF District created hereby shall be effective as of the effective date of this Resolution, and shall continue in existence for a period of twenty years from such date.

Section 6. The name of the TIF District shall be the “Fifth and Market Tax Increment Financing District.”

Section 7. A portion of the real estate tax revenues due, owing and received by the City with respect to certain parcels located within the TIF District, and a portion of the parking tax revenues attributable to public parking within the TIF District, to the extent described in the Project Plan, are hereby pledged to the Authority or its assignee, and a security interest therein is hereby granted, for the purpose of paying costs of the TIF Project and securing repayment of any TIF obligations issued by the Authority in accordance with the Project Plan.

Section 8. The appropriate public officials of the City are hereby directed to take such additional actions in cooperation with the Authority, the County, and the School District in furtherance of the implementation of the Project Plan.