

Using TIF in Allegheny County

CDFA/PEDA Understanding TIF Seminar
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Presented by:

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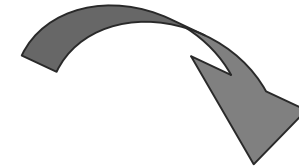


[TIF Process]

Developer
Application Project
Review

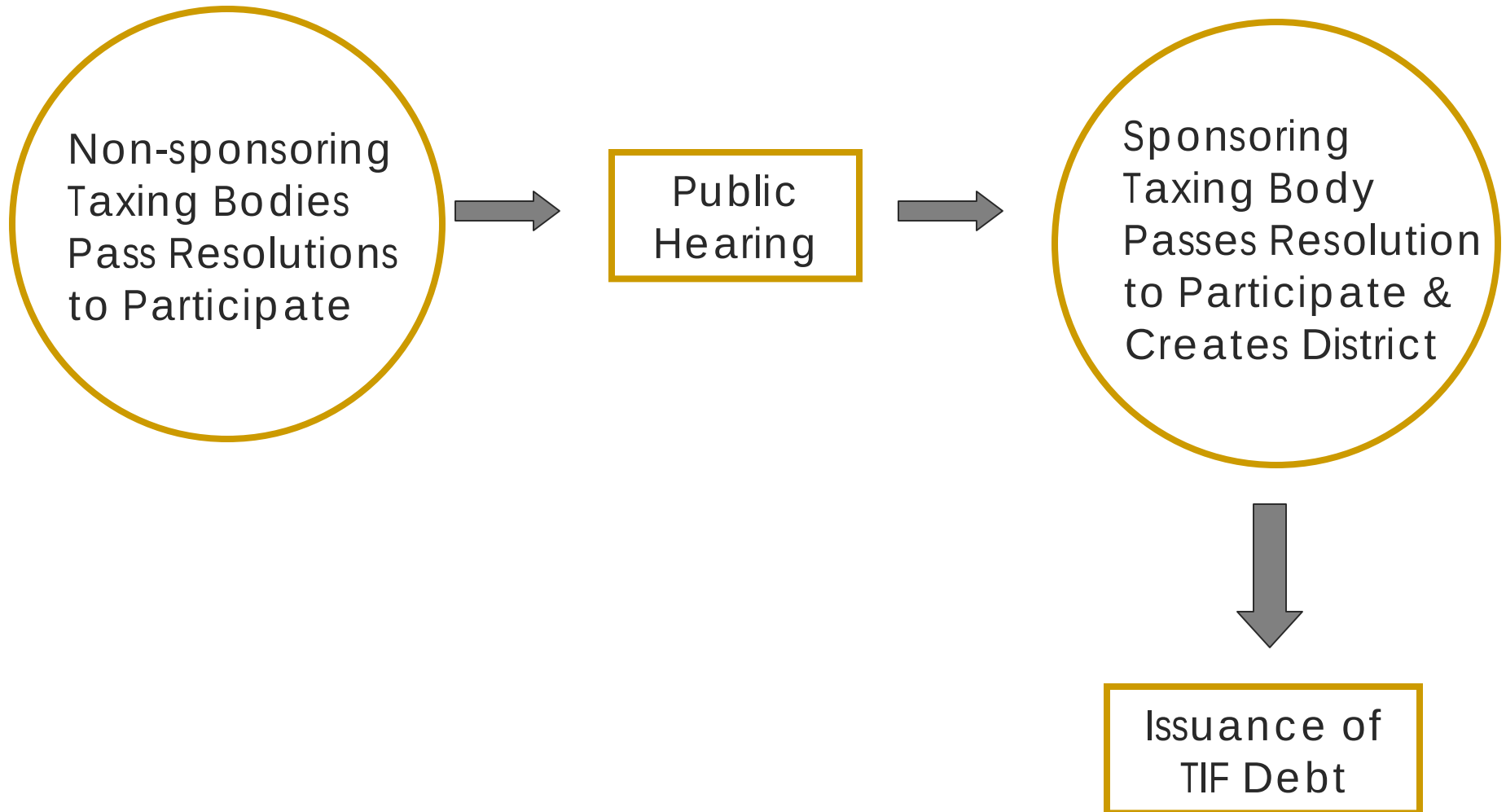


Taxing
Bodies
Resolutions
of Intent



Formation of TIF
Committee &
Preparation of TIF
Plan

[TIF Process]



[TIF Policy]

- 'But For' Test
- Investment Priorities
- Tax Increment Diversion
- Eligible Costs
- Development Impacts



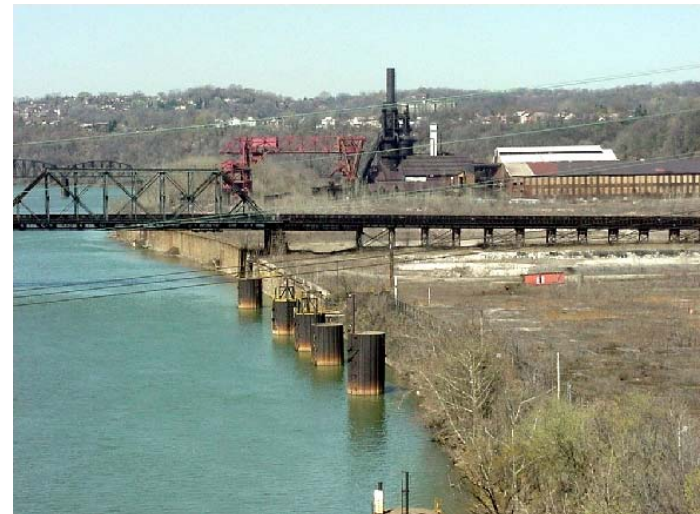
['But For' Test]

- Onus on Developer
 - Experience
 - Detailed Project Description
 - Signed Affidavit
- Evaluation by Authority Staff

Investment Priorities



- PIT Airport Corridor
- Distressed Communities
- Brownfield Redevelopment



[Revenue Capture]

- Real Property Tax Increment
- County Participation up to 60%
 - 75% for Significant Economic Impacts or Distressed Areas

[Eligible Costs]



- TIF ONLY Utilized to Support Necessary Public Infrastructure Improvements



[Development Impacts]

- Market Study & Development Impact Analysis
 - Fiscal Effects
 - Job Creation
 - Private Investment
 - Value Added – Demand & Impact
 - Avoid Shifting Resources to New Project From Existing Establishments

[Case Studies]

- Application of Policy & Guidelines
 - Galleria at Pittsburgh Mills-a retail project
 - Clinton Commerce Park-a speculative land development project

Case Study: Galleria at Pittsburgh Mills

- 340 Acres Located 16 Miles Northeast of Pittsburgh
- \$350 million Project



- 1 million SF Multi-Anchor Retail & Entertainment Center
- Over 900,000 SF Ancillary Commercial

[Case Study: Pittsburgh Mills]



- \$58 million of Public Improvements
- New Interchange off PA Route 28, Internal Roads, Offsite Road Improvements, Utilities, Environmental
- \$50 million TIF
 - Secured with NID Overlay
 - TIF paid for \$36 million in project costs

[Case Study: Pittsburgh Mills]

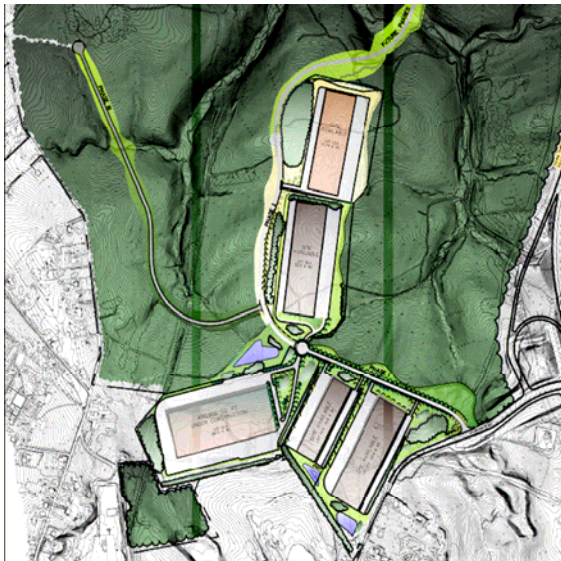
■ Development Impacts

Plan called for

- \$205 million Assessed Value; realized \$257 million to date
- \$1.4 million Annual Real Property Tax; \$1.5 million to date to Taxing Bodies
- \$452 million Annual Sales; \$10.4 million Sales Tax Revenue
- 4,000 construction jobs; \$131 million payroll
- 2,200 direct jobs at build out; \$43 million payroll

Case Study: Clinton Commerce Park

- 150 Acres Located in the Vicinity of Pittsburgh International Airport
- \$80 million Project



- 1.5 million SF Warehouse/Distribution
- Land Development Project with 5 Development Sites for Buildings Ranging in Size from 200,000 to 500,000 SF

Case Study: Clinton Commerce Park



- \$18.6 million of Public Improvements
- New Access Road, Intersection Improvements, Utilities
- \$5.5 million TIF
 - Secured with CFA TIF Guarantee



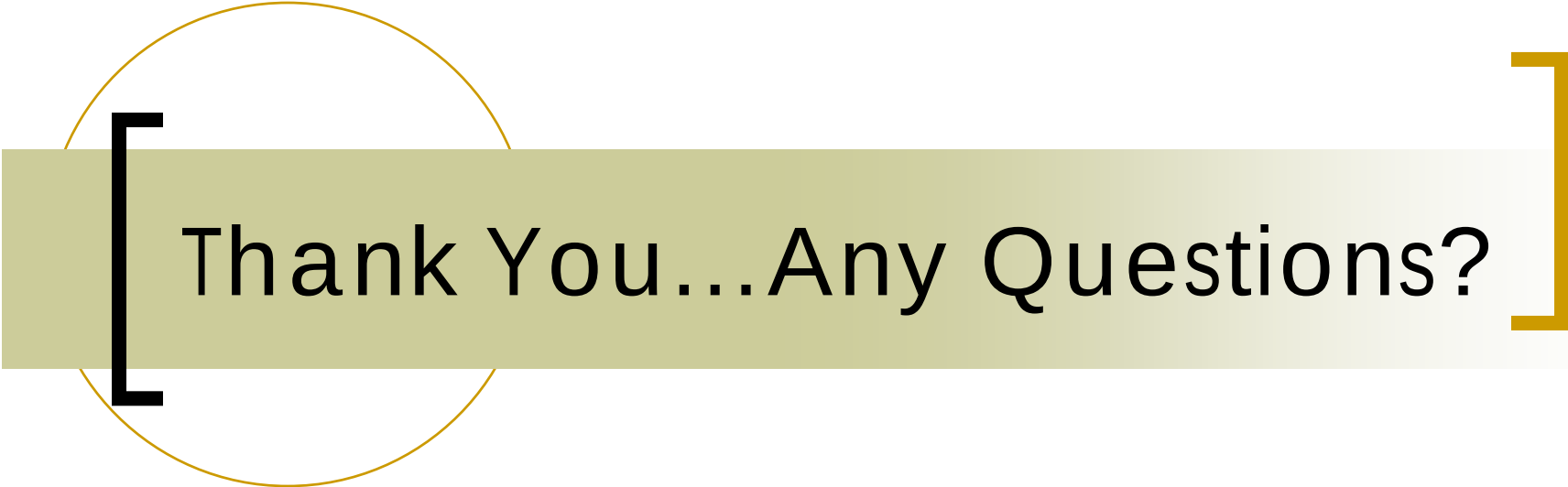
[Case Study: Clinton Commerce Park]

■ Development Impacts

- \$40 million Anticipated Assessed Value; \$246,000 Annual Real Property Tax Revenue to Taxing Bodies
- \$2 million of Additional Taxes Annually
- 180 construction jobs; \$131 million payroll
- 750 direct jobs at build out; \$21 million payroll
- Project Created Large Shovel Ready Sites in Vicinity of Pittsburgh International Airport

[Summary]

- TIF in Allegheny County to support Economic Development Policy of the County
- TIF in Allegheny County utilizes guidelines to support policy objectives
- Project Review qualifies projects that are consistent with the same policy objectives

A decorative graphic consisting of a thin yellow circle. A horizontal bar, colored with a gradient from olive green to light yellow, passes through the center of the circle. The text "Thank You...Any Questions?" is centered on this bar. A large black left square bracket is positioned to the left of the bar, and a yellow right square bracket is positioned to the right of the bar.

Thank You...Any Questions?

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