



HILL DISTRICT UPDATE

Message From Councilman Lavelle



OFFICE OF COUNCILMAN
R. DANIEL LAVELLE

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Dear Friends and Neighbors-

The Hill District Update is a newsletter meant to provide you with an overview of recent developments in the Hill community, specifically the coming development of the 28 acres site of the Lower Hill District. As you have likely heard by now, a development agreement was reached with the Pittsburgh Penguins in early September to guarantee the inclusion of the Hill District community and its residents in the redevelopment of the site.

I am proud of the work we have done to date and of the deal that has been made. The signing of the agreement should be celebrated, but much work remains to be done. Your continued participation is critical to our collective success as we work together to reach the goals outlined in the development deal of the Lower Hill site.

Lastly, I will be out of the office from October 16—November 15. I have been selected to be a fellow with the German Marshall fund of America. As a fellow I will be traveling to Europe to learn about other governments and the best practices of other cities, such as Copenhagen, that can be used to make Pittsburgh a better place. Although I will be away, the office will still be fully operational and serving the District as usual. I will remain in contact with the office and be available via email.

Please take a moment of your time and review the information contained in this newsletter. I hope you find it informative. However, should you have additional concerns, questions or thoughts please feel free to contact me by phone at 412-255-2134 or by email at daniel.lavelle@pittsburghpa.gov. You can also reach us via our website at: www.pittsburghpa.gov/district6/.

Development Deal Reached for Lower Hill

After close to 2 years of contentious negotiations, a final agreement was reached by Councilman Lavelle, the Lower Hill Working Group and the Pittsburgh Penguins regarding the redevelopment of the Lower Hill District, formally



Councilman Lavelle announces CCIP agreement on Sept. 9

referred to as the Community Collaboration & Implementation Plan (CCIP).

Focused on reducing economic disparities and supporting Hill District residents and minority busi-

nesses, the agreement is a big win for the community. Councilman Lavelle's goal, from the outset, was to ensure the redevelopment of the Lower Hill provided real economic benefit to the Hill District community. A vision that fo-

ocused on generational wealth building that was

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What is the Lower Hill District Working Group?

In anticipation of the redevelopment of the Lower Hill District, Councilman Lavelle convened a well-rounded, specialized and inclusive group of volunteers to assure community representation in the redevelopment of the Lower Hill District 28 acre development site.

The group became known as the Lower Hill District Working Group (LHWG) and met weekly since 2012 amongst themselves, with government and with the Pittsburgh Pens to reach a deal for the redevelopment of the Lower Hill District.

The Lower Hill District Working Group is co-chaired by Councilman Lavelle and Marimba Miliones, CEO and President

of the Hill CDC. Its other members are:

- Glenn Grayson Jr.
- David Hopkins
- Bomani Howze
- William Generett
- Marc Little
- Jason Matthews
- Brenda Tate
- Dewitt Walton
- Rev. Lee Walls
- Sala Udin
- Rev. Vincent K. Campbell

What is a Specially Planned District and a PLDP?

In order for the Pens' development plan to move forward, at least two formal steps must happen on the City level:

- 1) The Pens must present their preliminary land development plan to the City of Pittsburgh Planning Review Commission.
- 2) The Pens' must be approved by City Council for a specially planned district.

Under Pittsburgh City Code, a Specially Planned District (SP-District) provides a framework for different types of development of sites over 15 acres. The goal of such districts is to ease the development process while ensuring that public goals and objectives are met.

The Preliminary Land De-

velopment Plan (PLDP) is the document that outlines what the SP-District will look like, and is the basis for the development of the site. The PLDP document will include identifying guidelines for plans, street types, building types, signage, lighting and street furniture, open space and landscape standards, utilities, sustainability goals and objectives, and off-site improvements.

You, as a resident, should prepare to be involved in both of these processes moving forward. There will be public hearings that you should put on your calendar. You will continue to hear from my office at community meetings, in person and through the media. The Hill District needs you!

(Lower Hill Development Deal, continued from page 1)

sustainable and community driven. The goals laid out by the CCIP agreement provide a framework through which the Greater Hill District, and the City of Pittsburgh at large, receives real benefits from the development activity on the 28 acres site.

Highlights from the plan include:

- **The highest MWBE participation goals in Pittsburgh's history**
- **Job opportunities for Hill District residents**
- **Workforce development training programs**

- **Provision of affordable housing**
- **Opportunities and support for Hill District business**
- **Ownership opportunities for minority and women owned business**
- **Creation of a "Reinvestment Fund" to support development in the Greater Hill District**

As part of the development deal, the City of Pittsburgh has committed to establishing a tax increment financ-

ing (TIF) district that encompasses the entirety of the Hill District to help support the activities and goals of the CCIP (see pg. 5). Proceeds from the tax increment financing plan will be used to fund the Reinvestment Fund established in the CCIP, and may be used to support development activities in the Greater Hill District. It is anticipated the district will provide a minimum of \$22 million to support the redevelopment of the middle and upper Hill District.

With the CCIP document finalized and signed, the true hard work to make the vision a reality is set to begin. As Councilman Lavelle noted, the signing of

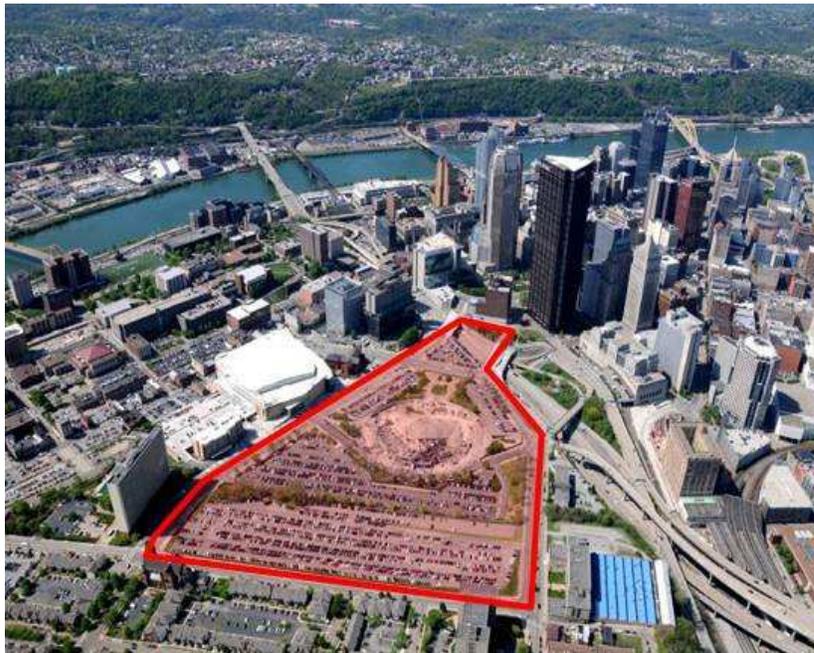
the agreement was the 1st round of a 12 round fight. What it does is join the community, the developer (the Pittsburgh Penguins) and public partners (Government) at the hip, ensuring each is accountable to meet the goals laid out by the CCIP. The framework has been laid, the ladders of opportunity have been raised, and now all stakeholders must come together with the community to build a stronger Hill District for all.

To access a copy of the full CCIP agreement, please visit our website at: pittsburghpa.gov/district6/ccip.

CCIP Focus Area Highlights: Victories for the Hill Community

The Community Collaboration and Implementation Plan (CCIP) is organized into 7 focus areas that work to guarantee the inclusion of the Greater Hill District community and its residents in the development of the Lower Hill 28 acres site. Each focus area in turn defines a set of overarching goals that are to be met in the course of the development and post-development process.

Following is a summary of the major highlights from each focus area:



- Require participants to obtain resumes of qualified workers and to conduct interviews of local residents prior to hiring from general population

- Percentage of New Hires (Local Residents and Minorities): 20%

INCLUSIONARY AND HOMEOWNERSHIP HOUSING PROGRAM

Goal: To provide opportunities for

MINORITY/WOMEN BUSINESS ENTERPRISE (MWBE) INCLUSION

Goal: To facilitate opportunities for minority and women business enterprises on the site.

Highlights:

- Percentage of MWBE Contracted Work: 30% (Minority Businesses); 15% (Women Businesses)
- Percentage of residential development to be developed by an MWBE: minimum 250 residential units with commercially reasonable efforts toward a goal of 25% of the total residential units on site.
- Percentage of retail and entertainment development to be developed by an MWBE: 25%
- Percentage of retail space to be occupied by an MWBE or small business: 10%

JOB CREATION, LOCAL INCLUSION, AND WORKFORCE DEVELOPMENT

Goal: To provide opportunities for residents from the Greater Hill District and other predominately minority communities to be

employed in the redevelopment of the Lower Hill.

Highlights:

- Create partnerships with the job training programs to provide job training associated with sustainable property and facility management

home ownership and affordable housing on the Development Site and throughout the Greater Hill District.

Highlights:

- Minimum of 180 units at approximately \$900/month



• Minimum of 30 units at approximately \$750/month

• Minimum of 30 units at approximately \$632/month

COMMUNICATIONS, REPORTING AND TRACKING

Goal: To track the established metrics for success for the Plan and to report on progress throughout its

erably with growth potential.

• Create resident-owned cooperative with focus on ownership of real estate or other assets.

• Leverage mixed income residential and commercial development to create new business or enhance exist-

Highlights:

• Engage in community discussions to select the naming of streets within the Development Site to reflect historic street names or well-known Greater Hill District residents.

• Engage in community discussions regarding naming

Goal: To coordinate community development efforts, including communication and marketing efforts with respect to Downtown and the Greater Hill District to present an inclusive community and to maximize economic benefit for all residents and stakeholders.

Highlights:



Proposed rendering, not a final design

course.

WEALTH BUILDING INITIATIVES

Goal: To cultivate opportunities for residents of the Greater Hill District to form their own businesses.

Highlights:

• Create employee-owned cooperative with focus on energy, cleaning, agriculture or other opportunity, pref-

ing business, with an initial priority focus on businesses owned by Greater Hill District residents.

CULTURAL AND COMMUNITY LEGACY INITIATIVES

Goal: To work with the community to preserve and incorporate the history of the Greater Hill District community in the design of the public areas within the Development Site.

of structures, and open space within the Development Site.

• Identify, pursue and secure funding for the Curtain Call project from the public sector and private sector, including corporations and foundations.

COORDINATED COMMUNITY DEVELOPMENT STRATEGIES

• Create a program to foster economic development into the Centre Avenue corridor in tandem with the Development Site.

• Establish a tax increment financing (TIF) district to reinvest a portion of tax dollars from the entire Hill District back into the redevelopment of the Hill District community; bricks and mortar and people.

Lower Hill Grant Awarded

On September 9, the US Department of Transportation awarded a \$1.5 million TIGER grant to the Sports & Exhibition Authority for redevelopment of the former Civic Arena site in the Lower Hill District. The purpose of the federal grant is to fund the preliminary design of the "cap" that is to be built over the Crosstown Boulevard.

Councilman Lavelle noted that the grant is another step forward in reconnecting the Hill District to Downtown. When the Crosstown Boulevard was built, it severely severed the Hill from the Golden Triangle. The "cap" will provide the much needed connection between the Hill District community and Pennsylvania's second largest economic center, Downtown Pittsburgh.



Proposed cap rendering, not a final design

What is a TIF District?

An integral part of the Lower Hill Redevelopment plan is establishing the Hill District as a TIF district. However, it is important to know what TIF is and how it exactly works. Here are some frequently asked questions that can give you better insight into the workings of TIF and its implications for our community.

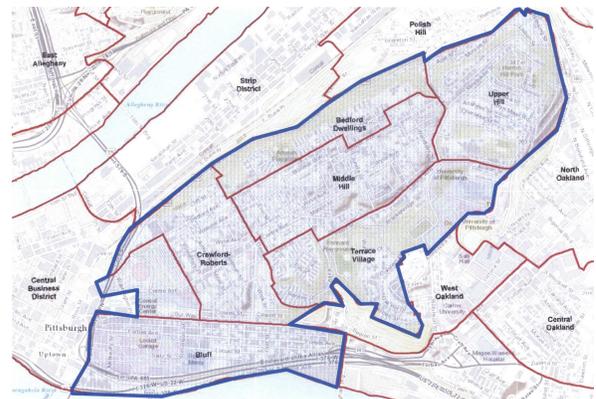
It stands for "Tax Increment Finance". It is a public financing method that is used as a subsidy for redevelopment, infrastructure, and other community-improvement projects.

How does a TIF District work?

When a TIF District is created, the value of all the properties inside the district is assessed or calcu-

What exactly does TIF stand for?

(Continued on Page 6)



The TIF boundary will cover all of the Hill District

Councilman Lavelle Introduces Jobs Bill to Alleviate Poverty

A continuous policy priority for Councilman Lavelle is to increase access to family sustaining jobs to the residents of District 6 and the City of Pittsburgh as a whole.



To further this end, the Councilman introduced in Council on September 9 "Pittsburgh Works", an expansion of a local hiring bill by the same name that was originally passed in 1999, whereby

city residents with very low household incomes will be given opportunities for employment on city subsidized projects.

The City expends a significant portion of its budget every year on public works and development projects, both as direct City expenditures

and through the provision of public subsidies to help finance the development activities of private entities. Much of the funding is granted to the City for the express purpose of benefitting low-income City residents.

Councilman Lavelle's bill would still require 35% of all work hours performed on city subsidized projects be performed by city residents. However,

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(Jobs Bill, continued from page 5)

additional language provides opportunities specifically for low-moderate income residents.

Some of the main provisions of the bill include:

- **Definition of a disadvantaged worker: A person who, as of the date of hire to perform work on a covered construction project, has a household income at or below fifty-percent (50%) of area median income (AMI), or faces other barriers to employment, such as having prior involvement with the criminal justice system.**
- **Continued requirement that 35% of all work hours be performed by city residents, with the additional requirement that 15% of all project work hours be performed by disadvantaged**

workers.

- **Require at least 50% of project work hours performed by apprentices to be performed by city residents, with 25% being performed by disadvantaged workers.**
- **Require establishment of First Source Hiring Centers in low-moderate income census tracts to connect residents to training programs and employment opportunities.**

With the passing of this bill, Pittsburgh will have the opportunity to take a progressive, proactive approach to address the needs of its underserved community, truly ensuring that “Pittsburgh Works” for all.

(TIF, continued from page 5)

lated, and the total amount of property tax generated by all those properties is noted. This number would be the BASE AMOUNT of property tax revenues.

The life span of a TIF district is generally 20-25 years. For the next 20 years, all property revenue above this BASE AMOUNT is captured by the TIF district. This amount – the amount over the BASE— is called the INCREMENTAL REVENUE. The INCREMENTAL REVENUE generated by the TIF District is used to fund redevelopment, infrastructure, and other community-improvement projects.

How much revenue can we expect to see generated by a Hill District TIF district?

The TIF plan is expected to generate \$22 million with some estimates as high as \$50 million for the next 20 years for the entire Hill District. 65 percent of the new tax revenue generated by the TIF plan will go to improvements at the lower hill redevelopment site with the other 35 percent planned for use by the city, county and city school district.