

**MINUTES OF THE MEETING
OF THE BOARD OF THE
SEA SPORTS COMMISSION
HELD TUESDAY, NOVEMBER 16, 2021
REMOTELY VIA ZOOM CONFERENCE
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 3:34 PM. E.S.T.**

A meeting of the Board of the SEA Sports Commission (the “Sports Commission”) was held upon proper notice on Tuesday, November 16, 2021 commencing at 3:34 P.M. E.S.T. Due to the COVID-19 pandemic and guidance from public health experts, the meeting was conducted remotely via the online conferencing platform Zoom.

Members of the Commission present:

Sen. Jay Costa, Chairman
Sen. Wayne Fontana, Member
Tracey McCants-Lewis, Member
Michael Quatrini, Member
Sala Udin, Member

Also Present:

Rosanne Casciato, Mary Conturo, Dana Kramer, Courtney Stoots and Rhea Thomas of the SEA; Morgan Hanson, Solicitor; Clarence Curry, CFC-3 Management Services

Senator Jay Costa called the meeting to order with the Pledge of Allegiance. Ms. Mary Conturo followed with a roll call of the board members and advised that a quorum was present.

Beginning with public participation, Senator Costa asked if any members of the audience would like to address the board. Members of the public were offered participation by email, telephone, or the Zoom chat function. Ms. Dana Kramer stated that the Sports and Exhibition Authority of Pittsburgh and Allegheny County (“SEA”) had not received any comments via email, no one registered to speak via telephone, and no comments were submitted via the Zoom chat function thus far. Seeing no request from the public to address the board, Senator Costa moved to

the next item on the agenda, approval of the minutes from the meeting of October 5, 2021. A motion was made, seconded and unanimously approved.

Senator Costa continued to the next item on the agenda under new business, acceptance and adoption of amendments to Act 42 EDTF Restricted Account Programs and Procedures.

Ms. Conturo stated this item pertained to a discussion during the October 5, 2021, board meeting. The Act 42 EDTF Restricted Account Programs and Procedures (“Guidelines”) originally provided that expenditures to be made under the Capital Repair Funding Program (“CRF Program”), which relates to the capital repairs and improvements that are the responsibility of the SEA with respect to Heinz Field, PNC Park, PPG Paints Arena, and the David L Lawrence Convention Center (“DLCC”), be reviewed by both the SEA Board and Sports Commission Board (which is a subcommittee of the SEA). During the discussion, it was noted that this results in a duplication of work. Mr. Morgan Hanson reviewed the Guidelines and provided a draft amendment which provides that expenditures that are required of the SEA under the Heinz Field, PNC Park and PPG Paints Arena leases or of the SEA as owner/operator of DLCC would be eligible expenditures of CRF Program funds, without further review of the Sports Commission Board. The amended Guidelines provide that the SEA will give a report to the Sports Commission outlining such expenditures on a yearly basis. This report would be due by January 31 and presented to the Sports Commission Board during the first quarter 2022 board meeting.

Mr. Hanson confirmed that Ms. Conturo’s summary was correct and stated the revision of this item would make the operation of both boards more efficient while eliminating duplicative efforts by SEA staff and various members of the boards. The Sports Commission Board will receive a report each year and will have the opportunity to comment on how the CRF Program

money was used. Mr. Hanson confirmed the Sports Commission Board is not eliminated from having oversight, only the duplicative effort of both boards is eliminated.

Senator Costa asked if there were any questions from the Board. Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. SC002

RESOLVED that the amended ACT 42 EDTF Restricted Account Programs and Procedures, as adopted by the Sports & Exhibition Authority of Pittsburgh and Allegheny County (SEA) at its meeting of November 11, 2021, with appropriate information filled in and completed, are hereby accepted and adopted by the SEA Sports Commission; and further that the proper officers of the SEA Sports Commission are hereby authorized to do all acts as may be necessary and proper to carry out the intent and purpose of this Resolution. All resolutions or parts thereof inconsistent with the provisions of this Resolution are hereby repealed or rescinded, canceled or annulled so far as the same affects this Resolution.

Senator Costa continued to the next item on the agenda, approval of the budgeted uses of the Expense Subaccount for the SEA's 2022 operating budget.

Ms. Conturo stated that this item is in accordance with the Guidelines which note the annual allocation from the Commonwealth of Pennsylvania ("Commonwealth") would be used for three purposes: (1) the Sports Event Funding Program ("SEF Program"), (2) the CRF Program and (3) administrative costs. The Guidelines provide that 5% of each allocation is available for administrative costs. The Guidelines also state that the SEA is to provide staffing to the Sports Commission and each year, as part of the budgeting process, the SEA will submit to the Sports Commission the intended uses of the 5% to include in its operating budget for the following year.

Ms. Conturo stated the SEA has received two allocations to date and 5% of each allotment, \$85,000 for 2020 and \$85,000 for 2021 for a total of \$170,000, is in the Expense Subaccount. This board

action request is to reimburse the SEA for time and expenses regarding the following: forming the commission; development of the By-Laws of the SEA Sports Commission (“By-Laws”), Guidelines, website, SEF Program application and contract form; submission of information and required annual reports to the Commonwealth to receive funding; and providing oversight of the money and investments. This board action request provides a reimbursement for the last two years of work. Calendar year 2022’s anticipated work will include receiving and reviewing SEF Program applications. Ms. Conturo stated that if this were to be approved, the \$170,000 would be included in the SEA’s 2022 operating budget which would be considered by the SEA Board at its December 9, 2021 meeting. Information about the use of the funds will be included in the January 31, 2022 report, previously mentioned. This information would also be included in the required reports to the Commonwealth each year.

Senator Costa asked if there were any questions from the Board. He asked if this outline would cover administrative expenses through December 31, 2022.

Ms. Conturo confirmed he was correct.

Senator Costa stated that a new allocation for administrative costs would come in 2022 and the Board would look to adopt a similar budget measure for calendar year 2023.

Ms. Tracey McCants-Lewis asked if the expenses listed in the submissions were for work that was outsourced or was the work done “in-house”.

Ms. Conturo stated that the only outsourced item to date is for the guidance provided by Dentons to the extent it entailed work by someone other than Mr. Hanson. She further stated Mr. Hanson has agreed to not charge for his time at the moment and is only charging if assistance is needed from an additional member(s) of his firm. A third-party auditing firm charge is expected in the future as there is a certificate that is required by the Commonwealth.

Senator Costa stated the Sports Commission has had one application for the SEF Program to date and anticipates a greater number of applications to be reviewed in the next application period. Senator Costa asked if future applications and agreements would be reviewed internally and not need the assistance of an outside vendor.

Ms. Conturo stated that SEA staff expects to start the reviews in-house and to the extent submissions are more complicated and specialized, external assistance may be required. The SEF Program application and grant agreement is based on similar programs and should be able to be adapted to most events.

Mr. Michael Quatrini stated that given this is a new program, he would be in support of using professional advice outside the SEA in the program's initial phases in order to get it right. He stated given that money is available and we are in the initial stages of this program, now would be the time to consider external assistance.

Senator Costa agreed and stated Mr. Hanson's assistance would be needed on who would authorize the money for an outside organization to review in the future. He asked if there were any questions from the Board. Hearing none, he asked for a motion to approve. On a motion duly made, seconded, and unanimously carried, the following resolution was approved:

RESOLUTION NO. SC003

RESOLVED that in accordance with the ACT 42 EDTF Restricted Account Programs and Procedures the SEA Sports Commission hereby approves the budgeted uses of the Expense Subaccount as presented; and further that the proper officers of the SEA Sports Commission are hereby authorized to do all acts as may be necessary and proper to carry out the intent and purpose of this resolution. All resolutions or parts thereof inconsistent with the provisions of this resolution are hereby repealed or rescinded, cancelled or annulled so far as the same affects this resolution.

Senator Costa continued to the next item on the agenda, updates.

Ms. Conturo provided an update to the SEF Program process. The Guidelines note acceptance of applications twice a year, January 15 and July 15. For the January 15, 2022, application round, SEA staff is planning to post the application December 1, 2021. A press release was discussed at the October 5, 2021 Sports Commission board meeting and Mr. Quatrini offered to assist.

Mr. Quatrini stated he was developing a comprehensive media list for press release distribution. Ms. Conturo provided him a first draft of a press release and the media list Allegheny County uses for press releases. He stated given the sports focus of the program, the release would need to include all the local major sports leagues. Mr. Quatrini is working on finalizing the press release for distribution on December 1, 2021, along with the application and is in the process of developing a list of who should receive this information separate and apart from local groups.

Senator Costa thanked Mr. Quatrini and stated that there needs to be a broader focus of groups outside the local area to participate in the application process. Senator Costa stated a marketing plan would be in place by December 1, 2021, and then asked the ending date to receive applications.

Ms. Conturo stated the Guidelines note the next application due date is January 15. In 2022, January 15 is a Saturday, and the following Monday is the Martin Luther King Jr. holiday. Therefore, the application due date has been adjusted to January 18, 2022.

Senator Costa confirmed we would accept applications starting December 1, 2021 through January 18, 2022. He stated the press release should provide an overview of the criteria and purpose of the SEF Program and SEA. He stated in regard to outreach, insight from the large sports organizations and universities and other sports commissions who do similar work would be

beneficial. The professional teams will know the national organizations and Ms. McCants-Lewis will know who to contact.

Senator Wayne Fontana suggested outreach to colleges and universities also.

Mr. Quatrini stated that the Sports Commission Board and SEA staff need to be the ambassadors of the program to attract as many groups as possible. He stated he has preliminary tried to set-up preliminary conversations with the Pittsburgh Pirates, Pittsburgh Riverhounds and Pittsburgh Steelers to get their input on who they suggest sending program information on a nationwide level and would defer to Ms. McCants-Lewis' experience with hockey.

Senator Costa thanked Mr. Quatrini for his assistance and asked if there were any questions from the Board or any issue they'd like to raise under new business. Hearing none, he moved on to the next agenda item, public participation. Senator Costs asked if anyone in the audience desired to address the Board.

Ms. Kramer stated that the public was provided with three options for public participation: email, telephone, or the Zoom chat function. No public comments were submitted via email, and there were no registrations to submit a public comment via telephone or the Zoom chat function.

Ms. Conturo stated there was an additional update regarding the one partial SEF Program application received in July 2021. The SEA had follow-up conversations with America's Regatta but has not received any additional information to date. At this point, SEA staff will thank them for their application, let them know their information is incomplete and inform them of the next application period.

Senator Costa agreed and stated the groups who are not awarded SEF Program funds will need to be communicated with regarding the receipt of their application and, if declined, be provided with information on the next application period.

Ms. McCants-Lewis asked whether individuals who apply and are not awarded funds would be provided information on why funding was not awarded in writing.

Mr. Quatrini stated in his grant making experience, a general letter informing the applicant of the decision to not award funds is sent and it includes the opportunity to meet with the applicant if they would like additional information. The additional meeting could happen via phone or Skype, is kept basic and offers critique. To automatically offer feedback for each individual applicant might be too burdensome.

Senator Costa agreed and stated groups should have the opportunity to review our decision and it should be in the form of a meeting. In addition to the critique, the SEA would offer technical assistance to groups, explain why they fell short and ways they can improve their application.

Ms. McCants-Lewis thanked Mr. Quatrini and Senator Costa and stated she feels it is important to give groups an opportunity in writing to gain the additional information.

Mr. Quatrini stated that technical help is going to be more important for less sophisticated or younger organizations. Groups affiliated with national organizations will be able to put together a more precise grant application whereas regional sports groups may not have the needed resources as they are typically volunteer-based organizations. By providing technical support during the application process, we will hopefully be able to accommodate a broader range of organizations.

Senator Costa agreed and stated that as we go through the application process, we will identify an application review person to develop an internal process and ensure there is consistency when reviewing applications.

Ms. Conturo stated SEA staff has developed a form to complete for each application that could be used to summarize for the Sports Commission Board the elements reviewed and analysis on each. A consistent way of reviewing applications will be developed and kept on record.

Senator Costa stated with there being no additional comments or business, he was seeking a motion to adjourn. Upon a motion duly made, seconded and unanimously carried, the meeting was adjourned at 4:01 P.M.