



City of Pittsburgh

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

Text File

Introduced: 2/17/2004

Bill No: 2004-0105, **Version:** 1

Committee: Committee on Finance & Budget

Status: Passed Finally

Presented by Mr. Hertzberg

Resolution amending Resolution No. 142, effective March 18, 1999 by providing for the continued designation of an Oakland Business Improvement District.

WHEREAS, pursuant to an act of November 30, 1967, P.L. 658, as amended, known as the "Business Improvement District Act" (the "Act") municipal corporations are authorized to establish areas designated as business improvement districts within commercial districts; and

WHEREAS, under the Act, Cities of the Second Class are authorized to create business improvement districts to acquire property for improvement and provide administrative services which improve the ability of the commercial establishment of the business improvement district to serve the consumer, including, but not limited to, public relations programs, group advertising and district maintenance and security services; and

WHEREAS, City Council is empowered by the Act to authorize an assessment within a business improvement district based on the total cost of approved services and improvements; and

WHEREAS, the Oakland Business Improvement District was created as a business improvement district pursuant to Resolution No. 142, approved March 2, 1999, effective March 18, 1999; and

WHEREAS, at the behest of the Oakland Business Improvement District Board of Directors, the City has been presented with a proposal for the continued designation of an Oakland Business Improvement District on the terms set forth herein.

NOW THEREFORE BE IT RESOLVED, that the Council of the City of Pittsburgh hereby enacts as follows:

Section 1. Amending Resolution No. 142, effective March 18, 1999 entitled; Providing for the continued designation of an Oakland Business Improvement District for the area shown on Exhibit "A" at the behest of the Oakland Business Improvement District, a coalition of property owners, business leaders, retailers, and local government and institutional representatives as follows:

Continued Designation as the Oakland Business Improvement District. As authorized by an Act of (*ORIGINAL*

Committee: Committee on Finance & Budget

Status: Passed Finally

OBID DOC READS: November 30, 1967, P.L. 658) December 19, 1996, P.L. 1158, as amended, known as the "Business Improvement District Act" (the "Act"), the designation of the Oakland Business Improvement District (the "District") as shown on the map attached as Exhibit "A" is hereby continued.

Except as provided for herein, owners of office and retail buildings, parking facilities and hotels located within the Oakland Business Improvement District area shall be subject to the special assessments authorized by the Act.

Section 2. Services and Improvements. Special assessment revenues shall be used solely for administrative services and improvements permitted by the Act and not essential governmental services provided by Pittsburgh City government.

Section 3. Levy of Special Assessment. There is hereby levied an assessment to pay the cost of the programs computed as follows:

A. Amount of Assessment - It is recognized that, pursuant to Section 4 of this Resolution, the Oakland Business Improvement District ("OBID") will have administrative responsibility for the District subject to Council's oversight. The additional amount to be raised annually by assessment is approximately \$280,000, but shall not exceed, in any event, 3.8 mills based on the combined land and building values established by the Board of Property Assessment as of December of the preceding year. The actual cost of services and improvements to be provided will be budgeted on an annual basis, which budget shall be presented to Council by October of the preceding year. A general estimate of presently anticipated expenses for the following year and projections for future appropriate spending will be presented at the time of the hearing on the Ordinance.

B. Method of Assessment - All benefited properties will be assessed at no more than 3.8 mills based on the combined land and building values. For purposes of this Ordinance, "benefited properties" shall mean all taxable properties located in the geographic area contained in the District but shall specifically exclude primary residential dwellings.

C. Payment of Assessment - The assessment shall be payable each year beginning in 2004 until the termination of the District. The total annual assessment shall be paid either in a single payment made by the last day of February of each year; or in three equal payments, the first payment made by the last day of February, the second made by the last day of April, and the third by the last day of July each year. Penalty and interest shall coincide with the current City of Pittsburgh rate structure and procedures for penalty and interest payments, after the due date.

D. Collection of Assessment - The assessment shall be collected by the OBID. The OBID shall mail initial and delinquent notices to owners of the benefited properties in a manner consistent with the Pittsburgh Department of Finance preparation of tax notifications. The OBID shall establish a separate account, the OBID

Assessment Fund, for deposit of all assessment collections. The OBID shall provide the City Treasurer with periodic and annual reports on collections and delinquencies.

E. Claims on Assessments - The City Treasurer shall file claims to secure assessments in a manner consistent with the manner that City claims are filed and collected. All assessments shall constitute liens and encumbrances upon the benefited properties at the beginning of the year in the amount payable in such year only in an amount equal to the sum of: (1) the annual or installment payments becoming payable in such year, with interest and penalties, if any, thereon; and (2) the total of all payments, with interest and penalties thereon, which became due during prior years and which remain due and unpaid at the beginning of the current year.

Section 4. Administration of the District.

A. Board of Directors - Council delegates the administration of the District's program to the OBID Board of Directors ("OBID Board"), composed of owners, their executives and agents, of properties and businesses within the Oakland Business Improvement District area, and representatives of organizations and institutions active within the OBID area. The OBID Board shall include the following:

- i. No more than five (5) owners, executives or agents of properties within the Oakland Business Improvement Area, each property with a combined land and building value for assessment purposes of less than \$600,000;
- ii. No more than five (5) owners, executives or agents of properties within the Oakland Business Improvement Area, each property with a combined land and building value for assessment purposes of more than \$600,000;
- iii. No more than five (5) owners, executives or agents of retail, service and restaurant businesses, each business a building tenant within the Oakland Business Improvement Area;
- iv. One owner, executive or agent of a financial institution within the Oakland Business Improvement Area;
- v. One representative of the Oakland Planning and Development Corporation;
- vi. One representative of the Department of City Planning;
- vii. One representative of the City Council;
- viii. One representative from the Mayor's office;
- ix. One representative from the University of Pittsburgh;
- x. One representative from the UPMC Health System; and

- xi.** One representative of a nonprofit organization within the Oakland Business Improvement Area not otherwise represented on the board.

The OBID Board shall consist of not less than 23 members or more than 32 members, each of whom shall be selected by the OBID Board.

B. Powers - The OBID shall have the power to contract on behalf of the District for the services described in Section 2 above.

C. Indemnity - Should any claim arise alleging that the OBID Board acts or has acted as an agent of the City, the OBID Board agrees to indemnify, defend and hold the City harmless from all claims, judgments and costs arising out of actions taken by the OBID Board in furtherance of the services and improvements described herein.

Section 5. Oversight - The OBID will present to Council annually a budget as well as a list of proposed Board members to fill vacant OBID Board positions in October, before Council budget discussions.

Section 6. Sunset - The District shall terminate on the earlier of five years from March 2009, or by a dissolution proposed by the majority of voting members of the OBID Board.

Section 7. Amendment. Upon the approval of a majority of the voting members of the OBID Board of Directors, the OBID may present a proposal to City Council to amend any provision of this Resolution.