



Legislation Details (With Text)

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Title: Resolution creating the Smallman Street Tax Increment Financing District, adopting and agreeing to participate in the Smallman Street Tax Increment Financing Plan and authorizing related agreements. (Council District 7)
(Public Hearing held 11/14/18)

Sponsors:

Indexes: URA TIFS (TAX INCREMENT FINANCING)

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Attachments: 1. 2018-0535-Smallman Street TIF Plan, 2. Summary 2018-0535

Date	Ver.	Action By	Action	Result
12/11/2018	1	City Council	Passed Finally	Pass
12/5/2018	1	Standing Committees	Affirmatively Recommended	Pass
11/14/2018	1	Committee on Hearings	Public Hearing Held	
6/13/2018	1	Standing Committees	Held for Cablecast Public Hearing	Pass
6/5/2018	1	City Council	Read and referred	

Resolution creating the Smallman Street Tax Increment Financing District, adopting and agreeing to participate in the Smallman Street Tax Increment Financing Plan and authorizing related agreements. (Council District 7)
(Public Hearing held 11/14/18)

Whereas, the Tax Increment Financing Act, 53 P.S. §§ 6930.1 *et. seq.* (the “Act”), provides local taxing bodies with authority to cooperate in providing financing for development of blighted areas, as defined in the Act, within their respective jurisdictions to increase the tax base and improve the general economy;

Whereas, pursuant to the Act, the Urban Redevelopment Authority of Pittsburgh (“Authority”) is legally empowered to prepare tax increment financing (“TIF”) plans to provide financing for the elimination and prevention of blight within specified tax increment districts located in the City of Pittsburgh (“City”) and to present TIF plans to the City, the School District of Pittsburgh (“School District”), and Allegheny County (“County”) for consideration;

Whereas, the County, the School District and the City each adopted resolutions on July 11, 2017, June 21, 2017, and May 8, 2017 respectively, endorsing the concept of a TIF plan for financing a portion of the costs of public improvements and infrastructure on Smallman Street between 16th and 21st Streets in the Strip District neighborhood of the City of Pittsburgh in connection with the private redevelopment of the Terminal Building as a mixed-use development including office and retail space in Redevelopment Area No. 68, known as the Smallman Street Tax Increment Financing District (the “TIF District”), requesting the Authority to prepare a

detailed TIF Proposal, and designating the City’s representatives to work with the Authority, County, and School District toward development and implementation of a TIF plan with respect to the TIF District;

Whereas, the Authority, working with the designated representatives of the City, the County and the School District, prepared and adopted the “Smallman Street TIF Plan” (the “TIF Plan”) in accordance with the requirements of the Act, providing for the creation of the TIF District and the financing of a portion of the costs of the TIF District project costs as set forth in the TIF Plan;

Whereas, the School District and County adopted Resolutions indicating their commitments to participate in a TIF Plan for development of the TIF District;

Whereas, the proposed TIF District is located entirely within the Lower Strip District Redevelopment Area No. 68, which was designated as a redevelopment area by the City Planning Commission in accordance with the Pennsylvania Urban Redevelopment Law, 35 P.S. §§ 1701, *et seq.*;

Whereas, creation of the Smallman Street TIF District is necessary to eliminate conditions of blight within the TIF District;

Whereas, the Act provides for the involvement of local taxing bodies in the financing of projects within TIF districts and for the issuance of debt to pay for certain of the costs of implementing such plans;

Whereas, the City is expected to benefit from the creation of the TIF District, the proposed TIF Plan, use of tax increments to pay certain TIF District project costs by stimulation of private investment, increases in property values, creation of employment opportunities and improvement of surrounding properties; and

Whereas, the Council of the City (“Council”) believes that adoption of and participation in the TIF Plan and designation of the TIF District will benefit the health, safety and welfare of the citizens of the City of Pittsburgh.

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

Section 1. The TIF Plan prepared by the Authority for financing certain costs of construction of the Smallman Street TIF District is hereby adopted, and the TIF District specifically described in the TIF Plan is hereby created.

Section 2. The boundaries of the TIF District shall be as identified in the TIF Plan and shall include only those whole units of property assessed or to be assessable for general property tax purposes.

Section 3. The TIF District shall be created as of January 1, 2019 and shall continue in existence for a period of twenty (20) years from the date of its creation unless sooner terminated in accordance with the provisions of the Act.

Section 4. The name of the TIF District shall be the “Smallman Street TIF District.”

Section 5. After due consideration, the City finds as follows:

(a) the TIF District is a contiguous geographic area that satisfies the requirements of the Act and is located within a redevelopment area;

- (b) the improvement of the area is likely to enhance significantly the value of substantially all 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 or further developed without the adoption of the TIF Plan;
- (e) A feasible method exists for the relocation within the TIF District of any small businesses that will be displaced by the TIF Plan;
- (f) the TIF Plan conforms to the City of Pittsburgh zoning code and any applicable master plans;
- (g) the TIF Plan will afford maximum opportunity, consistent with the sound needs of the community as a whole, for the rehabilitation or the redevelopment of the TIF District by private enterprise; and
- (h) 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.

Section 6. The City shall not, in the implementation of the TIF Plan and within the TIF District, as described herein, exercise its authority or power of eminent domain.

Section 7. The City shall participate in the TIF District in accordance with the TIF Plan and based upon the tax increments set forth in the TIF Plan for a period of twenty (20) years, commencing on the date of TIF District creation by the City, the City will allocate seventy-five percent (75%) of the real estate tax increment to the Authority for the purpose of financing TIF District project costs.

Section 8. The appropriate public officials of the City are hereby authorized and empowered to execute and deliver in the name of and on behalf of the City all documents required in connection with the creation of the TIF District and administration of the TIF Plan, including, without limitation, a TIF cooperation agreement by and among the Authority, the City, the School District and the County, and the City's obligations under such documents are hereby, in all respects, approved.

Section 9. The appropriate public officials of the City are hereby authorized and empowered to execute and deliver in the name of and on behalf of the City a cooperation agreement by and between the City and the Authority regarding the use of up to \$3,700,000.00 in proceeds from the TIF financing for the Public Space Improvements and related street and right-of-way improvements (as identified in the TIF Plan), and the City's obligations under such agreement are hereby, in all respects, approved.

Section 10. All acts and actions taken by City officials and/or by City staff prior to the date hereof with respect to the TIF District and the TIF Plan are hereby in all respects confirmed, approved and ratified.

Section 11. The real estate tax revenues due or owed to, or received by the City from the TIF District, subject to the percentage limitation and time requirement set forth in the TIF Plan are hereby pledged, and a security interest is hereby granted, to the extent of those specific revenues to secure the repayment of any

debt incurred by the Authority for the purpose of financing TIF District project costs.

Section 12. Any resolution or ordinance or part thereof conflicting with the provisions of this Resolution is hereby repealed so far as the same affects this Resolution.