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Bill No: 2023-1716, Version: 1

Committee: Committee on Intergovernmental and Educational Affairs

Status: Passed Finally

Resolution amending Resolution 852 of 2019, which authorized a Cooperation Agreement between the City of Pittsburgh (the "City") and the Urban Redevelopment Authority of Pittsburgh (the "URA") to divert 75% of the incremental parking taxes from the Garage (as defined below) up to a maximum of \$25,000,000, to fund general construction costs at the proposed Block E development, part of the greater Lower Hill development project, in the Lower Hill neighborhood of the City of Pittsburgh, by updating the project details in the whereas clauses that have changed since original enactment.

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

Resolution 852 of 2019, entitled "Resolution authorizing a Cooperation Agreement between the City of Pittsburgh (the "City") and the Urban Redevelopment Authority of Pittsburgh (the "**Authority**") to divert 75% of the incremental parking taxes from the Garage (as defined below) up to a maximum of \$25,000,000, to fund general construction costs at the proposed Block E development, part of the greater Lower Hill development project, in the Lower Hill neighborhood of the City of Pittsburgh," is hereby amended as follows:

WHEREAS, the Block E development will be a mixed-use garage, entertainment, and retail development on property owned by the Sports and Exhibition Authority, located at Block 2-C, Lot 406, in the 3rd Ward of Pittsburgh (the "Project") and ~~an integral 850-space parking garage for the Project~~ **an integral parking garage with approximately 910 parking spaces** (the "Garage"); and

WHEREAS, the Project is expected to help catalyze the Lower Hill development project, help alleviate the parking shortage, and generate significant parking taxes due to the need for such a facility; and

WHEREAS, the developer of the Project, ~~Buccini/Pollin Group, Inc.~~ **Parking Partners XXIII Block E LLC** (the "Redeveloper"), **or a related affiliate of Buccini/Pollin Group, Inc.**, has indicated that additional funds are needed to pay for the costs of construction of the Project; and

WHEREAS, the tax increment funds from the Garage will be used to fund construction for the Project, including ~~97,000 square foot live entertainment venue with adjacent lawn, 60,000 square feet of retail/commercial space, and 285,000 square feet of parking~~ **a 6-story above ground parking garage that is approximately 319,000 square feet with approximately 2,430 square feet of street level commercial space, a public safety facility that is approximately 2,600 square feet, and an approximately 80,000 square foot entertainment venue with approximately 7,600 square feet of commercial space;** and

WHEREAS, the Block E Redeveloper has requested that 75% of the **incremental** parking taxes generated by the Garage during its first 19 years of operation be made available to the Redeveloper to pay a portion of the

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costs of construction of the Project, and ~~that~~ **75% of the incremental parking taxes generated by the Garage during its 20th year of operation will be diverted into the an affordable housing fund to support affordable housing initiatives within the Hill District;** and

WHEREAS, the ~~City of Pittsburgh~~ **Urban Redevelopment Authority of Pittsburgh** will ~~use~~ **dedicate** the remaining 25% of the **incremental** parking taxes generated by the Garage **during its first 20 years of operation (“Term”)** ~~to fund~~ to support affordable housing initiatives within the Hill District; and

WHEREAS, the Redevelopment Cooperation Law, 35 P.S. §§ 1741, et seq., as amended, authorizes a city to enter into agreements with a redevelopment authority to carry out its public purposes upon the terms and over the period contemplated herein.

Section 1. The Mayor and the Director of the Department of Finance are hereby authorized and directed to enter into a cooperation agreement (the “Cooperation Agreement”) with the Authority in form approved by the City Solicitor, irrevocably assigning to the Authority ~~75~~**100%** of the **incremental** all parking taxes per year generated by the Garage for the ~~Term period~~ **specified above for the following purposes: In years 1 through 19, 75% of the incremental parking taxes generated by the Garage will be made available to defray costs related to such revenues to the construction of the Project; in years 1 through 19, 25% of the incremental parking taxes generated by the Garage will be made available to support affordable housing initiatives in the Hill District; and, in year 20, 100% of the incremental parking taxes generated by the Garage will be made available to support affordable housing initiatives in the Hill District.**

Section 2. The Cooperation Agreement shall authorize the Authority to establish an account with a financial institution into which all parking taxes from the Garage shall be deposited and from which disbursements shall be made as described above.

Section 3. The proper officers of the City are authorized to execute all necessary and appropriate documents and instruments and to do all other acts as may be necessary and proper to carry out the intent and purposes of this resolution.

Section 4. If any provision of this Resolution shall be determined to be unlawful, invalid, void, or unenforceable, then those provisions shall be considered severable from the remaining provisions of this Resolution, which shall remain in full force and effect.

Finally, that 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.