

Meeting Minutes

Project: Mellon Arena

Subject: Interested Parties Meeting #7

By: Jackie Freeman

Date: June 9, 2010

Time: 6:00 – 8:00 pm

Place: West Lobby
David Lawrence Convention Center
Pittsburgh, PA

Attendees: See attachment 1

Handouts:

I. Introductions

A welcome and introduction was provided by Ray Maginness, Environmental Project Manager with Michael Baker, Jr. Participants were thanked for their continued involvement in the Interested Party Process and asked to introduce themselves and the organization they represent.

Ray referred to and reviewed the revised meeting AGENDA, a copy of which was contained in the handout folder:

- Review the meeting minutes for IP Meeting # 6, copies of which are in the handout folder
- Brief presentations by the Historic Hill Institute and Five Mile Development Group
- Review of the Draft Effects Report
- Review of the Draft Options Report
- Initiation of mitigation discussions

II. Meeting #6 Minutes Review & Comment

Ray said that key discussion reflected in Meeting #6 Minutes include Workshop summary and clarifications and the Economic Analysis. As follow up to Meeting #6, the SEA has conducted the following actions:

- Provided the background assumptions of the Economic Analysis
- Met with financial analysts to discuss issues arising from the draft Economic Analysis
- Made refinements to Option 3:
 - Increased development density to be in line with Option 5
 - Removed the hotel from the Arena & repurposed the Arena for public recreation

Ray stated that these plan refinements were considered and are addressed in the Refinement Notes at the end of Section VIII of the Report. A copy of the Section, including the Refinement Notes, is included in the handout folder.

Ray asked if there were questions or comments on the minutes for IP Meeting #6. The following comments were made:

Comment/Response

C: You haven't addressed comments from previous minutes, such as the RAD laws that I mentioned in an earlier meeting. My comments were documented but not addressed. I want my comments responded to at the meeting and in the minutes; the Interested Parties committee has a right to know.

R: This question was originally asked during meeting #5 and verbally responded to during meeting #6; however, the minutes of meeting #6 does not reflect the response. Our interpretation of the RAD law is that it is not applicable to this project. The Civic Arena has been a regional asset as a functional, multi-purpose arena. The regional asset has been preserved by creation of a functional, multi-purpose arena across the street.

C: I have 15 questions that I prepared and sent to SEA. I want them addressed at this meeting so that your responses can be shared with the IP members. My email identifies potential revenue sources that should be considered.

R: The agenda for tonight's meeting is full. Please coordinate with Chris to have your questions addressed and shared with the IP members, potentially as an agenda item of a future IP meeting.

C: In Option #1, why is the Mellon Arena not considered to be competing with the Consol Energy Center? In Portland, they are making their old arena complementary to the new arena. In Portland they have been at this process for nine years. Can we keep the Arena for reuse as a multi-purpose arena on the table for consideration until sometime under another economic environment?

R: With Option #1, the Arena would be under no use.

C: I suggest revising Option #1 to be restoration of the Civic Arena by restoring it to 12,000 seats as it was built in 1961. This option would be closer to the purity of preservation.

R: This will be considered as a potential new redevelopment option.

C: Also, I have asked for a roadmap of the schedule of this process. I was told there were 3 additional meetings after this one. The schedule should be attached to the meeting minutes. Participants need to be able to plan to attend meetings.

R: IP Meeting #8 will be held on July 12 [Note: On June 10, the meeting date for IP Meeting #8 was changed to July 13. An email was distributed on June 10 informing IP members to this schedule change.] Agenda items are envisioned at this time to include finalizing the Options Report and Effects Report. IP Meeting #9 will be held in early August and agenda items may include finalizing the MOA and closing comments.

C: Is there a possibility for IP Meeting #10 and beyond?

R: Yes.

III. Presentations

Scot Kurtz presented on behalf of Five Mile Development Group. He said that they looked at the possibility of moving the Mellon Arena building to the South Side and making it an office building, but that scenario was not feasible. Now they are looking at the possibility of reusing at least part of the building as an office building at a predetermined location near Route 279. DCK Corporation has prepared estimates; the budget would be approximately \$20 million. They are currently looking for tenants. At \$172/square foot, the cost is too high, but they are hoping that because of the historical significance and location, they may be able to find a tenant. The lobby could contain Mellon Arena memorabilia. They are hoping to pull everyone together for this project if demolition is the final option. A group member asked Scot's preference on if the Arena should be torn down. He said that he hopes it stays.

During the presentation the following comments and responses were made:

Comment / Response

C: How does this presentation fit into the 106 process?

R: It doesn't. Five Mile Development Group asked to make a presentation. Since they are a member of the Interested Parties committee, and other IP members have been allotted time for presentations, we allowed them to make the presentation without seeing it first. The presentation is centered around the potential salvage and reuse of select members of the Arena should the decision be made to demolish the building.

C: It is not part of the process because the Arena has to be coming down first for this to be an option.

Kimberly Ellis of Historic Hill Institute presented as both a Hill District resident and an historical preservationist. She said that she is not speaking on behalf of the entire Hill District, nor is she promoting either demolition or preservation, but wants to ensure that the narrative of the Hill District is heard. She said that the giving away/lending/sharing and taking of public lands without process is what leads us to the current situation. The Mellon Arena has become the focus of either great pleasure or great disdain. Some view the Arena cantilever as a symbolic "middle finger" to the Hill District. The decision for what to do must be about economic justice, and the Hill District residents must have greater consideration because they live in this space. They want to know where they fit into the plans as human beings (with the process not just celebrating the architectural integrity of the building). As recently as the 1990s, residents have been displaced and sent to suburbs

where there is not adequate access to public transportation or a community support network. When families are moved, it builds resentment and this is what led to Hill District Development Principles, which include “no remnants of Mellon Arena,” although Kimberly said she is working to get that principle re-worded. Hill District residents participate in many processes, such as the Master Plan, and are very involved. She says that many residents are not here tonight because they have process fatigue and because the meeting is not in the Hill District. The Arena may be a casualty like so many other unjust/unfair demolitions, or it could be a preservation piece, but either way we must think about the totality of how we got here.

During the presentation the following comments and responses were made:

Comment / Response

- C: I commend Kim for her presentation. When you look at the Hill District Master Plan, this highlights the failure of the SEA process: working the 28 acres separately from the rest of the Hill District planning. These meetings should have been in the Mellon Arena or the Hill District itself. These meetings have been ineffective because we are not pulling together the right people.
- R: Under the 106 state historic preservation code, this is by nature an isolated process.
- C: We respectfully disagree.

- C: I am generally very mobile, but it was a struggle for me to get here. Because early on this was a structured, closed event, there was some confusion on the part of Hill residents such as “Should we go?” and “How do we get to the Convention Center?”

- C: There has only been one public meeting, the media has been kept out of the IP meetings and I do not believe this is a good cross-section of Interested Parties. African Americans, Jews and Italians made up the Hill District at the time of redevelopment. There should be a meeting in all 13 county council districts instead of just one.

IV. Review of Draft Effects Report

Ray provided a summary of the Effect Evaluation in regard to Options 1, 3 and 5, as follows:

- Option 1 - Do Nothing..... (No Effect)
- Option 3 - Arena ReUse..... (Adverse Effect)
- Option 5 – Arena Demo..... (Adverse Effect)

He said that a summary of the determination is included in the handout folders. He stated that this summary is similar to the effects that we have been assuming throughout the IP process. Although Option 3 results in an Adverse Effect to the Arena, the effect would be minimized by retention of the retractable dome. He said that if a full copy of the Draft Effects Report has not yet been distributed to IP members, it will be distributed shortly.

V. Review of Draft Options Report

Ray stated that the Draft Options Report was provided to each IP member via email on May 28th. He asked if anyone had not received a copy of the Draft Report. He said that a copy of the findings summary is included in the handout folders. The findings of the report include that the continued use of the Arena as a multi-purpose arena is not feasible. This statement is directed towards Options 2 and 4 that were evaluated in the lead up to the decision to construct the Consol Energy Center. Option 1 (“Do Nothing”) is also not feasible. With the exception of having “no effect” on the historic Arena, it does not effectively address the other established needs. Both Option 3 (“Arena Reuse”) and Option 5 (“Arena Demo”) result in an unavoidable adverse effect on the Arena. Therefore, discussion of measures to mitigate the adverse effect is required.

Comment / Response

- C: Is there room in the process for considering restoration, such as the earlier comment about restoring to 12,000 seats (as it was in 1961)?

R: The process is flexible enough that we'll consider that.

C: No study has been given about competing or complementary arenas.

C: I have identified 15 revenue streams that could potentially support the Arena.

R: As previously discussed, your questions will be addressed, potentially as an agenda item for a future IP meeting.

Ray said that as previously discussed, refinements to Option 3 were suggested for consideration in the Report and concerned:

- Proposed increased development density similar to that of Option 5
- Removal of the hotel from the Arena and from the plan altogether
- Repurposing of the Arena solely for flexible public open space

These plan refinements were considered and are addressed in the Refinement Notes at the end of the Section.

Comment / Response

C: The comments coming out of the meeting with Oxford Development didn't reflect that Option 3 is a flexible framework. I didn't have time to develop a new option, but the idea was to show the flexibility of this structure. Todd Poole points out that the Pens have the same problem- the plan will never be exactly as it was on Day 1. Look at the Arena as an amateur sports hub, a reconciliation space that brings us back together as a community- the true commons.

C: Do the additional uses [as just proposed by Rob Pfaffmann] involve no or minimum effect on the fabric of the building?

R: [Rob Pfaffmann:] There would be a gutted seating bowl. We are aiming at a symbol of reconciliation and would be happy with any scenario that would make it work.

C: Until the Arena becomes economically viable, it is not anything. The issue is what can we do with a still-functioning iconic building? Explore what others have done. We can make it into something very special.

C: The concept of provisional use is that you work with what you have, without a lot of federal funding: "pop up urbanism." We should take the demolition money, demolish the seating bowl, stop at the concourse, waterproof it, and operate it for 3-5 years using it as a marketing tool. We can begin to engage economic development immediately. See if it's sustainable. If not, then demolish it.

C: Invite international competition with developers. There is an opportunity for Pittsburgh to look at other design opportunities. Other cities have unusual things that become symbols. In the meantime, while figuring things out, try using the space underneath for parking. There would be space for 200 cars, which would help with the economics of it.

C: We would not be here were it not for the fact that the building is eligible for historical status. As soon as the new building is open and the old one is closed, the old one is supposed to be demolished at SEA's expense. This decision was signed by politicians without any input from the Hill District. We are fortunate that SEA is required to go through this process. It should buy some time to think of alternatives that are beneficial to everyone. There was no public process on the decision, which is not fair.

Ray said that the draft conclusion of the Options Report is that Option 5 is preferred. The Purpose & Need Statement that was collaboratively developed over the course of several IP Meetings was used as an evaluation tool. Through our workshops, group consensus established the relative extent to which each option addressed the needs. This evaluation was supplemented by the Financial Analysis and further coordination. Development options were discussed and refined to provide clarification, where needed, and to promote understanding. The results of the evaluation are summarized in the Draft Report. Option 5 is identified as preferred for the following reasons:

- Removal of the Arena allows for the establishment of a street grid system that is reminiscent of the grid that pre-dated the Arena, consists of four through-streets for vehicular and pedestrian traffic, connects with the perimeter roads (Bedford Avenue, Crawford Avenue, Centre Avenue, and Washington Place), and effectively removes physical barriers and provides flexibility in access.
- Conventional urban blocks enhance the opportunity for the orderly grouping and segmentation of specific uses into an efficient and memorable land use pattern, effectively accommodate a high-density, mixed-use development, and allow for the location of parking garages and surface parking lots throughout the development.
- Removal of the Arena allows for the adjustment of site gradients and the establishment of linear pedestrian corridors that are ADA compliant.
- Results in a higher public economic benefit.
- Removal of the Arena allows for the establishment of conventional urban blocks that enhance the marketability of the site.
- Removal of the Arena provides for an unencumbered development site with flexibility in grading.

Comment/Response

C: Who determined the word “preferred?”

R: The results of the workshops where the “Need to consider statement was applied to each option under consideration was summarized. Based on this summary, a draft preferred option was identified for review and comment by the IPs. The draft report has not been posted on the project website.

C: Where can I find the calculus for using the word “preferred?”

R: In the Draft Options Report that was given to IP members on May 28.

C: That did not allow adequate time for review.

C: Who decided what the needs that each option would be evaluated against would be?

R: A draft purpose and need statement was prepared by Baker and presented at the IP meeting #1. It was presented as a starting point for considerations, discussion and revision based upon the values of the community and IP group. The needs were clearly presented as tools for the development and evaluation of development options. The needs were discussed and refined during several IP meetings including during the options development workshop where the IPs were encouraged to further define the need item through discussions and consensus building activities.

C: Who decided which need is most important in arriving at the draft preferred option?

R: No comment was made as to the importance of the various need items. The identification of a draft preferred option was based on a summary of the IP group’s consensus statements relating to the comparative extent to which each option addressed the various needs emerging from the workshop exercises. The justification for Option 5 as the draft preferred option is based on the combined advantages of this option.

R: As process moderator, Ray reminded the IPs members of their participation in the collaborative, cooperative and objective process whereby measures would be sought to avoid, minimize or mitigate adverse effects to the Mellon Arena. A process was collaboratively established through which a variety of conceptual development options were identified, refined, analyzed in a “broad brush” level, and evaluated and compared based on a need statement prepared by the group. Based on the results of this process, a draft preferred option has been identified. The draft decision has been provided to the IP’s for review and comment.

C: Will there be a vote or consensus on the Draft Options Report?

R: Baker wrote it as a draft document for review and comment by IP.

C: We demand that the word “preferred” be removed.

C: What you are comparing [Options 3 and 5] will keep changing; it’s a shape shifter. We are comparing numbers for something that will never be, so that the demolition of a building is justified. The pro forma numbers mean nothing.

R: Both plans were conceptual. One centered on maintaining the Arena, while the other centered on demolishing it. It

has been acknowledged from the beginning of this process that each option is conceptual, each is feasible, each will be evaluated in a “broad brush” fashion, each option would be refined as appropriate to promote meaningful and fair evaluations and comparisons, and that each option would likely be subject to refinement during the subsequent marketing, design, and planning processes.

- C: How long will it take the IPs and preservationists to come up with a competition and find money to staff it, months, or years? The fire is that we have two heated up markets right outside the Civic Arena whose growth and progress are dependent on some reasonable solution. I’m waiting to see what is proposed that will make sense. We are desperate to see alternatives to parking. Mellon Arena has been devastating to the community. We are deprived of something that moves us forward. Stop talking about it.
- C: If we tear it down, it will be a parking lot. That makes it look good to developers, but it will sit there for at least 5 years. We need to find a viable option.
- C; You say that you shared the assumptions of the financial analysis with the IPs, but that is not true, we need to see the spread sheet equations as well as the result to verify the accuracy of analysis.
- C: You don’t live there. You have not seen the devastation of that community. You have not seen the riots that tore it down. We have been deprived so long and want something that makes sense and moves us forward.
- C: Speaking for preservationists, we are not preservationists to save buildings but to preserve communities. I have a plan that is about the potential of the building to support your community. Part of the strategy of this process is to burn you out and give you meeting fatigue with ineffective meetings. There is a model we can borrow from what is happening in Portland. There are eerie parallels between Portland and Pittsburgh. It’s not just about the building, but the success of the public process. Concepts we can use are project evaluation framework (ideas competition), proposal phase, and development strategy.
- C: You talk about your 5,550 meetings and we do not want to wait for them.
- C: The charge in Section 106 is to determine if you both adequately sought and adequately assessed alternatives.
- C: I question the sincerity of the process. Today in a letter to me addressing questions I had about street grids, the response said “it became evident that any Arena Reuse Plan would have a low to moderate effectiveness at removing the physical and visual barriers and enhancing pedestrian and transit connections. It also became evident that any Arena Reuse Plan would have only moderate effectiveness at restoring the historic community fabric that affords flexibility to the future development.” The street grid analysis is inaccurate. If you look at Pittsburgh’s urban design guidelines and look at the specifics, they should be the actual standard.
- C: I hope that as we continue conversations about street grids and unique and interesting buildings that we don’t lose sight of or forget about 10,000 families; their progeny continues to reel from displacement. If we preserve the Mellon Arena, after 5,500 conversations, it will never make up for that. The Hill District will still bring up the rear.
- C: Some of us feel too strongly to go along with the rules for being collaborative. When this process started, Representative Wheatley and Councilmen Lavelle and Robinson sent a letter recommending that the Arena be torn down. It’s not that they have a problem with the Arena, but they must represent their constituency.
- C: There are two processes going on here, dialogue versus technical evaluation. We can’t do both of these things in the same process. We must have dialogue first and talk about the people before the buildings. This process is backwards. We should take the process we are about to complete and reintegrate it into the Hill District Master Plan and Greenprint Process.
- C: I would like to remind everyone that the Pens have a contract to develop 2.8 acres of the 28-acres site every year for 10 years. Also, Hill District residents, including Rep. Wheatley, went down in front of the Arena and held a press

conference/protest that said we are opposed to this deal. Have the Pens contribute a plan to this process that goes a little further with regard to the Hill District residents.

R: In response to the request if the Hill District residents, the Pens negotiated a Community Benefits Agreement and as a result there is a process established for consideration of concerns of the Hill District residents.

Ray said that we need to consider mitigation effects for all three alternatives.

C: Is it not premature to discuss mitigation before the PHMC has findings of your Effects Report?

R: It is in draft format right now. For projects that have an adverse effect, it is traditional to do a HABS/HAER. Mitigation has to be included in the Draft Effects Report.

Tim Zinn said that the Pens are moving out of the Arena in July and may be relocating some loose furnishings.

C: What fixtures? They've already auctioned off the basketball floor before the final determination.

R: We don't have a list, but my point is, now is the time to discuss that component of the recordation, to capture it while intact.

C: Unless I am incorrect, the terms of the lease agreement forbid the Pens from removing any fixtures or equipment that are affixed to the Arena.

C: We need to reconvene with all the information that has been requested tonight. We refuse to discuss mitigation because it violates the Section 106 process. I am leaving the meeting if you try to discuss this. You must provide legal back up to prove you are following the process. You must provide better economic information.

C: Is there federal funding for this process?

R: None is identified at this point.

C: This process needs to be restarted from the beginning. We don't have a lead federal agency. SEA is the lead agency. A federal agency must be a part of it.

R: A lead federal agency is not required if federal funding is not identified.

C: The SEA is responsible for the process and seeking alternatives to avoid, minimize or mitigate adverse effects to the Arena. Where would the SEA be if the Save the Igloo! Group did not bring an option forward, Option 3? The SEA needs to take a hard look at Arena reuse options and we can meet again when they have.

Reuse the Igloo left the meeting at 8:25 pm.

VI. Meeting Summary & Follow Up Items

Next Meeting: The next IP meeting will be held on July 12. [Note: IP Meeting #8 was changed to July 13 and IP members were notified by email on June 10).