

**STADIUM AUTHORITY OF THE CITY OF PITTSBURGH
BOARD MEETING
THURSDAY, JULY 30, 2015
10:04 A.M. E.S.T.**

A general meeting of the Board of Directors of the Stadium Authority of the City of Pittsburgh was held upon proper notice on July 30, 2015 in Room 333 of the David L. Lawrence Convention Center. Board members in attendance: Stanley Lederman, Chairperson; James Malanos, Vice-Chairman; Jay Anderko, Secretary; Michael Danovitz; and Reverend Brenda Gregg, Treasurer and Assistant Secretary, as well as Authority staff members: Mary Conturo, Douglas Straley, Rosanne Casciato, Rosemary Carroll, Taylor Blice, Theresa Bissell, Rifat Qureshi, Christina Lynch and Allison Botti. Also in attendance: Diane Wohlfarth, Solicitor; J.J. McGraw of Pittsburgh Associates; Tom Fontaine of the Tribune Review; and Frederick Winkler, architect.

Mr. Lederman called the meeting to order at 10:04 A.M. and requested that everyone rise for the Pledge of Allegiance. Mr. Lederman proceeded with asking for a roll call of the Board Members. All Board members were present.

The following agenda items were discussed:

1. Public Participation

Mr. Lederman asked if any members of the public would like to speak. Seeing none, he moved to the next item on the agenda.

2. Approval of the Minutes from the meeting of May 4, 2015.

A motion to approve was made, seconded and carried. The Minutes were accepted.

3. New Business.

The first item read was:

- A. Authorization to further extend the date of the expiration of the Option Period for takedown of the next development parcel at the North Shore until October 15, 2015 and to forbear from making claims or exercising remedies arising under the Option Agreement during the extension period.

Ms. Rosemary Carroll stated that all parties of the option agreement management team are working to plan the next development and think it is prudent to extend the forbearance period.

Mr. Lederman pointed out that an agreement to extend the date of next take down has been signed off and added no one will lose or gain rights or advantages in any way, shape or form under the terms of the option agreement. He is in favor this because we have been meeting in good faith on resolving issues and fully developing the site.

A motion to approve was made, seconded and carried:

RESOLUTION NO. 9 (2015)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to further extend the date of expiration of the Option Period for take down of the next development parcel at the North Shore until October 15, 2015 and to forbear from making claims or exercising remedies arising under the Option Agreement during the extension period; and further that the proper officers and agents of the Authority are authorized and directed to take all action and execute such documents as are related and proper to effectuate the terms of this Resolution.

The next item read was:

- B. Authorization to amend an agreement with Walker Parking Consultants in an amount up to \$30,000, to be billed upon hourly rates plus reimbursable expenses, to provide additional analysis with respect future parking facilities on the North Shore.

Mr. Lederman pointed out that this was related to the first resolution that was passed and is an ongoing study that was initiated last year in the fall with Walker Parking for placement of the replacement parking when the next parcel was taken down. He also stated that they have been meeting on a regular basis with all parties involved: the Pirates, Steelers, Continental, etc., and they are moving forward to find an acceptable location.

Mr. James Malanos asked Mr. Doug Straley if the amendment to the agreement is a not-to-exceed amount, and if the Consultant will bill up to \$30,000. Mr. Straley replied that there is not a specific scope of work in this agreement because Walker Parking is assisting us to understand needs and requirements. It can bill up to \$30,000, but we would have to go back to this board for further authorization if further work is needed.

Mr. Lederman added a comment that it will be money well spent because of the millions of dollars that will follow in terms of providing parking and the development of the North Shore.

A motion to approve was made, seconded and carried.

RESOLUTION NO. 10 (2015)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to amend an agreement with Walker Parking Consultants in an amount up to \$30,000, to be billed upon hourly rates plus reimbursable expenses, to provide additional analysis with respect to future parking facilities on the North Shore; and further that the proper officers and agents of the Authority are authorized to take all action and execute such documents as are necessary and proper to effectuate the terms of this Resolution.

The next item read was:

- C. Authorization to enter into a one-year agreement, and to extend the agreement for two six-month periods, at the Authority's discretion, with Avison Young Pittsburgh LLC for brokerage services for the retail space in the West General Robinson Street Garage.

Mr. Qureshi stated that on May 31, 2015 the Authority's existing brokerage agreement expired. The Authority, jointly with the Sports & Exhibition Authority, issued a request for proposal (RFP) for real estate brokerage services. The Authority wishes to lease the West General Robinson Street Garage retail space, and the SEA wishes to lease spaces in the North Shore Garage and David L. Lawrence Convention Center Garage.

RFPs were distributed to six locally based national real-estate firms (CBRE, Jones Lang LaSalle, Newmark Grubb Knight Frank, CW/Grant Street Associates, Inc., Hanna Langholz Wilson Ellis and Avison Young) and a notice was posted on the SEA website. The RFP was advertised in the Pittsburgh Tribune-Review and the Pittsburgh Courier. There were two respondents, Avison Young Pittsburgh, LLC and CBRE.

A review committee reviewed the proposals and recommended Avison Young.

Some factors that the committee noted with respect to Avison Young were: The project team's local experience, WBE participation of 40%, no clients with similarly situated space and a competitive fee proposal.

Avison Young will assign three brokers, one for retail prospects, one for office prospects, and the WBE consultant will focus on retail, research and reporting. David Auel will be the lead overseeing all leasing efforts. They will provide to Authority monthly updates and quarterly briefings in person on their ongoing marketing efforts

The term is for one year, with an option to terminate after 180 days and with an option to extend to two 6-month periods at the Authority's discretion. The commission structure is 4% for the total base rental for years 1-5 of the lease and 2% of total base rental for years 6-10 of the lease, and for each transaction involving a cooperating broker, 6% of the total base rental is to be split between Avison and the cooperating broker for years 1-5, and 3% for years 6-10. There are no commissions on extensions or renewals. The WBE participation is 40%, and the consultant is currently securing her certification. This was reviewed by the Authority's Diversity Coordinator, Clarence Curry, who recommends this as acceptable.

Mr. Lederman asked if there were any questions from the Board.

Mr. Anderko asked if the space could be subdivided. Mr. Qureshi replied that they will look to the broker for a recommendation because it depends on the prospect.

A motion to approve was made, seconded and carried:

RESOLUTION NO. 11 (2015)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to enter into a one-year agreement, and to extend the agreement for two six-month periods, at the Authority's discretion, with Avison Young-Pittsburgh LLC for brokerage services for the retail space in the West General Robinson Street Garage and further that the proper officers and agents of the Authority are authorized and directed to take all action and execute such documents as are related and proper to effectuate the terms of this Resolution.

The next item read was:

- D. Ratification of binding the general liability, property, automobile, umbrella, public officials and terrorism insurance for July 1, 2015 to June 30, 2016 at a cost not to exceed \$39,748 plus related fees.

Ms. Rosanne Casciato stated that last year the Board authorized Willis of Pennsylvania as the Authority's insurance broker through June 2017. Willis negotiated carrier rates for July 1, 2015 through the June 30, 2016 insurance period. The total proposal has less than a 1% or \$300 increase from last year. AIG, the property insurance carrier, provided a two-year rate guarantee last year, so the property insurance cost is flat. Additionally, they came back and agreed to extend the same rate through June 30, 2017 contingent upon the 30% loss ratio, which is the same condition as last year. All of the coverages and deductible limits are the same as last year and because of the deadline this coverage was bound July 1, 2015.

A comment was made by Mr. Danovitz to congratulate Ms. Casciato and the team on keeping the cost down.

A motion to approve was made, seconded and carried:

RESOLUTION NO. 12 (2015)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that the actions of its Executive Director and other proper officers in binding the general liability, property, automobile, umbrella, public official and terrorism insurance for July 1, 2015 through June 30, 2016 at a cost not to exceed \$39,748 plus related fees is hereby ratified and confirmed and further that the proper officers and agents of the Authority are authorized and directed to take all action and execute such documents as are related and proper to effectuate the terms of this Resolution.

The next item read was:

E. Approval of Stadium Authority audit as of March 31, 2015

Ms. Theresa Bissell stated the audit was completed by McGee, Maruca and Associates on July 1st 2015 with an unmodified opinion which means that the financial statements present fairly, in all material respects, the financial position of the Authority. There were no significant deficiencies, findings or questioned cost relating to the audit and therefore no management letter was issued. On July 7, 2015 the Auditor, Leslie McGee, met with the Stadium Authority Chairman (Stanley Lederman), the Stadium Authority Treasurer (Reverend Brenda Gregg), and the finance staff to review the statements and answer any questions. Ms. Bissell noted that the section called Management's Discussion and Analysis provides a narrative overview of Authority's financial picture.

A motion to approve was made, seconded and carried:

RESOLUTION NO. 13 (2015)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to approve the Stadium Authority audit as of March 31, 2015 and further that the proper officers and agents of the Authority are authorized and directed to take all action and execute such documents as are related and proper to effectuate the terms of this Resolution.

The final item was:

4. Public Participation

Mr. Lederman asked if there were any comments from the Board. Hearing none, Mr. Lederman asked if there were any comments from the public. Hearing none, he asked for a motion to adjourn. The motion was seconded and unanimously carried.

The meeting was adjourned at 10:19 A.M.