



Text File

Introduced: 12/4/2020

Bill No: 2020-0958, **Version:** 1

Committee: Committee on Intergovernmental Affairs

Status: Passed Finally

Resolution authorizing a Second Amendment to the Pittsburgh Development Fund Cooperation Agreement dated January 24, 1995 between the City of Pittsburgh and the Urban Redevelopment Authority of Pittsburgh (Council Districts: All)

WHEREAS, pursuant to Resolution No. 963 of 1994, effective December 21 1994, the Council of the City of Pittsburgh authorized the City of Pittsburgh (the “City”) to enter into the Pittsburgh Development Fund Cooperation Agreement (the “Cooperation Agreement”) with the Urban Redevelopment Authority of Pittsburgh (the “URA”) pursuant to which the URA agreed to issue taxable bonds netting approximately \$60,000,000 and the City agreed to irrevocably assign a portion of its receipts from a one (1%) percent sales, use, and hotel excise tax within Allegheny County enacted under Pennsylvania House Bill 659 (P.L. 529, No. 77, approved December 2, 1993) to repay the URA taxable bonds over a period of 20 years; and

WHEREAS, the \$60,000,000 fund created by the issuance of taxable bonds by the URA is known as the Pittsburgh Development Fund (“PDF”); and

WHEREAS, pursuant to Resolution No. 50 of 2001, effective February 15, 2001, the parties thereafter executed a first amendment to the Cooperation Agreement (the “First Amendment”) dated March 19, 2002, whereunder the parties clarified the duration of the City’s pledge of Assigned Receipts (as defined in the Cooperation Agreement), ratified certain actions taken by the URA with respect to the PDF, established the District Improvement Fund (“DIF”), and agreed upon guidelines for the DIF and PDF; and

WHEREAS, the taxable bonds issued by the URA for the PDF have been satisfied and the City no longer provides a portion of the taxes above-mentioned to repay such bonds; and

WHEREAS, the DIF was a part of the City’s strategy to invest in important neighborhood development activities throughout the City; and

WHEREAS, on October 14, 2020, URA and the City formally launched the Avenues of Hope initiative (the “Avenues of Hope Program”) to reprioritize business district investments and facilitate high-quality affordable housing in diverse city neighborhoods, with initial target avenues being Homewood, Larimer, Centre, Perrysville, Chartiers, Warrington and Irvine Street in Hazelwood; and

WHEREAS, the URA and the City seek authorization to further amend the Cooperation Agreement to terminate the DIF, authorize the use of former DIF funds for the Avenues of Hope Program, and set forth revised PDF guidelines.

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

Section 1. The Mayor, on behalf of the City of Pittsburgh, is hereby authorized to enter into a Second Amendment to the Pittsburgh Development Fund Cooperation Agreement (the “Second Amendment”) with the URA to terminate the DIF, authorize the use of former DIF funds for the Avenues of Hope Program, and set forth revised PDF guidelines. The form of the Second Amendment shall be approved as to form by the City Solicitor.

Section 2. Upon execution of the Second Amendment, any Resolution or Ordinance or part thereof conflicting with the provisions of the Second Amendment shall be repealed so far as the same affect such Second Amendment.