



PATRICK DOWD
MEMBER OF COUNCIL, CITY OF PITTSBURGH



July 23, 2012

Mayor Ravenstahl,

Your continued silence regarding the creation of the Lower Strip TIF District is stunning and revealing.

The legislation you want me to introduce would create a \$35-\$40 million slush fund.

The Buncher Company does not want a \$50 million TIF. In a recent meeting with Council President Harris, Councilman Lavelle and me, Mr. Balestrieri stated unequivocally that the Buncher Company “did not want a \$50 million TIF” and that they probably could not even utilize a \$15 million TIF. He made it absolutely clear that the figure of \$50 million came from your employees and appointees not Buncher.

Assume for the sake of argument that City Council authorized the \$50 million TIF and that, of that amount, the Buncher Company utilized \$15 million. The TIF legislation would then allow the URA to issue bonds for some or all of the remaining \$35 million with a list of improvements simply labeled “TBD” and no accountability, essentially creating a slush fund for development. We have worked too hard to restore the City’s credit rating to authorize the type of fiscally irresponsible borrowing you advocate.

The legislation you want me to introduce would authorize a TIF district on land that the Buncher Company does not control.

According to documents recently provided to members of City Council, the Surface Transportation Board (STB) issued a ruling in June 2010 declaring by order that the Allegheny Valley Railroad Company owns a permanent easement through the Buncher Company's Strip District site. The STB notified the parties that the Pennsylvania courts would need to determine the width of that easement. The Buncher Company is appealing the original ruling and nothing has even yet been filed in Pennsylvania courts. Until the dispute between the Buncher Company and the Allegheny Valley Railroad Company is resolved and the size of any possible easement determined by courts, the City of Pittsburgh and the URA have no power to grant a TIF or authorize zoning changes for the land in question.

The legislation you want me to introduce demonstrates a total disregard for the history and flavor of the Strip District.

The Strip is Pittsburgh’s grocery store. It is Southwestern Pennsylvania’s #1 tourist attraction. City residents and business owners will tell you: the Produce Terminal Building possesses

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tremendous potential to create and expand economic value. Yet, by the terms you negotiated, the building will be sold for far less than the public has invested and far less than its potential value. Listen to your constituents and you will learn that the Produce Terminal Building is an engine of economic development.

The legislation you want me to introduce could stop the progress made in Lawrenceville.

The URA has linked the sale of the Produce Terminal Building to an option to buy Buncher's 43rd Street facility in Lawrenceville. The URA now admits that the terms of the deal will make it impossible to execute the option. This not only means the continuation of hazardous truck traffic in the neighborhood but the possible collapse of commuter rail and the entire Allegheny Riverfront Green Boulevard project, allegedly a signature project of your administration.

Rather than continuing your silence, I urge you to join my colleagues and me in crafting new legislation that encompasses land the Buncher Company actually controls, that is fiscally responsible, that specifies all public improvements, that protects the viability of the Allegheny Riverfront Green Boulevard and that recognizes and preserves the economic vitality of the Strip District.

I look forward to working with you.

Sincerely



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City Council Member

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