



Briefing presentation to Pittsburgh Public Schools

For Discussion Purposes Only

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**SUMMERSET TIF EARLY RETIREMENT &  
SWISSHELM PARK REMEDIATION AND  
SOLAR**

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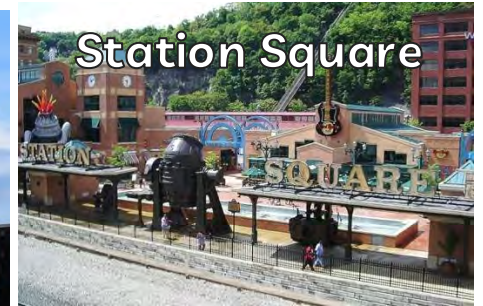
05

**COMMUNITY IMPROVEMENTS  
& INFRASTRUCTURE**

06

**CONCLUSION**

# CASE STUDY: LONG-TERM IMPACT OF SELECTED TAX DIVERSIONS



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# WHAT OUR TAX DIVERSIONS FUND



**FOSTERING  
GROWTH.  
DELIVERING  
STABILITY.**

**30**

Since 1993, the Three Taxing Bodies have invested in Pittsburgh's economic vitality through participation in 30 tax diversions.

**10**

An analysis of the eight retired Tax Diversions on slide 3 shows a 10x increase in assessed values from pre-Tax Diversion to post-Tax Diversion.

**\$435,633,458**

The increase to the real estate tax base from these eight retired tax diversions.

**4,100**

The estimated number of jobs created or retained by these eight retired tax diversions.

# Pittsburgh Public Schools – Real Estate Tax Impact from the Analysis of Eight Retired Tax Diversions

Annual Real Estate Tax Revenue Before Tax Diversion

\$477,258



Average Annual Real Estate Tax Revenue During Tax Diversion

~\$2,509,000



Current Annual Real Estate Tax Revenue

~\$4,886,000



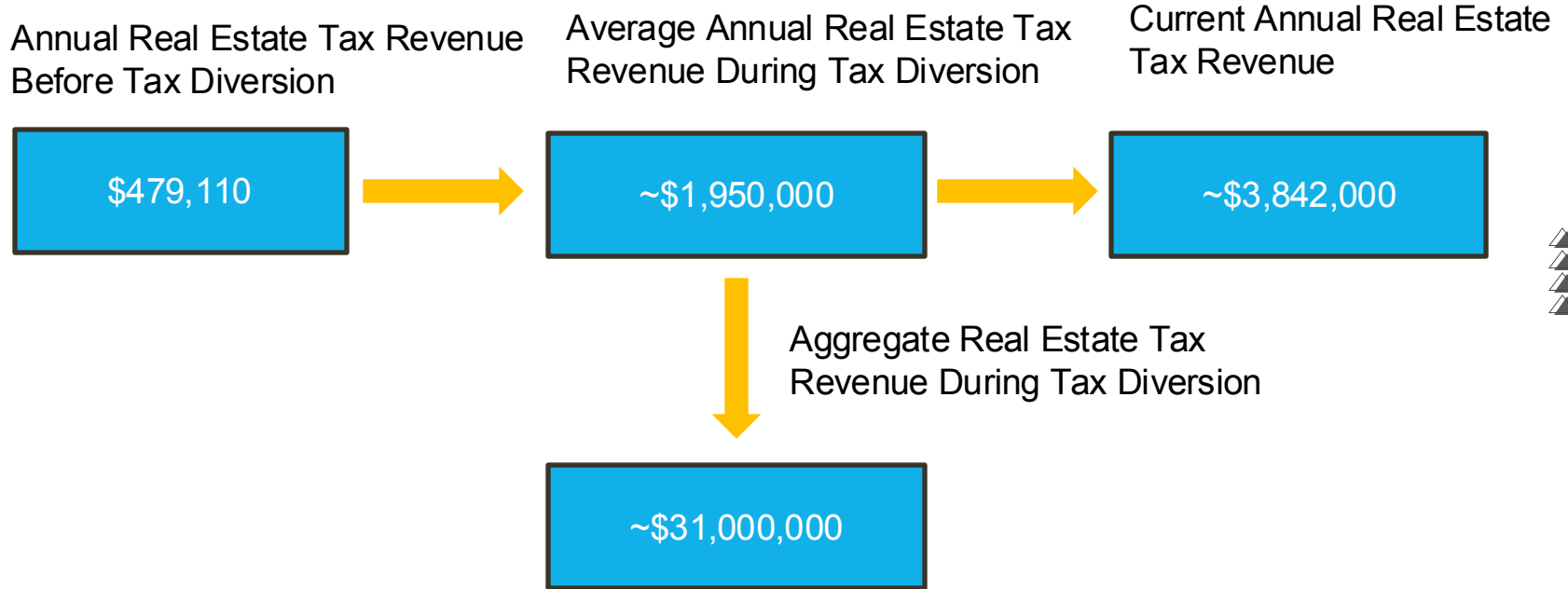
Aggregate Real Estate Tax Revenue During Tax Diversion

~\$40,000,000



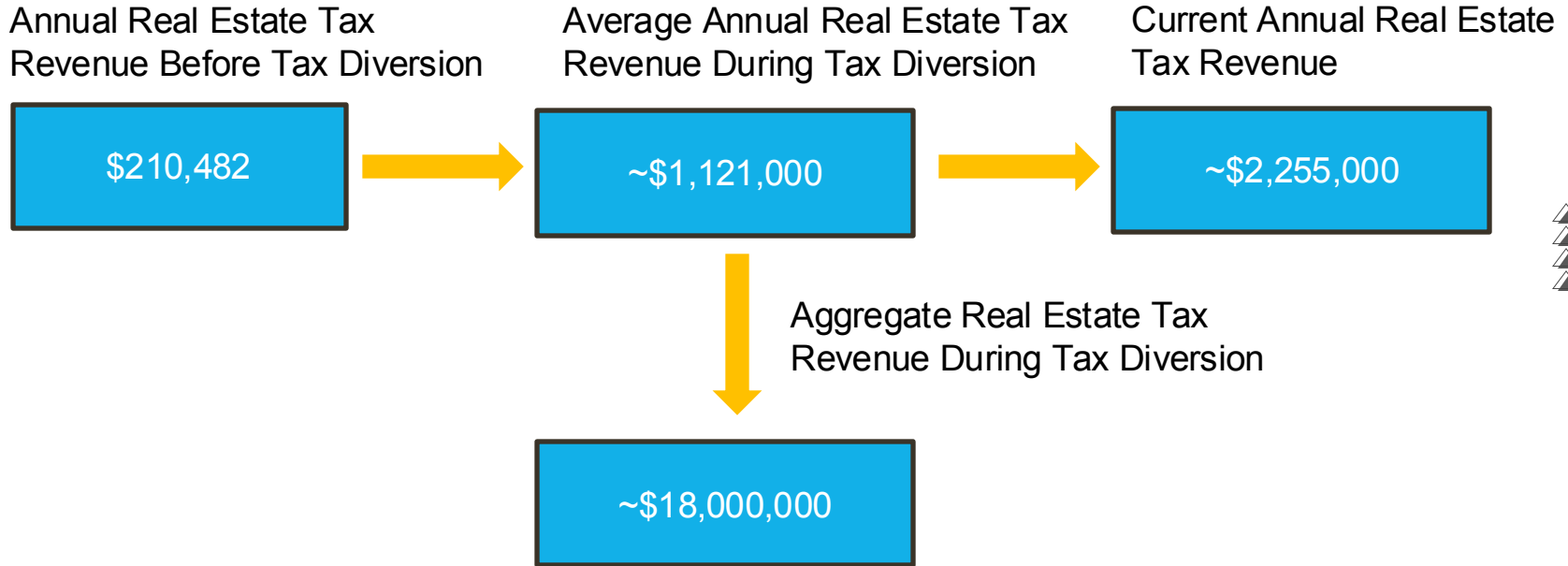
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# City of Pittsburgh – Real Estate Tax Impact from the Analysis of Eight Retired Tax Diversions



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# Allegheny County – Real Estate Tax Impact from the Analysis of Eight Retired Tax Diversions



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Image Source: McQuarters Realty Co.

## Early Retirement of the Summerset TIF

The Summerset at Frick Park development is a 238-acre brownfield site located in the Nine Mile Run Watershed, bounded by Squirrel Hill, Frick Park, Swisshelm Park and the Monongahela River. The former Nine Mile Run slag pile was acquired in 1995 by URA and partially remediated. The developer, Summerset Land Development Associates, LP, built the infrastructure and 507 residential units from 2000 through 2015 on the western side of the valley. Infrastructure for additional residential uses on the eastern side has proved to be economically unfeasible. The site has been rendered unsafe for public use and is currently being remediated to accommodate the expansion of Frick Park and a solar farm of approximately 15 acres.

Summerset at Frick Park TIF	
Creation Date	2013
Expiration Date	2033
Starting Assessed Value	\$5,523,100
Annual Base Tax Revenues (Shared by 3TB on pro-rata basis)	\$118,753
Fair Market Value (2024)	\$77,049,500
Total Tax Revenues Upon Dissolution (Shared by 3TB on pro-rata basis)	\$1,700,000

# EARLY RETIREMENT OF SUMMERMSET AT FRICK TIF

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## 2021

URA and SLDA deem Summerset Phase III infeasible due to high infrastructure costs. URA introduces the concept of solar development to the Swisshelm Park Community



## 2022-2023

URA explores concept feasibility and receives approval for the Remediation Plan by the Pennsylvania Department of Environmental Protection



## 2024

URA will select a contractor for remediation construction



## 2025

Remediation construction is planned to begin



## 2026

Remediation construction is planned to be completed and the URA will select a solar developer/operator



## 2027

Solar development will be complete and the remaining ~54 acres will be dedicated to the City of Pittsburgh as a Frick Park extension



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# **Resolution for Retiring the Summerset TIF District (All Taxing Bodies)**

## **1. Authorization to Amend Summerset Cooperation Agreement**



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# Manchester - Chateau TRID

Fall 2024

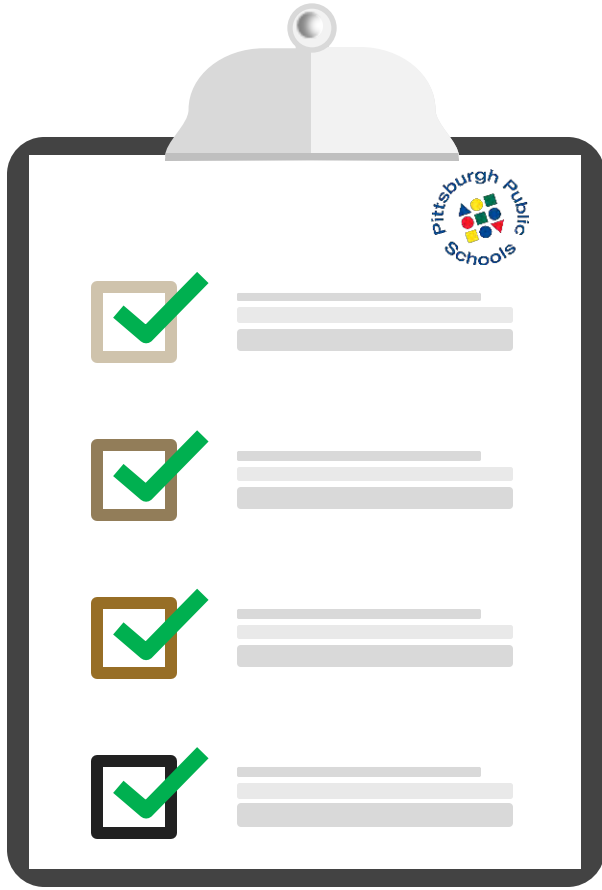
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Image Source: Engage Pittsburgh

# PITTSBURGH PUBLIC SCHOOLS SCORE CARD



1

- Public Infrastructure Investment
- Elimination of Blight
- “But for”, the Esplanade project would not occur

2

- Increased Property Tax Revenue
- Catalyst for New Private Investment

3

- Creation of new permanent jobs
- Creation of construction and MWBE jobs
- Retaining and relocating current businesses

4

- Taxing Bodies will receive current base taxes + 25% incremental tax revenue

# Manchester - Chateau TRID Goals

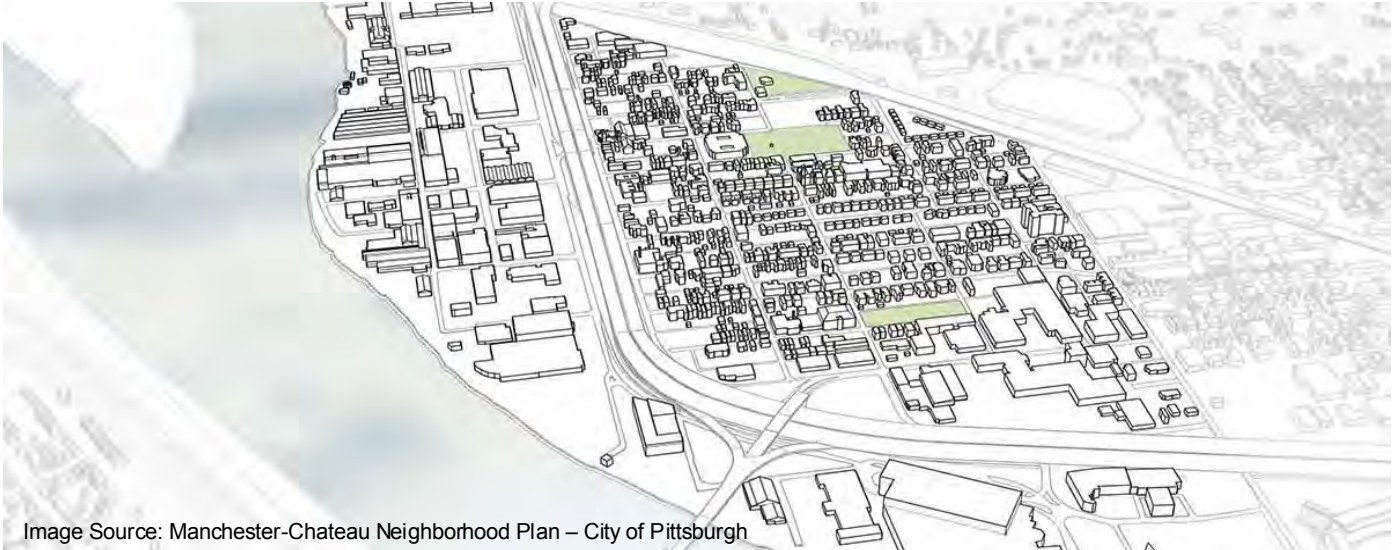


Image Source: Manchester-Chateau Neighborhood Plan – City of Pittsburgh

## Reunite Manchester

TRID can be used to address several goals related to using economic and community development to reunite the Manchester and Chateau neighborhoods.

## Ensure Esplanade Development

Esplanade is seeking TRID funding to support development of public infrastructure, including necessary utilities and site connectivity, planning, predevelopment and soft costs for the project.

## Improve Public Infrastructure and Transportation

Facilitate safer and greener modes of transportation in the study area.

PIATT  
COMPANIES



**P** Pittsburgh  
**R** Regional  
**T** Transit



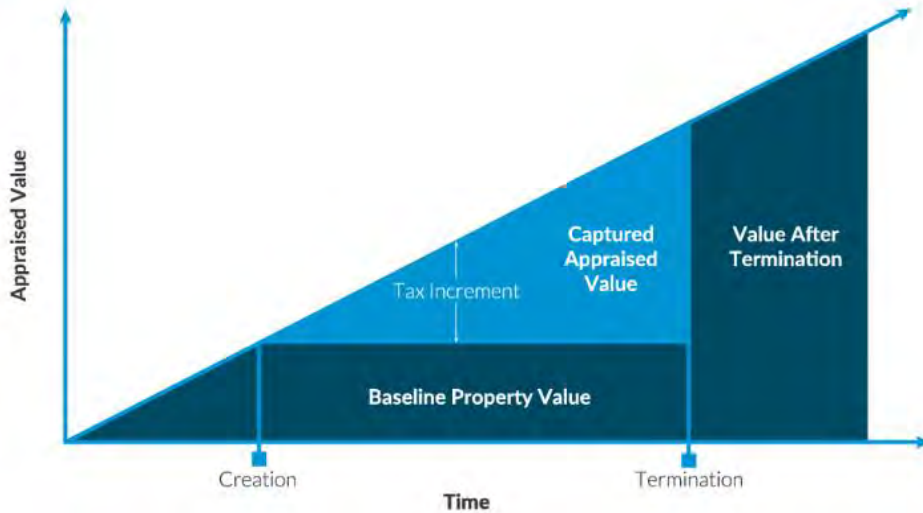
**MANCHESTER**  
Citizens Corporation



COMMUNITY  
PROCESS

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# How does TRID work?

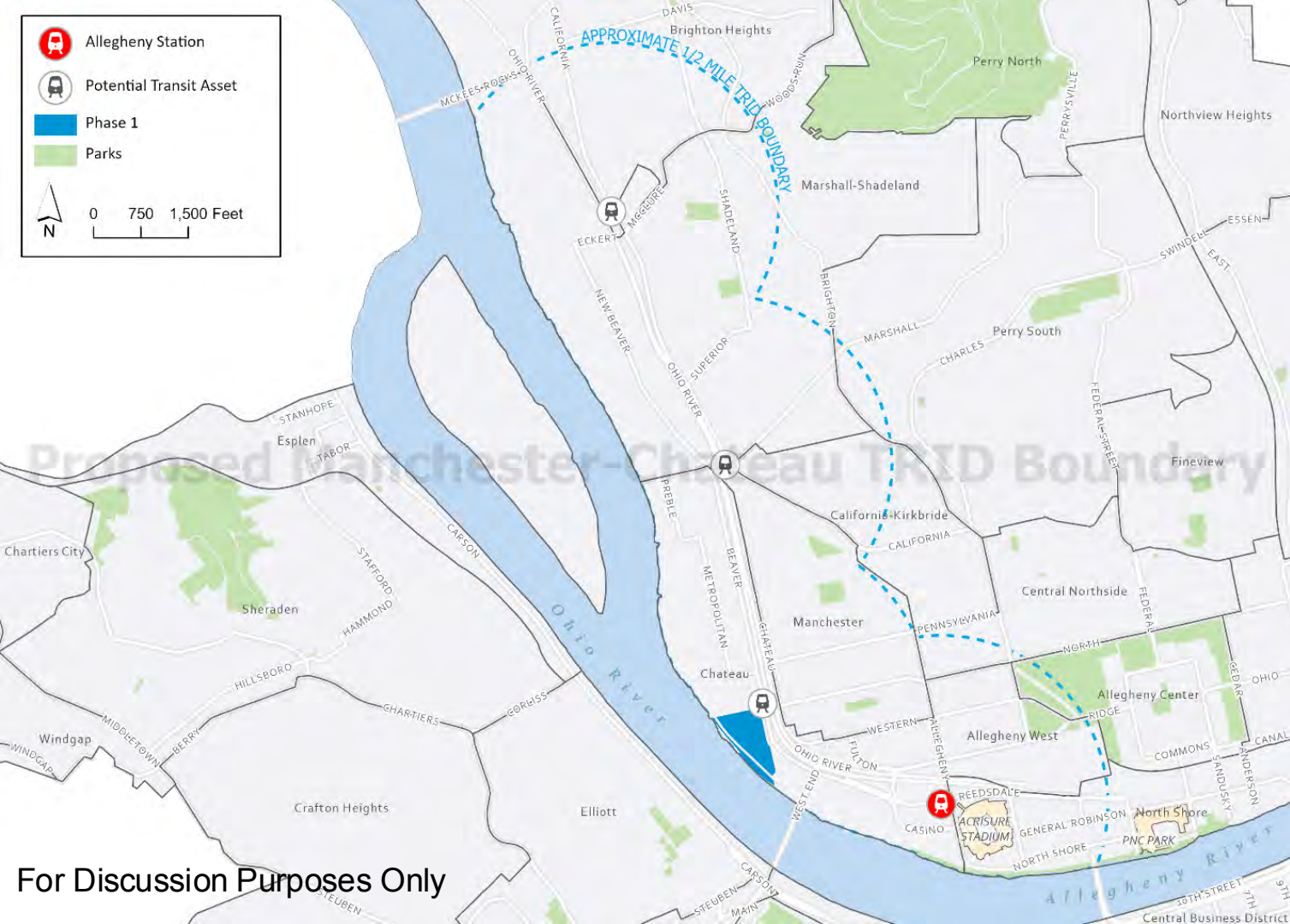


Transit Revitalization Investment District is centered on an existing or planned transit stop or station. Within a TRID boundary, all or a portion of the incremental real estate tax revenue generated by the development(s) in that District can be used to finance public or private improvements associated with transit-oriented development. The incremental increase in real estate taxes resulting from developments and improvements within the district are used to repay debt.

# TRID BOUNDARY MAP

- Allegheny Station
- Potential Transit Asset
- Phase 1
- Parks

0 750 1,500 Feet



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# Esplanade Development





# DEVELOPMENT BENEFITS



## Job Creation

~7,100 construction jobs  
~4,500 jobs created/retained  
by Esplanade's tenants



## Mixed Use Development

Retail-destination development, including local food vendors, grocery stores, office space, etc.



## Affordable Housing

New housing opportunities include affordable rental, market-rate rental, and condo units.



## Tax Generation

~\$31,000,000 in new tax revenues over six-year construction period.



## MWBE Involvement

Developer is committed to 15% MWBE goals for all site development.



## Riverfront Activation

Sustainable green-space design will activate the riverfront and provide further trail access.

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## PROJECTED ECONOMIC IMPACT



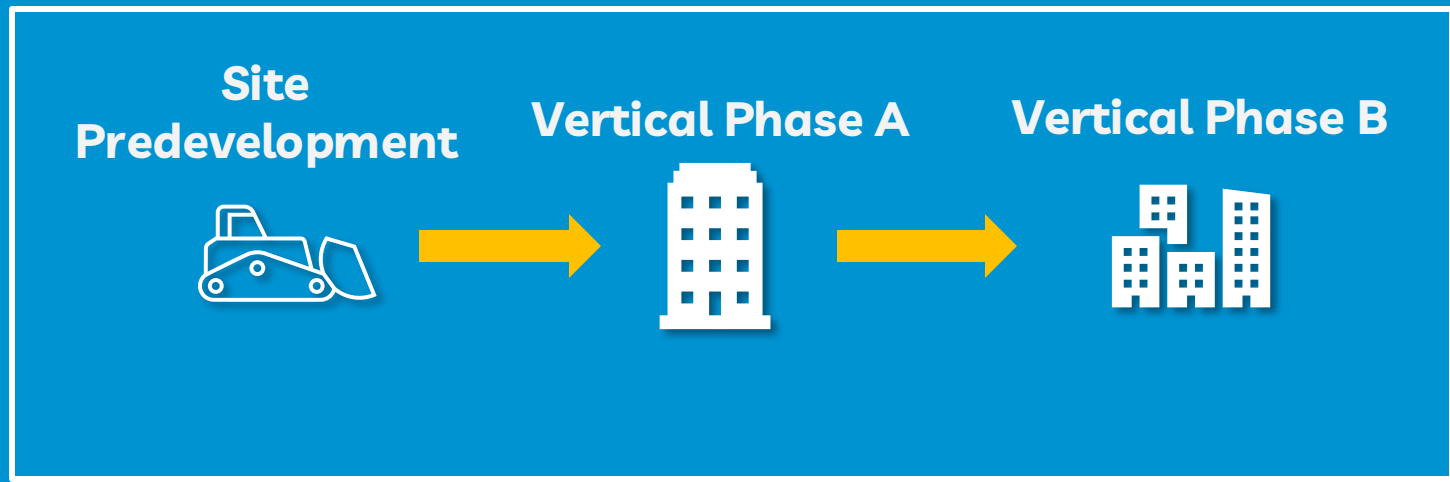
In 2022, the Pennsylvania Economy League of Greater Pittsburgh, an affiliate of the Allegheny Conference on Community Development, used the IMPLAN Economic Impact model to determine the impact of Piatt Companies' proposed Esplanade development on the Southwestern Pennsylvania economy.

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# CONSTRUCTION PHASING

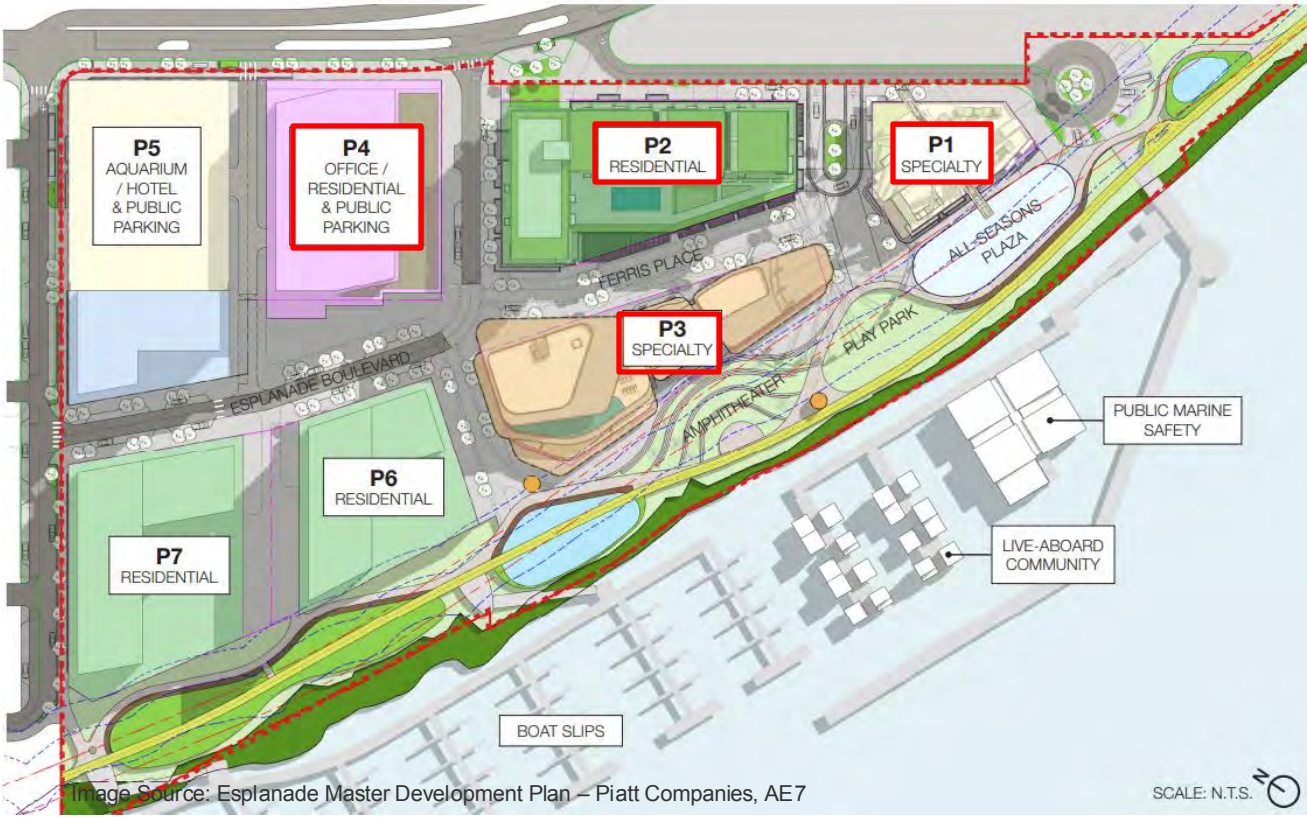


Image Source: Esplanade Master Development Plan – Platt Companies, AE7



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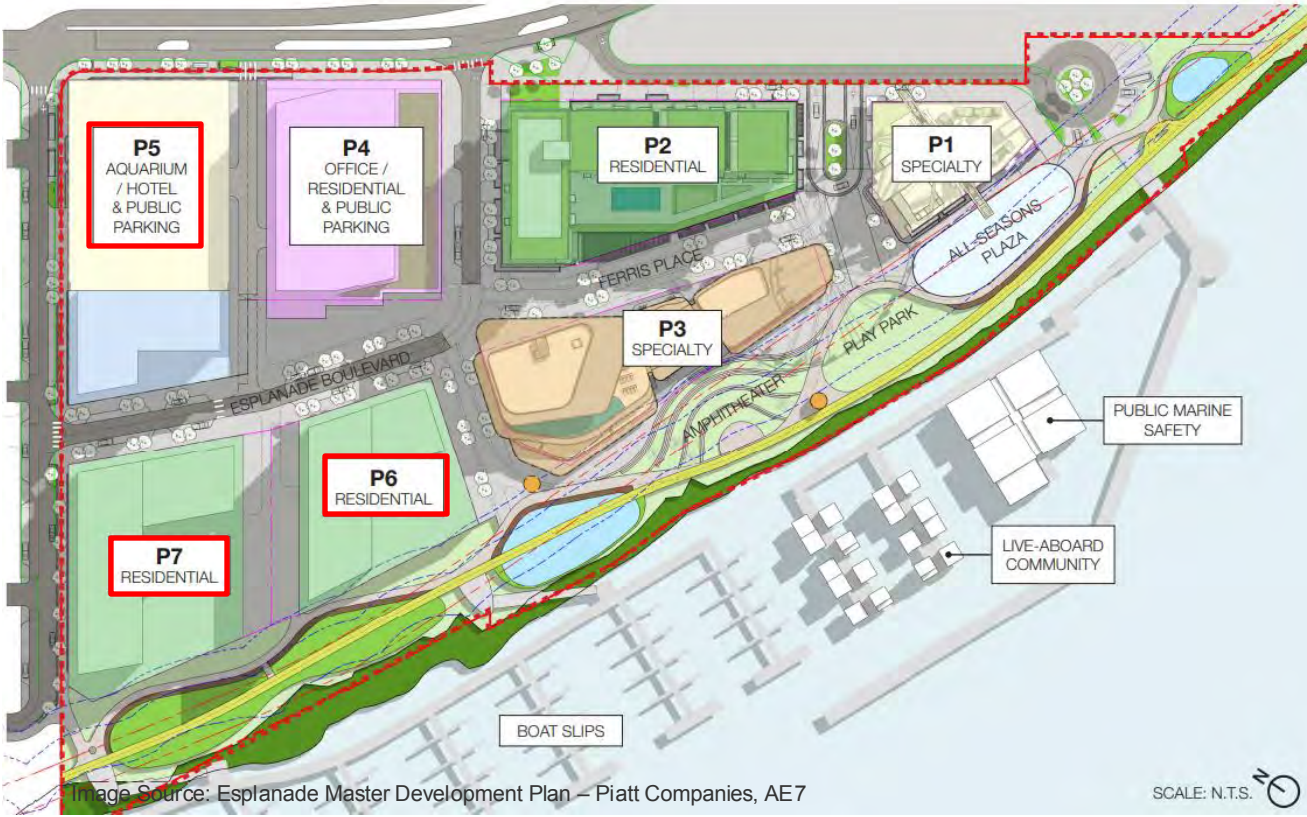
# Esplanade Vertical Construction Phase A



- P1** Ferris Wheel and Visitor Center
- P2** Residential and Parking
- P3** The “Current”
- P4** Office & Site Parking

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# Esplanade Vertical Construction Phase B



**P5**

**Aquarium & Hotel**

**P6**

**Residential & Retail**

**P7**

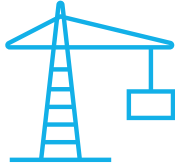
**Residential & Retail**

Image Source: Esplanade Master Development Plan – Piatt Companies, AE7

# OFF-SITE PROJECTS



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## Multimodal Connections and Parking Structures

These projects will allow greater access and connection between the Manchester and Chateau neighborhood.

**OFF SITE  
PROJECTS**

## Infrastructure and Public Space Improvements

TRID financing will provide funding to transit related infrastructure improvements and making public spaces more desirable.

## Gap Financing for Affordable Housing

Both on and off site, the TRID includes provides affordable housing in market-rate apartment buildings and gap financing for off-site development.

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# ELIGIBLE USES OF ON-SITE TRID FUNDS

On-Site Eligible Use	Estimated Amount	Implementor
Public Space and Public Infrastructure Improvements	\$8,179,463	Esplanade Partners or related developer of a Pledged Project
Multimodal Connections and Parking Structures	\$10,004,218	Esplanade Partners or related developer of a Pledged Project
Riverbank Restoration	\$967,123	Esplanade Partners or related developer of a Pledged Project
Affordable Housing	\$21,276,702	Esplanade Partners or related developer of a Pledged Project
Total	\$40,427,506	

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# ELIGIBLE USES OF OFF-SITE TRID FUNDS

Off-Site Eligible Use	Estimated Amount	Implementor
Infrastructure and Public Space Improvements	\$4,575,836	DOMI
Multimodal Connections and Roadway Improvements	\$3,400,000	DOMI
Plans and Feasibility Studies	\$1,500,000	PRT
Gap Financing for Affordable Housing	\$4,000,000	URA
	\$13,475,836	

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## Beaver Ave Two Way Conversion



## Juniata Underpass



## Allegheny Avenue Public Space Improvements



**HIGHLIGHTED  
PROJECTS**

## Route 65 Planning Study Implementation



## GAP Financing for Affordable Housing



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# Esplanade Phase A Sources and Uses

Use of Funds	
Description	Cost
URA Acquisition Costs	\$1,500,000
Additional Acquisition Costs	\$12,891,000
Infrastructure	\$52,233,300
Construction	\$224,488,300
Tenant Improvements	\$16,847,100
Soft Costs (inclusive of Interest)	\$73,710,100
FF&E	\$3,702,300
<b>Total</b>	<b>\$385,372,100</b>

Sources of Funds		
Description	Cost	Funding Status
TRID Financing	\$26,550,000	Unsecured
Redevelopment Assistance Capital Program Grant	\$25,000,000	Secured
Transportation Infrastructure Investment Fund	\$10,000,000	Secured
Boating Infrastructure Grant	\$1,500,000	Unsecured
Private Equity	\$71,830,200	Unsecured
Combined Debt	250,491,900	Unsecured
<b>Total</b>	<b>\$385,372,100</b>	



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# Projected Pittsburgh Public School Tax Increment

Esplanade Phase A Tax Increment Analysis				
Taxing Body	Current/Base	Total Tax Increment	TRID Projects (75%)	Taxing Bodies (25%)
Pittsburgh Public Schools (Real Estate)	\$14,300	\$984,300	\$738,300	\$246,100
<b>Total Taxes (100%)</b>	<b>\$14,300</b>	<b>\$984,300</b>	<b>\$738,300</b>	<b>\$246,100</b>

Esplanade Phase B Tax Increment Analysis				
Taxing Body	Current/Base	Tax Increment	TRID Projects (75%)	Taxing Bodies (25%)
Pittsburgh Public Schools (Real Estate)	\$22,908	\$1,576,100	\$1,182,100	\$394,000
<b>Total Taxes (100%)</b>	<b>\$22,908</b>	<b>\$1,576,100</b>	<b>\$1,182,100</b>	<b>\$394,000</b>

Current Tax Revenue

\$37,208



Projected Annual Tax Revenue

\$2.5 Million +



# Tax Increment Comparison

Esplanade Phase A Tax Increment Analysis				
Taxing Body	Current/ Base	Total Tax Increment	TRID Projects (75%)	Taxing Bodies (25%)
City of Pittsburgh (Real Estate)	\$11,250	\$774,000	\$580,500	\$193,500
Pittsburgh Public Schools (Real Estate)	\$14,300	\$984,300	\$738,300	\$246,100
Allegheny County (Real Estate)	\$6,600	\$454,200	\$340,700	\$113,600
City of Pittsburgh (Parking)	\$0	\$443,200	\$332,400	\$110,800
City of Pittsburgh (Amusement)	\$0	\$656,000	\$492,000	\$164,000
<b>Total Taxes (100%)</b>	<b>\$32,150.00</b>	<b>\$3,311,700</b>	<b>\$2,483,900</b>	<b>\$828,000</b>

Esplanade Phase B Tax Increment Analysis				
Taxing Body	Current/ Base	Tax Increment	TRID Projects (75%)	Taxing Bodies (25%)
City of Pittsburgh (Real Estate)	\$18,013	\$1,239,400	\$929,500	\$309,800
Pittsburgh Public Schools (Real Estate)	\$22,908	\$1,576,100	\$1,182,100	\$394,000
Allegheny County (Real Estate)	\$10,571	\$727,300	\$545,500	\$181,800
City of Pittsburgh (Parking)	\$0	\$457,400	\$343,100	\$114,400
City of Pittsburgh (Amusement)	\$0	\$1,071,500	\$803,600	\$267,900
<b>Total Taxes (100%)</b>	<b>\$51,492</b>	<b>\$5,071,700</b>	<b>\$3,803,800</b>	<b>\$1,267,900</b>

Total Tax Revenue

\$83,642



Projected Annual Total Tax Revenue

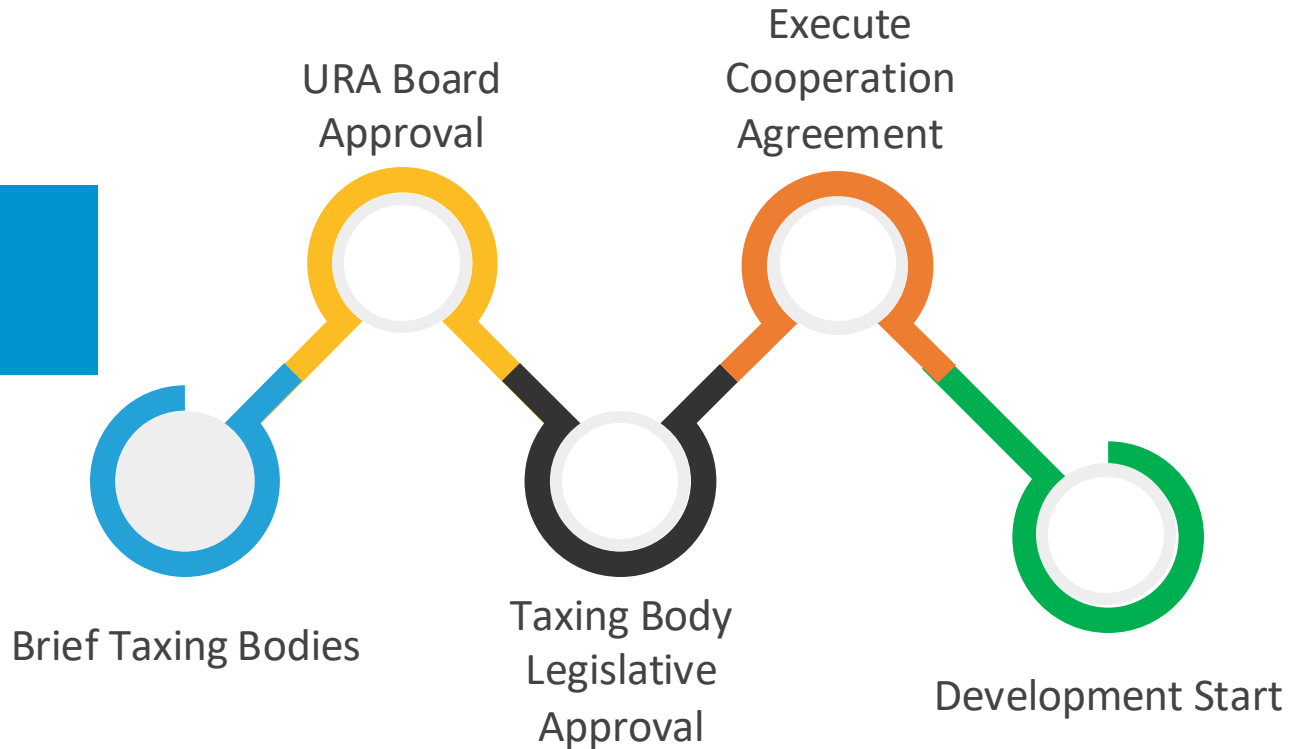
\$8 Million+

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# School Briefing Timeline



# General TRID Timeline





# School Board Resolutions

**1. Approval of TRID  
Implementation Plan**

**2. Authorization to Enter TRID  
Cooperation Agreement**



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# THANKS

Does anyone have any questions?



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