



City of Pittsburgh

510 City-County Building
414 Grant Street
Pittsburgh, PA 15219

Text File

Introduced: 10/12/2010

Bill No: 2010-1026, **Version:** 3

Committee: Committee on Finance and Law

Status: Passed Finally

Resolution authorizing the Mayor and the Director of Operations of the City of Pittsburgh to sell city parking facilities to the Pittsburgh Parking Authority for the sum of \$220,000,000 (two hundred and twenty million dollars).

WHEREAS, the City of Pittsburgh ("City") has established a Parking Meter Network ("Network") utilizing certain public streets, rights-of-way and properties with the jurisdiction of the City; and,

WHEREAS, the City currently owns Mellon Square Garage and five street lots; and,

WHEREAS, taken together, Mellon Square Garage, the five street lots, and the Network are known collectively as the City Parking Facilities; and,

WHEREAS, pursuant to the Pennsylvania Motor Vehicle Code, 75 Pa.C.S. §6109(h)(1), Section 4404(d)(21) of the Parking Authority Law, 53 Pa. C.S. §5505(d)(21) and various agreements between the City and the Pittsburgh Parking Authority ("Authority"), the Authority manages the City Parking Facilities, including the enforcement and administration of the ordinances and regulations adopted by the City of Pittsburgh with respect thereto; and,

WHEREAS, the Authority is a public authority created by the City in 1947 to provide and maintain spaces for vehicle parking throughout the City and to support the efforts of the City and its agencies to ensure the economic progress of our region; and,

WHEREAS, the Authority has sufficient cash reserves to modernize its meter operation and can utilize current cash reserves and future revenues for the rehabilitation and renovation of parking facilities in the City; and,

WHEREAS, the Authority desires to use the City Parking Facilities to influence public policy relative to the transportation needs of both the City and the region, to advance economic development of Pittsburgh's downtown and neighborhood business districts, to utilize parking tools to enhance the quality of life of residents, commuters and visitors in the City; and,

WHEREAS, the City welcomes partnership with a publicly-minded partner and desires to protect the public rights-of-way, require high standards of customer service, receive financial compensation for the Authority's use of the City Parking Facilities, establish certain reporting and records access requirements, and provide for the future parking needs of its residents; and,

WHEREAS, the City has determined the Authority to be financially, technically and legally qualified to own and operate the City Parking Facilities and to provide parking services,

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

Section 1. The Mayor and the Director of Operations on behalf of the City are hereby directed to enter into an Agreement or Agreements in a form approved by the City Solicitor, providing for the sale of the City Parking Facilities which include Mellon Square Garage ("Mellon Garage") (Block and Lot - 2-A-132-0000-01, 2-A-132-0000-02), five surface parking lots: 12th & East Carson Lot (Block and Lot 3-H-163), Harvard/Beatty Lot (Block and Lot 83-P-230), Forbes/Murray Lot (Block and Lot 86-G-284), Sheridan/Kirkwood Lot (Block and Lot 84-C-236), and Tamello/Beatty Lot (Block and Lots 84-B-256 and 84-B-240) and the City of Pittsburgh's Parking Meter Network to the Authority for the price of \$220,000,000 (two hundred and twenty million dollars);

Section 2. As a condition of the sale, the Authority agrees to seek approval from the Council and Mayor of the City of Pittsburgh for any potential future lease or sale agreement involving City Parking Facilities;

Section 3. As a condition of the sale, the Authority agrees to modernize meter operations within twelve months of the closing of the sale, to set aside current cash reserves and future revenues for the rehabilitation and renovation of existing parking structure and that the City shall retain the right to the net operating result of all enforcement revenue;

Section 4. As a condition of the sale, the Authority agrees to substantially refine, modernize and improve its operations to provide state-of-the-art, customer-oriented services and consumer-friendly amenities, toward the goal of filling the City Parking Facilities and all the facilities already operated by the Authority (collectively, the "Total Parking Network") with customers, with such operations backed by appropriate enforcement.

Section 5. As a condition of the sale, the City and Authority agree that all proceeds of the sale of City Parking Facilities must be deposited into the General Fund and transferred to the Comprehensive Municipal Pension Trust Fund no later than December 31, 2010;

Section 6. As a condition of the sale, the Authority agrees that on the expiration, termination and satisfaction of any debt related to this transaction, the City has the sole and exclusive right to buy back the City Parking Facilities for the price of \$1;

Section 7. As a condition of the sale, the Authority agrees to seek approval from the Council and Mayor of the City of Pittsburgh for any potential future advertising or concessions to be placed within or upon the Total Parking Network.

Section 8. As a condition of the sale, the Authority agrees to undergo a time-use audit in 2011. Additionally the Authority will consider implementing parking revenue control equipment, as is used in other cities to help monitor use of the facilities, to provide data for both the improvement of the

operations and greater service of the residents, merchants, and businesses in the community, and to contribute to auditability.

Section 9. "State Management Analysis" - The Council hereby authorizes the Secretary of the Pennsylvania Municipal Retirement System (PMRS) to provide City Council with further analysis of the Minimum Municipal Obligation (MMO) under the following conditions:

- a. the MMO required by the City without any additional upfront money if PMRS administers the pension plan
- b. the MMO required by the City with additional upfront payments to the pension plan of \$50,000,000 and \$100,000,000 and \$150,000,000 with a 6% and 7.5% rate of return if PMRS administers the pension plan
- c. the MMO required by the City with an upfront payment of \$220,000,000 (from the Council -Controller Plan) and 6% rate of return assumption if PMRS administers the pension plan
- d. the MMO required by the City with an upfront payment of \$220,000,000 (from the Council -Controller Plan) and 7.5% rate of return assumption if PMRS administers the pension plan

Section 10. As a condition of the sale, the Authority shall hire a consultant to perform an independent study to determine whether a project labor agreement should be agreed to between the Authority and the Pittsburgh Regional Building and Construction Trades Council for any and all construction work to be done with public funds exceeding twenty-five thousand dollars (\$25,000) to ensure timely completion, an adequate supply of highly skilled workers, a drug free work place, and a grievance procedure to preclude disputes. If the study recommends that a project labor agreement would help ensure such objectives, the Authority shall enter into such agreement(s). The Authority shall ensure that any construction work shall be performed by a workforce that is drug tested/drug free, OSHA 30 certified, and that the work force has been subject to a federally or state certified apprenticeship program with a record of substantial graduation."

Returned from Mayor Ravenstahl not signed, November 8, 2010.

I do hereby certify that the foregoing resolution duly engrossed and certified, was delivered by me to the Mayor for his approval or disapproval and that the Mayor failed to approve or disapprove the same, whereupon it became a law without his approval under the provisions of the Act of Assembly in such case made and provided. Linda M. Johnson-Wasler, City Clerk