

ALLEGHENY COUNTY COUNCIL

REGULAR MEETING

- - -

BEFORE:

Dr. Charles J. Martoni	-	President, District 8
Nicholas Futules	-	Vice President, District 7
John P. DeFazio	-	Council-At-Large
Heather S. Heidelbaugh	-	Council-At-Large
Matt Drozd	-	District 1
Jan Rea	-	District 2
James R. Burn, Jr.	-	District 3 (Via Telephone)
Michael J. Finnerty	-	District 4
Krista Harris	-	District 5
John F. Palmiere	-	District 6
Robert J. Macey	-	District 9
William Russell Robinson	-	District 10
Barbara Daly Danko	-	District 11
James Ellenbogen	-	District 12
Amanda Green Hawkins	-	District 13

Allegheny County Courthouse
Fourth Floor, Gold Room
436 Grant Street
Pittsburgh, Pennsylvania 15219

Tuesday, July 9, 2013 - 5:00 p.m.

SARGENT'S COURT REPORTING SERVICE, INC.
429 Forbes Avenue, Suite 1300
Pittsburgh, PA 15219
(412) 232-3882 FAX (412) 471-8733

IN ATTENDANCE:

William McKain - County Manager
Joseph Catanese - Director, Constituent Services
Jared Barker - Director, Legislative Services
Walter Szymanski - Budget Director
Jack Cambest - County Solicitor

PRESIDENT MARTONI: The regular meeting of Allegheny Council will now come to order. Please rise for the Pledge of Allegiance. Remain standing for a moment of silent reflection following the Pledge of Allegiance. The pledge will be led by Councilman Bob Macey.

(Pledge of Allegiance.)

(Moment of silent reflection.)

PRESIDENT MARTONI: Please be seated. Roll call.

MR. CATANESE: Mr. Burn?

MR. BURN: Here.

MR. CATANESE: Ms. Danko?

MS. DANKO: Here.

MR. CATANESE: Mr. DeFazio?

MR. DEFAZIO: Here.

MR. CATANESE: Mr. Drozd?

MR. DROZD: Present.

MR. CATANESE: Mr. Ellenbogen?

MR. ELLENBOGEN: I'm here.

MR. CATANESE: Mr. Finnerty?

MR. FINNERTY: Here.

MR. CATANESE: Mr. Futules?

MR. FUTULES: Here.

MR. CATANESE: Mr. Gastgeb?

MR. DROZD: He's here in spirit.

MR. CATANESE: Oh, my God. I'm sorry. I apologize.

PRESIDENT MARTONI: That's okay. No problem.

MR. CATANESE: Ms. Green Hawkins?

MS. GREEN HAWKINS: Present.

MR. CATANESE: Ms. Heidelbaugh?

MS. HEIDELBAUGH: Here.

MR. CATANESE: Ms. Harris?

MS. HARRIS: Here.

MR. CATANESE: Mr. Macey?

MR. MACEY: Here.

MR. CATANESE: Mr. Palmiere?

MR. PALMIERE: Here.

MR. CATANESE: Ms. Rea?

MS. REA: Here.

MR. CATANESE: Mr. Robinson?

MR. ROBINSON: Present.

MR. CATANESE: Mr. Martoni, President?

PRESIDENT MARTONI: Here.

MR. CATANESE: Fourteen (14) members --- 15 members present. Sorry.

PRESIDENT MARTONI: Proclamations/
Certificates.

MR. CATANESE: 7664-13. Proclamation honoring Ms. Chloe Kondrich, for serving as an advocate for persons with disabilities by breaking down barriers, increasing public awareness and changing attitudes by focusing on abilities. Sponsored by Councilwoman Heidelbaugh.

MS. HEIDELBAUGH: One of the most wonderful things about the County allowing me to serve as their public servant in the Council-at-Large position is getting to meet a whole host of citizens whom I represent. And one of the citizens I represent is Chloe Kondrich, and we're trying to get her to come up here, and we're going to honor her today and her parents and her brother, who's actually as famous as Chloe, for serving as an advocate for persons with disabilities, by breaking down barriers, increasing public awareness and changing attitudes by focusing on abilities.

I'm of a certain age in which not all children were valued as we, as the society, now understand all children should be valued. And Chloe serves as a pillar of strength and admiration for all of us to realize the dignity inherent in each of us as human beings. And we, as a society, need to strive to continually recognize the dignity and God's measure in each and every human being. So it's my pleasure to introduce to you her father, who will tell us all just for a few moments about the work that Chloe and her mother and father and brother are doing, not only nationally but across the Commonwealth, to bring attention to the work that early intervention can do to increase the meaningful life of a person with a learning disability.

MR. KONDRICH: Thank you very much, Heather. And I want to thank Council for inviting us here this evening. It is an honor to be here, and it's quite an event to be present here. And I just want to thank you for focusing everybody on abilities. When Chloe was born in 2003, at that time, I was actually a City police officer. We had no idea our daughter was going to have Down's syndrome, and we found out shortly after her birth she had Down's syndrome. And she put us on an incredible journey. In her ten years of life, I will say this child possibly planted more positive seeds than most people do

in their lifetime. She's gone out; she's met with governors. She's met with Governor Corbett, Governor Rendell. She's had influence on the budget. She currently attends her neighborhood school. She's shy in certain places but I think if you ---. She's in her neighborhood school and people say, how's Chloe doing? Well, Chloe reads at a fifth grade level. I kid people she reads better than some of the policeman I used to work with. She really is able to show positive things to do. And you know, Chloe's friend from school, Elly, actually came out here today. Elly has been in school with Chloe since kindergarten. So it's a real testament in saying that we didn't go to school with kids like Chloe when we were growing up, and now, because she's in her neighborhood school, because she's fully included and because she's able to form these relationships, people are seeing her not for --- the kid with Down's syndrome, not for the kid with the disability. They're seeing her as Chloe. She's a young lady who has many abilities who is able to do many wonderful things. And her brother, Nolan, who is 14 and going into high school next year, I would argue because of Chloe as his sister, he's turning into the type of man who we desperately need in our culture today, a man who is focused on unconditional love, on purity, who's focused on helping and serving others, who has great patience, who admires his sister for the lady that she is and respects her for that.

So Chloe has been an absolute blessing, as I said, to our family, to our community. And I am hoping that she just gets out and meets more people. She recently was on the cover of a book. It's called Brilliant Soul. I actually brought a copy for Heather today that Chloe signed for her. And this book is actually --- it's been picked up around the world. People or families that are having children with Down's syndrome face a lot of uncertainty, a lot of fears, worries about the future. And Chloe has been able to show that, yeah, it's a different journey, but it's also a beautiful journey. Yeah, you might not be going to Paris, but you might be arriving at Holland. And it's showing that it's okay.

There's a lot of good things to look forward to in the future, and we're very, very optimistic because of the services that Chloe has received through the State of Pennsylvania and the County of Allegheny, with early

intervention, early childhood education. Because she received that critical foundation, she has a very bright outlook for a successful life. And so like I said, I'd like to thank you all very much for having us here this evening, for looking at Chloe for who she is as a person, not as a kid with Down's syndrome, just as a beautiful member of the community. And I look forward to seeing you all in the future. And I wish you the very best and God Bless you all. Thank you very much.

(Applause.)

MS. HEIDELBAUGH: Well, I'm not going to read the proclamation, I'm going to give that to you, but we're going to have our picture taken. But we can't have a picture taken without Chloe.

MR. KONDRICH: Chloe, would you give Heather the book?

(Pictures taken.)

PRESIDENT MARTONI: Thank you. 7676-13 --- it's actually 7665-13.

MR. CATANESE: The remainder will be read into the record.

Certificate of Recognition awarded to Mr. and Mrs. William and Judith Alund upon the occasion of their 55th wedding anniversary. Sponsored by Councilman Macey.

PRESIDENT MARTONI: Okay. At this time, I'd like to deviate from the agenda just for a moment. I would like to introduce all of us to the current interim president of the Community College of Allegheny County, Mr. Michael Murphy --- Dr. Murphy.

(Applause.)

PRESIDENT MARTONI: Thank you for coming, sir.

DR. MURPHY: Thank you. The last time I was here, it was to beg for money. I probably will be gone long before that occasion arises. I'm happy for that. I know the kind of challenges that you face with the economy and the budget, and I know that you've treated the college as well as you possibly can historically and will continue to do. I will say that this is a much more pleasant environment in which to come than the one when I was here the last time. And I really do look forward to it. You have a college about which you could really be proud. This is my fifth interim, going on my second.

I did not do well in retirement, all right, so I've been doing interims all over the country. This is the one place that my wife and I would come back to. If

you could do something about winter, we probably would live here. But it is a remarkable city. On Saturday I drove through the Boyce area --- I was telling Chuck this yesterday, and I was talking to these folks and a young man. I said, you know, Allegheny County, Pittsburgh, is a really well-kept secret. And he said, yeah, and that's the way we like it; don't tell anyone. So I haven't since I've been here. And I've been talking to people, some who have lived here in the past that have just confirmed what I believe and others who have passed through the city. And it is a remarkable place. What you have to offer any resident is just unbelievable.

I was telling some members before this meeting that Allegheny County ranks among the leading counties in the country for the number of college-educated people. You probably know that or sense it from a number of schools. But upwards of almost 50 percent of the residents of Allegheny County have a college degree. The national average of all the counties in the country is below 40 percent. So you are significantly ahead of the national average. And I think it reflects --- that's reflected very much in the way the county and area are operated and the good things that you do for the citizens of the area, which I intend to participate in to the extent that I can.

Interim presidents are measured not by how long they stay but how little they stay. So as soon as a permanent president is located and appointed, I'll be out of here. And we're working very hard to make that happen. I was told by the people who are doing the search yesterday that we have already a very strong pool of candidates who have expressed an interest. And that's a good sign, because the advertising and the recruitment effort is really just now under way. But already people have learned about the position and the opportunities available at the college and what a great place Pittsburgh is to --- and Allegheny County are to live in, and the numbers are starting to reflect that in the applications. That's all.

So I look forward to the opportunity and appreciate very much what you have done for the college and I'm sure will continue to do. Thank you.

PRESIDENT MARTONI: Thank you.

(Applause.)

PRESIDENT MARTONI: Public Comment on Agenda Items.

MR. CATANESE: I have none.

PRESIDENT MARTONI: Approval of Minutes.
7670-13.

MR. CATANESE: Motion to approve the minutes of the regular meeting of Allegheny County Council held on June 18, 2013.

MR. MACEY: So moved.

(Chorus of ayes.)

PRESIDENT MARTONI: Moved and seconded.

Question? All in favor?

(Chorus of ayes.)

PRESIDENT MARTONI: Opposed? So ordered.
Presentation of Appointments. 7666-13.

MR. CATANESE: Approving the reappointment of State Senator Wayne Fontana, to serve as a member of the Redevelopment Authority of Allegheny County for a term to expire on May 23rd, 2018. Sponsored by the Chief Executive.

PRESIDENT MARTONI: Committee on Appointment Review. 7667-13.

MR. CATANESE: Approving the reappointment of William Brooks, to serve as a member of the Redevelopment Authority of Allegheny County for a term to expire on May 23rd, 2018. Sponsored by the Chief Executive.

PRESIDENT MARTONI: 7668 --- Committee on Appointment Review. 7668-13.

MR. CATANESE: Approving the reappointment of James J. Dodaro, to serve as a member of the Allegheny County Industrial Development Authority, the Allegheny County Hospital Development Authority, the Allegheny County Higher Education and Building Authority and the Allegheny County Residential Finance Authority for a term to expire on December 31st, 2017. Sponsored by the Chief Executive.

PRESIDENT MARTONI: Committee on Appointment Review. 7669-13.

MR. CATANESE: Approving the appointment of Stephanie Turman to serve as a member of the Allegheny County Industrial Development Authority, the Allegheny County Hospital Development Authority, the Allegheny County Higher Education and Building Authority and the Allegheny County Residential Finance Authority for a term

to expire on December 31st, 2017. Sponsored by the Chief Executive.

PRESIDENT MARTONI: Committee on Appointment Review. Unfinished Business. Committee on Economic Development and Housing, Second Reading. 7633-13.

MR. CATANESE: A resolution of the County of Allegheny, agreeing to participate in a Transit Revitalization Investment District (TRID) Plan, for Phase I of the East Liberty Project and authorizing related agreements. Sponsored by the Chief Executive.

PRESIDENT MARTONI: Waiting for a move for a motion to ---.

MR. MACEY: I make a motion we approve. Amanda?

PRESIDENT MARTONI: I know.

MS. GREEN HAWKINS: Second.

MR. DROZD: Question, question.

PRESIDENT MARTONI: Question. Let her present it first.

MR. DROZD: Oh, did you already call ---? I'm sorry.

PRESIDENT MARTONI: I didn't accept it, so ---.

MR. DROZD: I didn't want to miss the opportunity. Thank you.

MS. GREEN HAWKINS: Well, I may --- will probably rely on some assistance from Maurice Struhl from our Economic Development Department. But what I will say is that a TRID is --- this is something that's kind of new for Council to deal with, the first one, I believe, that we have done. And it is --- think of it as a TIF; however, you don't need an area certified as being in need of redevelopment and is also development around something that's transit related. And this will take place in East Liberty, and the transit development associated with it will be the Martin Luther King East Busway in the East End.

PRESIDENT MARTONI: Okay. I apologize if I ---.

MS. GREEN HAWKINS: That's okay.

PRESIDENT MARTONI: Matt, you're next.

MR. DROZD: Yeah. I just had a question on a little more detail on what it entails. Is there facilities for the Port Authority or their employees or anything like that? Or is this strictly --- is this strictly for that transit within the area to service the people that live within that area?

MS. GREEN HAWKINS: I don't believe this has anything to do with the employees. That's not the purpose of the --- that's not the purpose of a TRID, ---

MR. DROZD: No, I understand that.

MS. GREEN HAWKINS: --- to have anything to do with the transit employees. It's about the public and the benefit to the public. We're using tax dollars, after all. I would assume that if this had something to do with parking or something like that for Port Authority employees, the Port Authority would be required to use its own money and not come asking us for money with a TRID. That's not the purpose of a TRID.

PRESIDENT MARTONI: Okay. Matt?

MR. DROZD: Right now, yes. Yes, sir. Thank you.

PRESIDENT MARTONI: Any other questions? Yes?

MS. HEIDELBAUGH: May we have Mr. Struhl come up?

MS. GREEN HAWKINS: Mr. Struhl, you're being summoned. Please. Thank you.

MR. STRUHL: Good afternoon.

MS. GREEN HAWKINS: Good afternoon.

MS. HEIDELBAUGH: Thank you. I have some questions. As I see here on page 7 of 23, it appears that there will be two hotels as part of the TRID?

MR. STRUHL: There will be two hotels contributing to the TRID, but they don't receive money from the TRID.

MS. HEIDELBAUGH: Okay. Can you explain to us and to the public who's watching why it is that government will be involved in this to the extent that private enterprise could not put this together? I understand that's a large question, but I'm looking for a large answer.

MR. STRUHL: There are approximately \$40 million worth of infrastructure costs that are being spent in this project. The TIF itself is looking to spend approximately \$13 and a half million of that. No private enterprise could justify that economic cost. The primary use of the money for the TRID is to support a remodeling --- reduced, if you will, of the existing transit loop that's there that's unused, adjacent and across the road from the existing Target store.

It will provide construction of a new public road that parallels Center Avenue. It will provide over

500 public parking spots underneath that road and then the foundation for a new residential development of over 300 units and some retail.

MS. HEIDELBAUGH: And so in terms of the road, obviously, we can understand that, that private enterprise would not be engaged in that. Can you explain to us a little bit further why it is that we will be engaged in providing residential units?

MR. STRUHL: You're not providing the units. The funds are not going to be used to pay for the units.

MS. HEIDELBAUGH: Okay.

MR. STRUHL: They're essentially paying for the preparation of the site on which units can be privately funded and built.

MS. HEIDELBAUGH: All right. And why is government doing that?

MR. STRUHL: Because it needs to build a road, and it needs to build a car parking facility to allow commuters to take the transit system. Really, what this is, is an opportunity to help support public transit and the maintenance of a new facility of public transit. And they're going to --- the private developers are going to take advantage of some of those improvements to build upon those, to make the private use.

MS. HEIDELBAUGH: But I want to get back to that portion of this which is going to be devoted to assisting private enterprise in the building of residential units. There are lots of enterprises which will take land, prepare the land and incur all of those costs. So one of my principal philosophies is not to be involved in picking winners and losers in the capitalist system. So I don't want to be giving taxpayer money to a private enterprise to allow them not to incur costs in which another private enterprise will have to incur the costs, thereby making the playing field uneven. Can you explain it --- am I wrong in that scenario?

MR. STRUHL: No, I understand your philosophy, and I don't think that this is, in any way, a contribution to that philosophy. Essentially what this project will do is fund the creation of a road and a parking facility, primarily. And there's a number of other things that are listed in the plan. I think there were a total of seven or eight different public projects. But the largest one is certainly that road and the parking facility. The ---.

MS. HEIDELBAUGH: Which I understand.

MR. STRUHL: Yes.

MS. HEIDELBAUGH: And my question is not directed to that, sir.

MR. STRUHL: I understand. I'm just trying to get there.

MS. HEIDELBAUGH: Okay.

MR. STRUHL: The fact that the road is being built and the public parking facility is being built enables further development on top of that, and that's what's going to happen, which will help pay for this. It's not like we're taking money from the public and giving it to a private developer to enrich them. We're taking money from the public to help improve public infrastructure that will provide the opportunity for new developments to occur. It is essentially taking money from development that's within about a half mile radius of this project site and contributing part of their increment, if you will, to these --- the development and maintenance of this asset.

MS. HEIDELBAUGH: Can you tell me how much of this TRID is being used for the development of the land under the residential units?

MR. STRUHL: In total, there is about \$13 million in TRID funds being used by the projects. I can't tell you exactly what portion goes just to the garage, per se. I don't think I can anyway. Oh, yes, I guess I can, \$8.45 million.

MS. HEIDELBAUGH: Okay. So how much is the road?

MR. STRUHL: I don't have that totaled. The number that is in the plan is \$45 million for all of the East Side TRID infrastructure costs, which includes the road, the new road and the parking, the public parking.

MS. HEIDELBAUGH: Okay.

PRESIDENT MARTONI: Any further questions?
Matt?

MR. DROZD: Yeah. While we have you up there, thank you for your input. Just to clarify a little more on our part or on my part, and I don't know, maybe some of the other council, how much ---? We're not --- when you say putting in, this is a tax abatement, a form of a tax abatement; correct? Am I correct in that? Allegheny County is not putting money directly into this project or investing money?

MR. STRUHL: The county is taking a portion of new taxes that will accrue to the county as a result of this development and investing it in this project.

MR. DROZD: Right.

MR. STRUHL: That money will then be used, in addition to the City of Pittsburgh and school district's money, to make --- to purchase debt, if you will. There will be a debt issue of about \$14 million and --- or about \$15 million. And that money then will be used to make an investment in this project.

MR. DROZD: And again, when we're talking about the City portion and the school district portion, that portion is not direct money. It's again what they're willing to give up and a portion of those taxes. Now, do you have some figures on how much is going to be given ---? I guess it's in here. Maybe, you can at least detail it for the viewing audience. How much of that is being given up, and how much we're still going to get, the school district and the county and the City, in taxes, even though they're giving up a portion? And I would assume, too --- it's always with a TIF or anything in economic development, but for, meaning but for this, this project doesn't go forth. And they're not going to get any tax dollars and neither are we, and that site out there is going to be somewhat blighted, because I know the area, as you do.

MR. STRUHL: Right.

MR. DROZD: And we're going to be sitting here waiting for something to come along to get this going, and now the road, we're going to get full tax revenue. So do you think you can elaborate more on that?

MR. STRUHL: Yes. The project site, the area, currently is generating taxes of about \$534,000 to all three taxing bodies. And included in the taxing bodies' list is also a parking tax. The new taxes will be about \$1.7 million in total, including the parking tax. The request is to divert 75 percent of the increment towards the debt service. This money will be used --- in addition to the TIF proceeds, will be used to match an existing type of grant that was awarded to this project by the federal government. I think it's 10 or so million dollars. So it's essentially leveraging an awful lot of assistance to go ahead.

MR. DROZD: So my guesstimate is 75 percent of the \$1.7 million would roughly run, breaking even, on the

first --- you know, what we're getting now in revenues. So the first part of the TIF --- TRID will be --- for a period of time, will be about even in what we were getting in revenues before in tax dollars.

MR. STRUHL: Yeah.

MR. DROZD: Am I wrong, because I'm doing this in my mind?

MR. STRUHL: You won't lose what you've already got.

MR. DROZD: That's what I mean.

MR. STRUHL: You will maintain the existing county taxes ---

MR. DROZD: Right.

MR. STRUHL: --- of \$115,000, plus you'll gain, according to this plan, about \$85,000 more ---

MR. DROZD: More?

MR. STRUHL: --- per year until this is paid off.

MR. DROZD: And then until it's paid off. And then now it comes into the full impact of that and where it may be in the future. And we haven't even put into the dollars the fact that this is going to be a repercussion economic generator. There's going to be more tax dollars that are going to be generated and they're going to pay the full amount. They're not going to get that TRID.

MR. STRUHL: The taxpayers will continue to pay the full ---.

MR. DROZD: Right. That's what I mean. Well, not only that, but any new people coming in are going to pay the full amount. We can't afford not to do this, because it's something for the city and it's good for the city, and it's something good for us. We're going to get dollars from this. We're going to maintain and we're going to --- it's going to generate additional tax dollars. We just can't afford not to do this.

MR. STRUHL: Thank you.

MR. DROZD: Thank you very much for your explanation. I appreciate it.

PRESIDENT MARTONI: Krista?

MS. HARRIS: Thank you. I just wanted to follow up and clarify a question that Heather had touched on. With regards to the --- I mean, I understand the sub-project, you know. And you're saying that they're not going to be --- no tax dollars are being used for these sub-projects except for the potential development, the

prep work for the private retail and residential space. Is there someone already lined up, a developer who's going to be developing that, the retail and the residential?

MR. STRUHL: In the plan there are described a number of projects that are going to be used as generators of increment within the district. One of those is called East Side Three, and that is a development being developed by the same developer who did the Whole Foods Market and then the second section. And I believe that's ---. They own the majority of the land on which this is going to be developed, in addition to whatever new right-of-ways are going to be taken for that.

MS. HARRIS: Okay. Thank you.

PRESIDENT MARTONI: Jim?

MR. ELLENBOGEN: Yeah. I want to ask you a question. You may not be able to answer it, but I'm just curious. Whenever they do these revitalizations and whatnot, in terms of stages, is there a projected value of the completed phase?

MR. STRUHL: Yes, there is. The total project is --- the total development in this phase is estimated to be \$345 million.

MR. ELLENBOGEN: As a kid who grew up in East Liberty and seen the different things that had been tried there, it's nice to see that there's a plan to try to revitalize it. We have to look past --- just the fact, in terms of real estate tax, there's jobs. There's people living here that are buying houses. It goes on and on and on, so there's a collateral effect, if you will. So I think it's a good idea, based on just all of the things I mentioned, and also on the fact that anybody who has been familiar with this area for the last umpteen years would agree that this is a great step in the right direction. Thank you. I appreciate it.

MR. STRUHL: Thank you.

PRESIDENT MARTONI: Amanda?

MS. GREEN HAWKINS: Thank you, Mr. President. And I just wanted to say ---.

MR. BURN: Mr. President?

MS. GREEN HAWKINS: But anyway, I just wanted to also thank Mr. Struhl for indulging us. I often have asked him to repeat things that he's said over and over again, and I just truly appreciate that because for some people, it's the first time that they may ever be hearing it, particularly, members of the public who are in the

audience and watching, and for some of our council members who may not be on the committee, that may not had --- have had an opportunity to see how we have vetted this, if they had questions. So I just truly appreciate that, and I appreciate the questions of my colleagues.

With that being said, I would also like to emphasize that when developers come to taxing bodies with projects that they want to do, and they need approvals in order to do those projects, the infrastructure improvements, a lot of times to the extent that the infrastructure improvements are done, the scope and the costs and all of that, a lot of times those aren't their ideas. They're the requirement that the taxing bodies put upon them. So if I'm a developer and I have \$50 million that I want to put into a hotel, I'm not necessarily thinking about putting another \$25 million or something like that into sewers and paving streets and that kind of thing.

The taxing body tells me, okay, you want this, then this is what I need you to do in order to get the approval and the permission to do it. And so there needs to be some give and take a little bit and some investment, which is what this essentially becomes, where we put some of the tax money that we would get into the infrastructure improvements. And in this case, it's the street, it's the parking garage and a host of other things. So I just wanted to ask my colleagues to keep that in mind, that these infrastructure improvements are huge financial costs to these developers. And it's not necessarily their idea that this be a part of the project requirements.

It is a requirement put upon them by the taxing body, and so it becomes, but for the financial assistance, for lack of a better word, which is essentially what this is, this would not take place, this economic generator. This engine would not be built and it would not be the boom that we foresee, what Councilman Ellenbogen has just said, for this area in East Liberty, which is in dire need of development. Thank you.

PRESIDENT MARTONI: Okay. Matt, and then Jim Burn and then Heather.

MS. HEIDELBAUGH: When does Jim go?

MR. DROZD: Jim should go before me, because he was ---.

PRESIDENT MARTONI: He's on the phone.

MR. CATANESE: He's on the phone.

PRESIDENT MARTONI: Jim, are you there? I guess we lost him. Matt?

MR. BURN: I'm here.

MR. DROZD: There's a five-second delay.

PRESIDENT MARTONI: Okay. go ahead, Jim. Jim, did you have something to say on this?

MR. BURN: I'm sorry to interrupt, Mr. President. I'm not sure if I'm coming through.

PRESIDENT MARTONI: You're coming through.

MR. BURN: Thank you very much. Is it my turn? Do I have the floor?

PRESIDENT MARTONI: It is your turn. You got the floor.

MR. BURN: Thank you. Okay. Thank you for your indulgence in accommodating me to attend the meeting by phone. I would like to echo some of the comments that I've heard on this issue. I would again remind those who may be opposed to this or concerned about it like I did last week on another matter, not to be guilty of two-dimensional thinking. Stop and look at this in the terms of absoluteness. And Amanda can attest to this, and Mr. President, so can you. The three of us have served at one point or another on the Port Authority Board of Directors, and one of the things the Federal Transit Authority --- or at least that's what they always told us, that for every federal dollar spent on public transportation, we would reach \$3 in economic revenue.

And that model isn't indigenous to transportation. That model will work any time you invest a dollar to watch a region grow. I'm from that area. I grew up in Garfield. My grandfather was a firefighter in Engine Company Number 8. I used to go into East Liberty and go see movies. And that, to me, is actually --- it's just exciting to be involved in the opportunity through economic development and investment. And to folks who are listening or were meeting over this, you need to understand, for every economic dollar invested in the project, we shall receive so much in turn through business development, through business coming in, through people looking for a place to start a business.

Yes, the economic ripple effect will be there. You don't see that on paper, per se, but you know that for every dollar that you're going to receive, you planted and reaped it. And there's many things that will grow. And as mayor and on the Borough Council for 12 years, I saw

the benefit of that economic development in the Borough of Millvale. I saw how our town grew. This model is no different. This is the right thing to do. Thank you, Mr. President.

PRESIDENT MARTONI: Thank you. Thank you, Jim. Matt and then Heather, I believe.

MR. DROZD: Just very quickly. This but for, it wouldn't go. If you all were investors, I'm sure we would be right there --- or they're thinking we may need that additional boost. But to not do this does a disservice not only to that particular area, but to the residents, our neighbors in the City of Pittsburgh, because the tax base has arose so much and the costs for a lot of these people living within the city is starting to incrementally increase. So we need ways to spread that wealth, to spread that tax --- let's say, the tax structure, out further. And this will help that because there's a residential --- even though we say about, you know, wherever we put tax dollars --- this is not, again, a direct investment for the people of Allegheny County directly out of their pockets, out of the tax portion of it in the form of an abatement, which will yield much more return to the taxpayers and spread those monies where they wouldn't have to bear as much of the tax burden of all the residents of the City of Pittsburgh and Allegheny County, because what the city bears, so do the suburban people in and around the city.

So this is a good thing, and we really need to support this. It's very important, I think, not only to the city but to the suburbs and to the County of Allegheny. Thank you.

PRESIDENT MARTONI: Thank you, Matt. Heather?

MS. HEIDELBAUGH: I want to refer you again to page seven, and I want to at least make sure that I understand this correctly. One of the beneficiaries that passed this --- what do you call it ---

MR. STRUHL: TRID.

MS. HEIDELBAUGH: --- TRID, is quoting page seven, a trendy hotel, with hotel amenities as a ballroom, gymnasium and swimming pool that will include 65 boutique rooms; and at the bottom, a new hotel, Hotel Indigo, developed by Parkinson Construction. They'll have hotel rooms, one or two restaurants. Parkinson Construction is a construction company based in Washington, D.C. So my point here is that the County of Allegheny cannot

participate with private enterprise on every single hotel development. So what we're doing here, so that everybody's clear, you're picking these to assist with. There will be other private enterprises that will engage in the costs of development --- not roads and bridges, I understand that --- the cost of the garage for their guests, surfacing the land, connecting to sewers, all of that will be borne by another enterprise which will not receive any government funding and/or assistance and/or tax financing as we have here. And so my problem with this is and continues to be so --- I understand I'm only one vote. But my problem continues to be that when we do things like this, that we are helping certain private enterprises and picking losers of other private enterprises. I have no problem at all with government, which is just society, coming together and saying, if we want to have economic development, we have to build a bridge. We have to build the road. We have to build public sewers. That is the function of government.

But when we get --- when we go astray and we build other things and we incur additional costs and/or incurring costs by not getting the taxes that we should have, that we do astray.

MR. STRUHL: If I might comment, please?

PRESIDENT MARTONI: Yes, please do, and then Amanda.

MR. STRUHL: I would like to refer you to page nine, if you don't mind.

PRESIDENT MARTONI: Sure.

MR. STRUHL: You'll see on page nine --- there is a list of how the money is going to be used. You will not see on that list any of the hotels being listed. The reason is, is the hotels are not benefiting from this TRID. The money for the TRID is going to the purposes that are listed on that page. There's a roadway conversion from one way to two way. There's the parking garage and roadway that's called the East Side Three Side Infrastructure. There's maintenance of same. There's a pedestrian enhancement to one of the local schools. There will be a public park and/or fountain, assuming that there are sufficient funds, and a public plaza.

That's where the money is being put. The money is not going to a hotel or hotels to help them financially. All it's doing is going to the infrastructure described. Those hotels are participating

in this by contributing some of their taxes from developments that they're going to do anyway.

MS. HEIDELBAUGH: When I asked you earlier in regard to the total project whether any of this money would be used for the land, the infrastructure, the land development, the building the hotel, you indicated, yes.

MR. STRUHL: No. You didn't say the hotel. You asked if any of the development was going to go towards the land of some of this project. And I answered by saying that the East Side Three portion of this is building a roadway, a garage. And on top of that, a development will occur. But it's not going towards the hotels at all. They're totally outside of that specific project.

MS. HEIDELBAUGH: So the residential units are going to be able to use the infrastructure?

MR. STRUHL: Absolutely.

PRESIDENT MARTONI: Okay. Amanda.

MS. GREEN HAWKINS: Thank you, Mr. President. I understand what Council member Heidelbaugh is saying. But I think that the situation where you have a developer building a hotel who would have to connect to the sewer and build a parking garage would be distinguishable from tax assistance being necessary from the developer who comes in and wants to do the very same thing, but because of the burdens that your development will place on the infrastructure that's there, guess what? Then there needs to be some --- a larger sewer pipe. Now, that would make my budget go up. That explodes it. And you know, while you're putting in your 100 spots for your hotel guests, I would rather have 500 spots there, because I want people who are going to be using the East Busway to be able to park there and to also ride.

That explodes my budget. Now, if it's a situation where I'm just doing my 100 spots and I'm connecting to the sewer and there's no need for a larger pipe because of the extra water and all of that, then I think that's going to be a distinguishable scenario from this that we're saying. But if this has to go in --- but this is going to go in and this is ---

MR. BURN: I'm sorry to interrupt you, but ---.

MS. GREEN HAWKINS: --- what we need for the infrastructure improvement. Thank you.

PRESIDENT MARTONI: Okay. I think everybody had the opportunity ---. Just one more, and then we're going to call the questioning ---.

MR. ELLENBOGEN: No, I just wanted to say two points. One, Amanda just reminded me of something that happened years ago when I was with the city. As the University of Pittsburgh had expanded and expanded, and then all of a sudden, all of the sewers ---. They were building more dorms and whatnot. And all of a sudden the plumbing and everything was just, like, all backed up. We had to dig up an entire length of Boundary Street because the pipes just could not serve what had been done. So getting in front of this stuff --- I mean, those of us that grew up in the City of Pittsburgh or near, it's a different city. I mean, at one time when I was a kid, there was 700,000 people that lived in the city and you kind of got around. It was okay. But we've decided to spread ourselves out to the length of the county, in spite of the rivers, in spite of the geography that we have here, which makes it quite a test. I mean, I have friends of mine from other cities that say the City of Pittsburgh is the only place where they built an airport --- I'm sorry. They built the airport and then decided to build a road to it.

We are handicapped by geography. We have the rivers. We have the mountains and roads and that. Everything that we do --- because you know, everybody is talking about --- we want this county to be bigger and bigger. And it's not just this county. We've opened up corridors to Butler and Beaver and Westmoreland and everything else. So what's happened here is we have millions of people with a road structure that just cannot physically deal with it. So any type of developments, any type of restructuring business, if we do not give infrastructure and give road transportation the kind of attention that it needs, you know, I only ask you on a Friday afternoon to try to go to the airport from town. And then you will gladly join to what my way of thinking is. Thank you.

PRESIDENT MARTONI: Thank you. We have two more speakers, and then we're calling it quits then. Some of us are getting impatient with speakers.

MR. BURN: Mr. President, I call a question, please.

PRESIDENT MARTONI: Well, we have two speakers, Jim, and then we'll call it. Okay? It's just --- it's the kind of issue I think everybody has their right to express their opinion, no matter what that opinion might be. And it's just the way life is sometimes down here.

MR. BURN: Yes. I thank you, sir.

PRESIDENT MARTONI: Everybody's elected and everybody has opinions, and sometimes our opinions clash. But the fact is I think everybody has the right to express them. We have two more, okay, Nick and Mike, and then we'll call the question.

MR. FUTULES: Sir, I have a point of clarity. Heather had mentioned that she won't support this because there's winners and losers. In this specific project, can you tell me who the losers are?

MR. STRUHL: I don't know that there are any losers.

MR. FUTULES: That's my point. I don't believe there are any losers in this project. Everybody is a winner. Am I getting that correct? That's all I want to know. Thank you.

PRESIDENT MARTONI: Thank you. Mike, and this will be the last question (sic), and I will call the question and we will have a vote.

MR. FINNERTY: Thank you, Mr. President. Has the school district okayed this TRID?

MR. STRUHL: Yes.

MR. FINNERTY: And the City of Pittsburgh has also?

MR. STRUHL: Yes.

MR. FINNERTY: Okay. I am definitely --- I think it's an important thing to be for this area, and I definitely support it. Thank you.

PRESIDENT MARTONI: Call the question. Roll call.

MR. CATANESE: Mr. Burn? Mr. Burn?

(No response.)

MR. CATANESE: Ms. Danko?

MS. DANKO: Aye.

MR. CATANESE: Mr. DeFazio?

MR. DEFAZIO: Yes.

MR. CATANESE: Mr. Drozd?

MR. DROZD: Aye.

MR. CATANESE: Mr. Ellenbogen?

MR. ELLENBOGEN: Aye.

MR. CATANESE: Mr. Finnerty?
MR. FINNERTY: Yes.
MR. CATANESE: Mr. Futules?
MR. FUTULES: Yes.
MR. CATANESE: Ms. Green Hawkins?
MS. GREEN HAWKINS: Aye.
MR. CATANESE: Ms. Harris?
MS. HARRIS: No.
MR. CATANESE: Ms. Heidelbaugh?
MS. HEIDELBAUGH: No.
MR. CATANESE: Mr. Macey?
MR. MACEY: Yes.
MR. CATANESE: Mr. Palmiere?
MR. PALMIERE: Yes.
MR. CATANESE: Ms. Rea?
MS. REA: Yes.
MR. CATANESE: Mr. Robinson?
MR. ROBINSON: Aye.
MR. CATANESE: Mr. Martoni, President?
PRESIDENT MARTONI: Yes.
MR. CATANESE: Ayes, 12, noes, 2. The bill

passes.

PRESIDENT MARTONI: Liaison Reports.

MR. BURN: Mr. President, I'm sorry I missed the roll call. I would like to cast a yes vote.

PRESIDENT MARTONI: Okay. Thank you very kindly. We appreciate that. And thanks for your patience.

MR. CATANESE: That would be ayes, 13, noes, 2. The bill passes.

PRESIDENT MARTONI: We are now on Liaison Reports, and I'm going to ask the gentleman who always has something to be first, Mr. Finnerty.

MR. FINNERTY: I really don't --- one at this time.

PRESIDENT MARTONI: Wow.

MR. FINNERTY: I decided I'm going to pass on this one.

PRESIDENT MARTONI: Okay. Jim?

MR. ELLENBOGEN: She's probably going to kill me, but I wanted to wish my esteemed colleague, Councilwoman Danko, Happy Birthday.

(Birthday wishes.)

PRESIDENT MARTONI: We better check the record. She looks too young to be on Council. Yes, sir?

MR. PALMIERE: Thank you, Mr. President, and members of Council. A couple things. I'd like to thank my colleagues who participated in the 4th of July parade in Brentwood. We had a wonderful time. We gave a ton of candy away. It was just a very eventful day and a very nice result. Everyone seemed to be very happy. I never saw so many kids at a parade in my life. We had a good time feeding them all that candy. All the dentists in Brentwood are thrilled to death we gave all of that chewing gum out there. They'll be treating these children for a long time to come, I'm sure. And the other thing, Mr. President, I'd like to mention, too, was on Sunday we had the opportunity to witness history in the making when Mr. McCullough was in town with his family and entourage. And it turned out to be a wonderful day, and we paid tribute to a great Pittsburgher and a great American. I was really proud to be a part of it. Thank you, Mr. President.

PRESIDENT MARTONI: Thank you. Heather?

MS. HEIDELBAUGH: Just a corollary to that for the record. I thought Amie Downs and Mr. McKain and the entire staff that put that event together really put together a world-class event that we all could be very proud of. I know that I was participating in it. Mr. McKain jumped in at the last minute with the rain. Everything moved from the 16th Street Bridge to the Heinz Center, so kudos to you.

PRESIDENT MARTONI: Thank you. Anyone else before we --- yes, Nick.

MR. FUTULES: Yeah, I was also there, and I was really enlightened by every word that Mr. McCullough said. And I understand now why he has been named for the bridge, because I was hanging on every word he said, thinking I was going to just get information about history and life itself. It was so --- it was almost spiritual, you know, with a man like that. I'm really glad I attended that. Thank you, Barbara, for bringing that to our legislation. It was a wonderful event. Thank you.

PRESIDENT MARTONI: Thank you. Thank you, Barbara, for bringing that.

MS. HEIDELBAUGH: Thank you, Barbara.

MR. ELLENBOGEN: Thank you and Happy Birthday.

PRESIDENT MARTONI: Mr. Robinson, I believe you had your hand up --- oh, I'm sorry. Anyone else? New Business. Ordinances and Resolutions. 7674-13.

MR. CATANESE: An ordinance of the Council of the County of Allegheny ratifying amendments to Allegheny County Health Department Rules and Regulations pursuant to Section 12011 of the Local Health Administration Law, 16 P.S., Section 12001. Sponsored by the Chief Executive.

PRESIDENT MARTONI: Health and Human Services Committee. 7675-13.

MR. CATANESE: An ordinance of the Council of the County of Allegheny ratifying amendments to Allegheny County Health Department Rules and Regulations pursuant to Section 12011 of the Local Health Administration Law, 16 P.S., Section 12001 et seq. Sponsored by the Chief Executive.

PRESIDENT MARTONI: Health and Human Services Committee. 7676-13.

MR. CATANESE: An ordinance of the Council of the County of Allegheny ratifying amendments to Allegheny County Health Department Rules and Regulations pursuant to Section 12011 of the Local Health Administration Law, 16 P.S., Section 12001 et seq. Sponsored by the Chief Executive.

PRESIDENT MARTONI: Health and Human Services Committee. 7677-13.

MR. CATANESE: An ordinance of the Council of the County of Allegheny ratifying amendments to Allegheny County Health Department Rules and Regulations pursuant to Section 12011 of the Local Health Administration Law, 16 P.S., Section 12001 et seq. Sponsored by the Chief Executive.

PRESIDENT MARTONI: Health and Human Service Committee. 7678-13.

MR. CATANESE: An ordinance of the Council of the County of Allegheny ratifying amendments to the Allegheny County Health Department Rules and Regulations, pursuant to Section 12011 of the Local Health Administration Law, 16 P.S., Section 12001 et seq. Sponsored by the Chief Executive.

PRESIDENT MARTONI: Health and Human Services Committee. Summary of Executive Actions. 7679-13.

MR. CATANESE: Motion to receive and file the summary of executive actions from 6/1/13 through 6/30/13. Sponsored by the Chief Executive.

PRESIDENT MARTONI: Do we have a motion to receive and file?

(Chorus of motions.)

MR. FINNERTY: Second.

PRESIDENT MARTONI: Moved and seconded.

Question? All in favor?

(Chorus of ayes.)

PRESIDENT MARTONI: Opposed? So ordered.

Public Comment on Agenda Items. We have one speaker tonight, James Love. James, are you here? He's here.

MR. LOVE: Ladies and gentlemen, before my three minute start, you know in the past I have been there for everyone here with transportation. I have been lied to --- or I should say, I have been called basically a liar by KDKA of the area --- on the airwaves over the last two evenings, from the end of the three meetings that I had earlier in the month on June 19th. When I went home through June 30th, I was blogged on Facebook by two different men representing themselves as Viola/USA Coach Employees. I've been called --- I've been told to burn somewhere and have been called two-faced, because I --- knowing our transit rally down the street in front of Mr. Corbett's Pittsburgh office, I had gone ahead and dug deeply to get vital information that I cannot pull up on the first two gentlemen.

The third time I pulled the information up with a gentleman that represents himself on Facebook to be a Mr. John Brown. He verified everything that the first --- in name only. And I am --- this stuff as me-him, me-him, as him being Johnny Brown, me being James Love of 3 Sheldon Park, Apartment F, Natrona Heights, 15065. The following information was given out by all three men in two IMs by a Maurice A. Duwerry, D-U-W-E-R-R-Y, who blogged me three times --- three consecutive times on Facebook for 12-hour periods, harassment and threatening. None of that was harassing or threatening. It was trying to get information out pertaining to what was going to happen the night of June 30th, when SB-1 was not passed by our State House of Representatives.

I have been told that --- by the three men --- state, again, they work for Viola in the past with bell ringing, a Salvation Army Corps that Bonnie and I have walked 60 between Delores Road here at Kings (phonetic), and 79. And we just saw two buses, white paneled on both sides, passenger and driver side, no markings whatsoever. Mr. John Gray verified that that was his coaches of Coach USA, surveying our bus routes here in Allegheny County, deciding what areas would be profitable and what areas

would not be profitable for those men and women to haul passengers.

We have been told that when new buses, spelled, X-C-E-L-S-I-O-R-S, that are mainly used for charters, for operations of the medium fleet of NAB-1436D4500XHX would come in --- when we see these buses, areas like Natrona Heights won't be served due to not being prime enough areas for Viola/USA Coach, to be profitable on those routes. And at that point, from my understanding from one of these three gentlemen, they said that there was an ongoing contact of un --- due date, noted to me, that was not given to me, of management at Port Authority and subject being taken over at any time in the near future. And only then would the Port Authority employees have to reapply for their positions. They would not work with media, unions. No public hearings. The takeover, from my understanding, would be swift. And supposedly, the federal government has sent the money for all 67 counties in the state for transportation, all means. But supposedly, there's some type of kickback going on over in the Capitol. This is what I've gotten in those three --- in those two IMs.

PRESIDENT MARTONI: Okay. We thank you for informing us of this.

MR. LOVE: We cannot let this happen.

PRESIDENT MARTONI: All right. We thank you for informing us. Okay? Before we adjourn, I want to remind everybody that we'll be on a summer break, and our next regular meeting would be August 20th, 2013, okay, at five o'clock, as usual. Okay? Now, we might entertain a motion to adjourn. So moved.

MR. FINNERTY: Second.

PRESIDENT MARTONI: Moved and seconded.

Question? All in favor?

(Chorus of ayes.)

MEETING ADJOURNED AT 6:00 P.M.

COMMONWEALTH OF PENNSYLVANIA)
COUNTY OF ALLEGHENY)

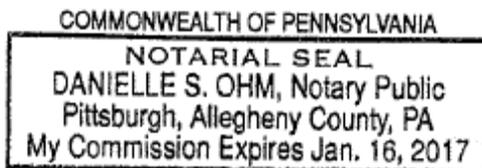
CERTIFICATE

I, Danielle Ohm, a Notary Public in and for the Commonwealth of Pennsylvania, do hereby certify:

That the witness whose testimony appears in the foregoing deposition, was duly sworn by me on said date and that the transcribed deposition of said witness is a true record of the testimony given by said witness;

That the proceeding is herein recorded fully and accurately;

That I am neither attorney nor counsel for, nor related to any of the parties to the action in which these depositions were taken, and further that I am not a relative of any attorney or counsel employed by the parties hereto, or financially interested in this action.




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