Introduced: 7/2/2021

Bill No: 2021-1678, **Version:** 2

Committee: Committee on Finance and Law

Status: Passed Finally

Resolution amending Resolution 865 of 2014, entitled "Resolution amending Resolution 130 of 2011 to authorize the Mayor and the Director of Finance, on behalf of the City of Pittsburgh, to enter into an Amendment to Parking Agreements to amend existing designated Meter Revenue and Cooperation Agreements between the City of Pittsburgh and the Pittsburgh Public Parking Authority for the purpose of dedicating revenue generated by increased parking meter rates to the City and to further document updates to the Parking Court Cooperation Agreement, the Mellon Square Garage Lease, and the Monongahela Wharf Lease" to authorize a Second Amendment to Parking Agreements to further amend the Cooperation Agreement and the Monongahela Wharf Lease between the City and the Pittsburgh Public Parking Authority and to amend certain other terms of the Amendment to Parking Agreements.

WHEREAS, in 2011, City Council passed Resolution 130 of 2011 to set forth its intent for the City to amend existing agreements with the Authority to ensure that the City receives revenue generated by increased parking meter rates in order to offset some of the parking tax revenue that has been diverted to the Comprehensive Municipal Pension Trust Fund through the year 2041; and

WHEREAS, as of January 1, 2015, the City and the Authority entered into an Amendment to Parking Agreements, whereby the parties amended the relevant Meter Revenue Agreement (dated December 18, 1985) (as amended and supplemented by an Amendment Agreement dated as of January 1, 2000), the Cooperation Agreement (dated as of February 5, 1995), the Parking Court Cooperation Agreement (dated as of May 18, 2005), the Mellon Square Garage Lease (dated July 20, 1993) and the Monongahela and Allegheny Wharf Lease (dated as of January 1, 1987) (as amended by the Amendment to Monongahela and Allegheny Wharf Lease dated as of September 1, 1989); and

WHEREAS, due to loss of parking revenue in 2020 and 2021 resulting from the COVID-19 pandemic, the City and the Authority now wish to enter into a Second Amendment to Parking Agreements to revise revenue sharing and certain other terms of the Amendment to Parking Agreements;

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

Section 1.   Resolution 865 of 2014 is hereby amended by adding a Section 2 to read as follows:

> *Section 2.   The Mayor and the Director of Finance, on behalf of the City of Pittsburgh,* are authorized to enter into a Second Amendment to Parking Agreements (the "Second Amendment") with the Public Parking Authority of Pittsburgh to update and supplement the operational and revenue sharing relationship between the City and the Authority, and that shall include the following agreements:

A.   The Cooperation Agreement between the City and the Authority (dated as of February 5, 1995) (as amended and supplemented by the Amendment to Parking Agreements dated as of January 1, 2015) (the "Cooperation Agreement") shall be amended as follows:

     i.   A provision shall be added that requires that the Authority's Net Revenue (as defined in the Trust Indenture dated January 1, 2000, between the Authority and the Bank of New York Mellon Trust Company, N.A., as trustee) in a given year be at least 125% of the Debt Service Requirement (as defined in the Indenture) for the Authority's outstanding debt, calculated without subordination of required payments to the City, before the Authority is required to transfer the City's Revised Portion of Meter Revenues (as defined in the Cooperation Agreement) collected in such year to the City; and

     ii.   The payment in lieu of taxes payable by the Authority to the City in the amount of $1,900,000 annually shall be abated for a period of ten (10) years beginning in 2021;

B.   The Monongahela and Allegheny Wharf Lease between the City and the Authority (dated as of January 1, 1987) (as amended by the Amendment to Monongahela and Allegheny Wharf Lease dated as of September 1, 1989, and as further amended by the Amendment to Parking Agreements dated as of January 1, 2015) (the "Wharf Lease") shall be amended as follows:

     i.   A provision shall be added that requires that the Authority's Net Revenue in a given year be at least 125% of the Debt Service Requirement for the Authority's outstanding debt, calculated without subordination of required payments to the City, before the Authority is required to transfer Wharf Revenues (as defined in the Wharf Lease) collected in such year to the City

C.   The Amendment to Parking Agreements between the City and the Authority (dated as of January 1, 2015) shall be amended as follows:

     i.   Two Hundred Twenty-Five (225) parking spaces at the Second Avenue Parking Garage shall be reserved for the City for facilitation of a City employee parking program and for City fleet space; any parking tax owed by the Authority to the City shall be waived; and the Authority's shall have the ability to setoff rent due from the City for fleet spaces as a credit for any amounts owed by the Authority to the City under Section 4(d) of the Cooperation Agreement, as amended.

     ii.   ~~The "cap" set forth in the Amendment to Parking Agreements shall be decreased from $18,500,000 to $15,000,000. The "cap" is defined as the level of amounts payable by the Authority to the City under all agreements (excluding parking tax payments) above which the Authority and the City split additional revenue equally.~~ **The Authority's share of parking meter revenue set forth in the Amendment to Parking Agreements shall be increased from $4,600,000 to $5,600,000 over four (4) years.**

The Second Amendment to Parking Agreements is subject to the approval of the City Solicitor as to form.