No. 01-25-RE

A RESOLUTION

A Resolution of the County of Allegheny agreeing to participate in a Transit Revitalization Investment District Plan for Phase 1 of the Manchester-Chateau Project and authorizing related agreements.

WHEREAS, the Transit Revitalization Investment District Act, Act of Dec. 8, 2004, P.L. 1801, No. 238 (the "Act"), as amended, provides local taxing bodies with authority to cooperate in establishing transit-oriented development and value capture areas, as defined in the Act, within their respective jurisdictions to increase the tax base and improve the general economy of their communities; and

WHEREAS, pursuant to the Act, the Urban Redevelopment Authority of Pittsburgh ("Authority") is legally empowered to prepare Transit Revitalization Investment District Plans ("TRID Plans") to provide financing for local, county and regional economic development and revitalization activities through private sector investment, reinvestment and joint development activities in conjunction with public transportation improvements in TRID districts located in the City of Pittsburgh ("City") and to present such TRID plans to the City, the School District of Pittsburgh ("School District"), Allegheny County ("County"), and the Port Authority of Allegheny County doing business as Pittsburgh Regional Transit ("PRT") for consideration; and

WHEREAS, the Authority, working with the designated representatives of the City, the County, the School District, and PRT, undertook a TRID Planning Study, as required by the Act, to explore the creation of a TRID in the City's Manchester and Chateau neighborhoods and the TRID Planning Study provided, among other things, the rationale for creating a TRID within the Manchester and Chateau neighborhoods (the "MC TRID") and articulated the types of improvements that could be eligible for TRID funding ("Phase 1 TRID Funding Eligible Projects"); and

WHEREAS, the Authority, working with the designated representatives of the City, the County, the School District, and PRT, adopted the Manchester-Chateau Transit Revitalization Investment District Phase 1 Implementation Plan ("MC TRID Phase 1 Plan") in accordance with the requirements of the Act, providing for, among other things, the creation of the MC TRID, the identification of Pledged Projects which are economic development projects that will generate economic activity and tax revenues which can be used to finance a portion of the costs of the TRID-funded eligible projects articulated in said plan; and

WHEREAS, the Authority submitted the MC TRID Phase 1 Plan to the City, School District, and County for review and consideration; and

WHEREAS, the Authority recommends the adoption of the MC TRID Phase 1 Plan and the creation of the MC TRID Boundary as articulated in said plan; and

WHEREAS, the Act provides for the cooperation of local taxing bodies in the financing of projects within TRID Districts and authorizes the Authority to issue obligations for the purpose of paying certain costs of implementing TRID Plans; and

WHEREAS, the implementation of the MC TRID Phase 1 Plan is fully dependent on the cooperation and participation of all local taxing bodies, namely the City, the School District and the County; and

WHEREAS, the Council of the City will hold a public hearing on the creation of the TRID District as required by the Act; and

WHEREAS, the County is expected to benefit from the implementation of the MC TRID by stimulation of private investment, increases in property values, creation of employment opportunities, and improvement of surrounding properties.

The Council of the County of Allegheny hereby resolves as follows:

SECTION 1. <u>Incorporation of the Preamble.</u>

The provisions set forth in the preamble to this Resolution are incorporated by reference as set forth in their entirety herein.

SECTION 2. <u>Adoption of TRID Plan</u>

The Council hereby agrees on behalf of the County to participate in the MC TRID in accordance with the MC TRID Phase 1 Plan attached hereto as Exhibit A and contribute the real estate tax increments set forth in said plan for a period of twenty (20) years, commencing on the date of the initial tax reassessment of each Pledged Project. Furthermore, the County will allocate seventy-five percent (75%) of its real estate tax increments, the School District will allocate seventy-five percent (75%) of its tax increments, and the City will allocate seventy-five (75%) of its amusement, parking, and real estate tax increments to the Authority to finance a portion of the TRID Funding Eligible Projects articulated in the MC TRID Phase 1 Plan.

SECTION 3. Real Estate Tax Revenues.

The tax revenues due or owed to, or received by the County from the MC TRID, subject to the percentage limitation and time requirement set forth in Section 2 of this Resolution, and as set forth in the MC TRID Phase 1 Plan, are hereby pledged, and a security interest is hereby granted, to the extent of those specific revenues to secure the repayment of any debt incurred by the Authority for the purpose of financing TRID Project improvements.

SECTION 4. Notification of Actions.

The Chief Clerk or the County Manager is directed to deliver a copy of this Resolution to the Mayor of the City of Pittsburgh, as provided in the Act.

SECTION 5. <u>Cooperative Actions.</u>

The appropriate public officials of the County are hereby directed to take such additional action in cooperation with the Authority, the City and the School District in furtherance of the implementation of the MC TRID Phase 1 Plan, including, without limitation, the execution and delivery of a TRID Cooperation Agreement by and among the County, the Authority, the City, the School District and PRT.

SECTION 6. Severability.

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

SECTION 7. Repealer.

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.

Enact	ted in Council, this	t <u>L</u> day of	Many	, 2025.
Cound	cil Agenda No. <u>/3474</u> -	25		
			Patrick Catena President of Council	The same particular to
Attest:	Jared Barker Chief Clerk of Co	uncil		
Chief	Executive Office	May	<u>13</u> , 2025	
Appro	Sara Innam County Exe			0.00
Attest	The Journ			
	John Fourn County Ma			

SUMMARY OF LEGISLATION

The attached legislation is Resolution of the County of Allegheny agreeing to participate in a Transit Revitalization Investment District (TRID) Plan for Phase 1 of the Manchester-Chateau Project and authorizing related agreements.

The Manchester-Chateau Transit Revitalization Investment District (MC TRID) is a public investment strategy designed to incentivize catalytic economic development, encourage significant investment in transit and other public infrastructure, and provide gap funding for economic development and infrastructure improvements within the TRID boundary. The planned uses of funding for the MC TRID include an estimated investment of over \$25 million in affordable housing and an estimated investment of over \$12 Million in public space and public infrastructure improvements. Allegheny County would see a projected increase in annual tax revenue from \$28,612 to over \$1.6 Million.

A third party was contracted to undertake an Impact Analysis for Planning (IMPLAN) to evaluate and estimate the employment effects of the Esplanade development project. The IMPLAN model estimated the creation of 9,378 jobs during the construction. These jobs are estimated to produce nearly \$1.5 Billion of economic output for the Pittsburgh region. For purposes of TRID compliance, construction jobs are subject to state prevailing wage regulations. Esplanade Partners has also engaged with Partners 4 Work for assistance in developing and implementing workforce programming. The IMPLAN model estimated the following annual employment effects at operational stabilization: 4,505 jobs broken down as 2,096 direct jobs, 1,027 indirect jobs, and 1,382 induced jobs. These jobs are estimated to produce an annual labor income of \$356 Million. The 2,096 direct jobs come from the tenants and support employees directly working at the Esplanade and are expected to include office, restaurant, entertainment, and retail uses.

The MC TRID lasts 40 years, allowing public and private partnerships to engage in study, planning, implementation, and, ultimately, operations on various economic development and infrastructure improvement projects. While the MC TRID boundary will last 40 years, the value capture period for each Pledged Project will be limited to 20 years, provided the Pledged Project is reassessed no later than 20 years into the MC TRID's term. The value capture period will be reduced by one year for each year after the first 20 years of the MC TRID's term.

The Resolution directs the appropriate public officials of the County to take such additional action in cooperation with the Authority, the City and the School District in furtherance of the implementation of the Manchester-Chateau TRID Phase 1 Plan, including, without limitation, the execution and delivery of a TRID Cooperation Agreement by and among the County, the Authority, the City, the School District and PRT.

March 20, 2025

Mr. Jared Barker
Director of Legislative Services & Chief Clerk
Allegheny County Council
119 Courthouse
436 Grant Street
Pittsburgh, PA 15219

Dear Mr. Barker:

Please find attached a Resolution of the County of Allegheny agreeing to participate in a Transit Revitalization Investment District Plan for Phase 1 of the Manchester-Chateau Project and authorizing related agreements, along with a summary of the legislation being presented.

Please include this bill on the agenda for introduction at the Regular Meeting of County Council on March 25, 2025.

I appreciate Council's consideration of this legislation. Please do not hesitate to reach out to the County Manager or my Office with any questions or concerns.

Sincerely,

Sara Innamorato
Allegheny County Executive

CC: The Honorable President and Members, Allegheny County Council Mr. Kenneth Varhola, Chief of Staff of the Allegheny County Council