

MINUTES OF THE MEETING
OF THE BOARD OF THE
SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH
AND ALLEGHENY COUNTY
HELD THURSDAY, AUGUST 13, 2020
REMOTELY VIA ZOOM CONFERENCE
PITTSBURGH, PENNSYLVANIA
COMMENCING AT 10:37 A.M. E.S.T.

A meeting of the Board of Directors of the Sports & Exhibition Authority of Pittsburgh and Allegheny County (the “Authority”) was held upon proper notice on Thursday, August 13, 2020 commencing at 10:37 A.M. E.S.T. Due to the COVID-19 pandemic and guidance from public health experts, the meeting and was conducted remotely via the online conferencing platform Zoom.

Members of the Authority

Present: Sen. Wayne Fontana, Chairman
Michael Dunleavy, Vice Chairman
Sala Udin, Secretary
Jill Weimer, Treasurer
Councilman Anthony Coghill, Member
Councilman Nicholas Futules, Member
Rev. Glenn Grayson, Member

Also Present: Mary Conturo, Rosanne Casciato, Bill Williams, Rifat Qureshi, Michael Wassil, Simona Loberant, Yvonne Ludwig, Lauren Henderson, and Maggie Pike of the Authority; Morgan Hanson, Solicitor; Clarence Curry, CFC-3 Management Services; Tim Muldoon and Guy DeFazio of SMG; Lance Harrell, CCIP; J.J. McGraw, Pittsburgh Pirates; Mark Belko, Pittsburgh Post-Gazette; Tim Schooley, Pittsburgh Business Times; Joe DeStio, KDKA; Holly Douglas, Cosmos Technologies; and users “WTAE” and “814-528-8589.”

Senator Wayne Fontana called the meeting to order with the Pledge of Allegiance. Mr. Morgan Hanson followed with a roll call of the Board Members. Mr. Hanson advised that a quorum was present.

Beginning with public participation, Senator Fontana asked if any members of the audience would like to address the Board. Members of the public were offered participation by emailing comments before the meeting or by making comments via Zoom during the meeting. Ms. Lauren Henderson advised that a memo sent by the Hill CDC for public participation was received and distributed to the Board. Ms. Henderson stated that the Authority had not received any prior comments via email and none were submitted via Zoom thus far. Seeing none, Senator Fontana moved to the next item on the agenda, approval of the minutes from the meeting of July 9, 2020. A motion was made, seconded and unanimously approved.

Senator Fontana continued on to the next item on the agenda under David L. Lawrence Convention Center (“DLCC”), authorization to enter into an extension to the existing agreement with Three Rivers Entertainment, Inc. for preferred audio visual services through June 30, 2021.

Mr. Tim Muldoon explained that the Authority entered into an agreement for a five-year term with Three Rivers Entertainment, Inc to be the preferred provider of audio visual services at the DLCC. The provider has a physical presence at the DLCC and services many of the top events. Show managers contract directly with the preferred provider and a thirty percent revenue share is paid back to the DLCC. At this time, it is recommended that the contract with Three Rivers Entertainment, Inc. be extended through June 30, 2021. The Authority and SMG staff believe waiting to issue an RFP until the spring of 2021 will be beneficial because at that time staff will be in a better position to understand the future event schedule and revenues moving forward. There is no MBE/WBE participation on this item, as Three Rivers Entertainment, Inc. will self-perform all work during the extended contract period.

Senator Fontana 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. 5700

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into an agreement with Three Rivers Entertainment, Inc. for preferred audio visual services through June 30, 2021; 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.

Senator Fontana introduced the next item on the agenda, authorization to enter into an extension to the existing agreement with ShowNets, LLC for exclusive internet and telecommunications through June 30, 2021.

Mr. Muldoon stated that in 2015, the Authority entered into a contract with ShowNets, LLC for exclusive internet and telecommunications at the DLCC. ShowNets, LLC has a physical presence at the DLCC and works with many of the top events. Show managers contract directly with ShowNets, LLC and a 20% revenue share is paid back to the DLCC. For many of the same reasons as with the Three Rivers Entertainment, Inc. contract, staff is recommending the contract be extended through June 2021. There is no MBE/WBE participation, as ShowNets, LLC will self-perform all work during the extended contract period.

Senator Fontana 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. 5701

RESOLVED by the Board of the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into an extension to the existing agreement with ShowNets, LLC for exclusive internet and telecommunications through June 30, 2021; 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.

Senator Fontana continued on to the next item on the agenda, authorization to enter into an agreement with FVB Energy in an amount up to \$20,000 based on hourly rates for consulting services.

Mr. Bill Williams explained that when the DLCC was built in 2003, the decision was made to connect to Pittsburgh Allegheny County Thermal (“PACT”) district energy system for heating the building. PACT is a non-profit cooperative that owns and operates a steam heat system in downtown. PACT was formed in 1983 when it purchased Duquesne Light’s steam plant and its downtown tunnel distribution system. With Allegheny County’s decision to leave PACT and the amount of capital repairs needed to update the tunnel system, the Authority is investigating other options for providing heat for the DLCC. The two options under consideration are: 1) to enter into a 20-year agreement with Clearway Energy to connect to their uptown energy plant, or, 2) to build and own or to have a third-party build and own a plant in the DLCC.

Authority staff solicited proposals from firms recommended by Dentons Cohen & Grigsby, selected because of their experience in the field and past performance. A proposal was also solicited from Veolia Water North America, who operates the DLCC’s chiller plant and waste water plant. Due to the specialized expertise being sought, a general advertisement was not done. The Authority received four proposals and a fifth company chose not to submit a proposal.

A review team consisting of Doug Straley and Bill Williams interviewed three firms. The review team recommends entering into an agreement with FVB Energy (“FVB”) because they have the experience and company depth to provide technical expertise needed to explore and evaluate these options. The FVB hourly rates are reasonable compared to the other proposals.

The Authority staff recommends that the initial scope of work be as follows: (1) FVB would review the most recent Clearway proposal and its proposed energy service agreement and provide recommendations on economics and suggested agreement modifications; (2) FVB would complete a site visit to the DLCC and provide a report to the Authority evaluating the feasibility of converting the building from steam to hot water and the feasibility of the installation of a stand-alone boiler plant in the building, together with a cost estimate. The time to complete this initial scope of work is expected to be approximately 3 to 4 weeks. The authorization is for an amount up to \$20,000. Payment would be due based on actual time spent and expenses incurred.

Senator Fontana 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. 5702

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into an agreement with FVB Energy in an amount up to \$20,000 based on hourly rates for consulting services; 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.

Senator Fontana continued on to the next item on the agenda, authorization to amend lease provisions for retail spaces along Penn Avenue at the DLCC due to COVID-19 impacts.

Mr. Rifat Qureshi explained there are four retail spaces at the DLCC along Penn Avenue. The westernmost retail space is occupied by Jimmy John's, next to it is YouthPlaces, followed by Bike the Burgh Tours, and finally, CobblerWorld. At the start of the COVID-19 pandemic in mid-March, the retailers were closed, per the direction of Governor Wolf. During the lockdown period, Authority staff was in contact with the respective tenants by forwarding to them the state operating guidelines and any stimulus funding applications. After the lockdown period ended, tenants notified the Authority of their reopening plans and schedules. They also provided COVID-19 safety plans and amended hours of operation. Tenants were in communication with the Authority regarding operational and financial challenges and have requested certain lease adjustments.

Jimmy John's opened September 2015 and has a ten-year lease term. During the lockdown, the Authority abated the rent from March 5 through the end of May, 2020. The store reopened at the end of May, but at reduced hours. Net revenue was reported to be very low and so the store decided to further reduce its operating hours for the foreseeable future. Jimmy John's is requesting rent relief from June through December 2020. They received \$60,000 in stimulus funding and offered 40% (\$24,071) to the Authority towards lease expenses and back utilities. Staff recommends deferring the \$27,000 rent balance to the first option period (October 2025). Should Jimmy John's exercise the option, the balance would be due in the first year and if they do not exercise the option, they would not be required to pay back the deferred amount. 25% of any future stimulus funding received by Jimmy John's would be applied to outstanding rent. They will continue to pay the utilities and resume regular rent starting January 1, 2021.

The original YouthPlaces lease was for a five-month term (February-June 2020); however, they never opened for business due to delays in tenant improvements and the initiation of the lockdown period. YouthPlaces paid rent for February and March, but requested and rent was

abated for April, May and June. YouthPlaces requested adjusting the term of their lease from July to November 2020 to give them enough time to operate and evaluate their programming. They reopened mid-July for partial summer programming. They received stimulus funding and have used that funding to pay outstanding utilities and started paying rent in July. The other terms of the lease would remain the same.

Bike the Burgh Tours current lease started in September 2017 and ends on August 31, 2020. Built into their lease is an option period which extends the term of their lease for an additional three-years. During the lockdown, Bike the Burgh has been able to pay rent in full and did not receive stimulus funding. Their current rent is \$24 per sq ft, but during the option period would increase to \$25 per sq ft, under the current terms. Bike the Burgh would like to exercise the option period, but due to issues with downtown vacancies and the current pandemic, they requested that the term of the first option year be from September 2020 through November 2021 and rent be reduced in the first year to \$22 per sq ft. The rent for the second and third option year would be fixed at \$24 per sq ft.

The final tenant, CobblerWorld, has a lease that runs until May 2021, they have received stimulus funding and have been able to make their monthly rent payments. No adjustment to their lease is requested.

Authority staff recommends the retail lease changes as the retail tenants are good amenities for DLCC events, local businesses, local youth and visitors.

Senator Fontana asked if Jimmy John's received stimulus funding.

Mr. Qureshi confirmed that Jimmy John's did receive funding in the amount of \$60,179.

Senator Fontana asked if Jimmy John's wanted to defer their rent until 2025.

Mr. Quresh replied that of the rent that was deferred from June to December (\$27,000), the proposal is that the Authority would allow that amount to be paid in the first year of the option period.

Senator Fontana asked that if they do not exercise the option then the Authority would not receive the \$27,000.

Mr. Qureshi confirmed that they would not have to pay the \$27,000 if they did not exercise the option to extend.

Senator Fontana asked why Jimmy John's needed five years to pay back the rent from June to December of this year. He suggested that the deferred rent be spread out over three years instead. He asked if Jimmy John's is corporately owned.

Mr. Qureshi stated that it is a franchisee and individually owned. The owner of the franchise location does not see how, in the foreseeable future, Jimmy John's can return to the previous level of sales given the low demand in the downtown area. Deferring the rent obligation to the end of the lease term would help him to have enough time to recover his staff and operations as well.

Senator Fontana stated that it seemed as though the Authority would be pushing the deferred rent out further than necessary. A year or two to recoup seemed reasonable, but losing the \$27,000 did not seem to be in the Authority's best interest. The other lease adjustments were acceptable to him, especially YouthPlaces, who is not generating dollars right now and is important to the community.

Rev. Grayson stated that he agreed that 2025 did seem a little too far into the future and that one year seemed like a reasonable amount of time to repay the deferred rent.

Senator Fontana stated that the Authority could give them terms to pay the deferred rent over three years, not the whole deferred amount as a one-time payment.

Councilman Coghill stated that he is glad that the Authority is working with the tenants to address their needs during this time. He observed that the Bike the Burgh tenants seemed the least affected, and he asked if that was the case.

Mr. Qureshi replied that Bike the Burgh has had less tours, but they still paid their rent and have operated since June, through the crisis.

Councilman Coghill asked if Jimmy John's would get five-years, interest free, to pay back the outstanding rent.

Mr. Qureshi confirmed that it would be interest free.

Councilman Coghill stated that he was in agreement with Senator Fontana and Rev. Grayson. He stated that it seems that the Authority has some good tenants and is glad the Authority could help them with their leases during the pandemic so that they remain on Penn Avenue.

Senator Fontana asked if Mr. Qureshi could go back to Jimmy John's and see if the lease could be renegotiated so that the deferred rent would be collected sooner.

Mr. Qureshi stated that he would return to the tenant and ask if he would be willing to pay the deferred rent over the last three years of the lease.

Senator Fontana stated that he believes that would be fair. The Authority would like to keep Jimmy John's as a tenant, but the Authority is hurting too and it would be a positive to be able to receive the deferred rent over time within the current lease period. He then asked the solicitor if he should make a motion to hold or table the authorization.

Ms. Mary Conturo asked whether the board would consider approving the other lease adjustments and only hold on the Jimmy John's lease adjustment. She asked if Jimmy John's lease would be ending soon.

Mr. Qureshi replied that Jimmy John's is currently halfway through their lease and has another five years left in their lease term.

Senator Fontana asked if there were any further questions from the Board. Hearing none, he made a motion to approve the authorization with the exception of Jimmy John's, which would be reviewed at the next board meeting. The motion was duly made, seconded and unanimously carried.

Senator Fontana then made a motion to approve the lease amendments for Bike the Burgh and YouthPlaces, as explained by Mr. Qureshi. Senator Fontana asked if there were any questions on the motion. 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. 5703

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to amend lease provisions for retail spaces, Bike the Burgh and YouthPlaces, along Penn Avenue at the David L. Lawrence Convention Center due to COVID-19 impacts; 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.

Senator Fontana continued on to the next item on the agenda, authorization to file an application for and accept a grant in the amount up to \$5,000,000 from the Commonwealth of Pennsylvania Redevelopment Assistance Capital Program (RACP) in support of the DLCC.

Mr. Qureshi stated that this grant is to support the 4th floor terrace roof Phase II project. The DLCC has over 240,000 sq ft of flat roof areas, including 80,000 sq ft of public concrete terraces. The 4th floor concrete roof terrace replacement was broken into two phases. The south portion is Phase I, and was recently completed by Mascaro Construction at a cost of approximately \$4.7 million. The west to east portion is Phase II, has been designed by Indovina Associates Architects and is ready to bid once funding has been identified. Phase II will replace the riverside existing concrete terrace with shading, landscaping, seating, raised planters, and pavers for programmable events. The building manager, SMG, has advised that the completion of Phase II will result in the booking of more events, thereby increasing revenue to the building. The construction manager, AM Higley, has provided a guaranteed maximum price estimate for Phase II in the amount of \$10,402,615.

The Authority has applied for \$5,000,000 in funds from RACP. The application was due by August 12, 2020 and was submitted online. Should the project be selected, the Authority will file a formal application and business plan. The date of the awards will be announced on the RACP website. A 50% match is required and will be provided by the DLCC Capital Reserve Fund.

Senator Fontana 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. 5704

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to file an application for and accept a grant in the amount up to \$5,000,000 from the Commonwealth of Pennsylvania Redevelopment Assistance Capital Program in support of the David L. Lawrence Convention Center; 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..

Mr. Sala Udin asked before continuing on to the next item, if Mr. Qureshi would address the status of CobblerWorld's lease.

Mr. Qureshi replied that CobblerWorld is currently closed and is current on lease payments with no requested lease adjustments. Operations are continuing online, but hopes to open in August 2020. The space is used occasionally for staging of the catering business.

Senator Fontana continued on to the next item on the agenda, authorization to enter into a contract with the County of Allegheny for receipt of Coronavirus Relief Fund money.

Ms. Rosanne Casciato stated that the County has received Coronavirus Relief Fund Money from the United States Department of the Treasury per the Coronavirus Ade, Relief and Economic Security Act ("CARES Act"). The County has determined that the Authority, as owner of the DLCC, is an eligible recipient. This authorization would permit the Authority to enter into a Coronavirus Relief Fund Recipient Agreement in substantially the form received from the County in order that it may receive such funds.

Senator Fontana asked if there were any questions from the Board.

Mr. Udin asked Ms. Conturo how the funds, if awarded, will be allocated.

Ms. Conturo replied that there are only certain expenses eligible for this money. Primarily the funding will be used to cover costs related to the utilities of the building.

Senator Fontana asked if there were any further 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. 5705

WHEREAS, Section 5001 of the federal Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”), which became law on March 27, 2020, establishes a Coronavirus Relief Fund; and

WHEREAS, the County of Allegheny (“County”) received Coronavirus Relief Fund money from the United States Department of the Treasury; and

WHEREAS, the County is distributing Coronavirus Relief Fund money to eligible entities for permissible expenditures; and

WHEREAS, the Board of the Sports & Exhibition Authority of Pittsburgh and Allegheny County believes that it is in the interests of the health, safety and welfare of the residents of the County for it to enter into an Agreement or Agreements with the County enabling it to receive Coronavirus Relief Fund money from the County;

NOW, THEREFORE, BE IT RESOLVED:

1. The Authority authorizes and approves the Coronavirus Relief Fund Recipient Agreement(s) as received from the County.

2. The Executive Director is hereby authorized to sign the Coronavirus Relief Fund Recipient Agreement (s) on behalf of the Authority and to act as the official representative of the Authority in connection therewith and to provide such additional information as may be required.

3. 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.

Senator Fontana introduced the next item on the agenda, under Lower Hill Project, authorization to enter into an environmental covenant pursuant to PA Uniform Environmental Covenants Act regarding property at the Lower Hill site.

Ms. Mary Conturo explained that the PA Department of Environmental Protection (“DEP”) has a program that is commonly referred to Act 2, which allows for the environmental review of land to be done before specific development is proposed. PAR has determined that the Act 2 process would be beneficial in preparing the Lower Hill land for development. PAR has undertaken all of the investigation and testing in order to qualify for the Act 2 program. They have asked the Authority, as owner of the property, to enter into and record an environmental covenant,

as approved by DEP, in order to comply with the Act 2 process. A deed restriction included in the environmental covenant will prohibit the use of groundwater at the property.

Senator Fontana asked whether there are any costs associated with the environmental covenant.

Ms. Conturo replied that there will not be any cost to the Authority. The Penguins are paying the initial costs for the qualifications under this program.

Mr. Udin asked if the Authority is the owner of the real estate, why the Penguins are interested in getting Act 2 compliance.

Ms. Conturo replied that the Option Agreement gives the Penguins an interest in the property, although not the fee ownership. Based on their responsibilities and rights under the Option Agreement, they came to the Authority and expressed their interest in the program about two years ago. The Authority believes that this program is beneficial to the property, and would benefit any ultimate owner and developer of the property.

Mr. Udin asked for an update on the developments in the Lower Hill and if a pedestrian bridge was considered for the I-579 Cap Park, to avoid vehicular traffic and to increase accessibility.

Ms. Conturo stated that the development at the Lower Hill has slowed somewhat and there are no specific milestones to report on. She stated that a written report would be prepared for the Board providing the status of each parcel. She noted that there were concerns about the intersection at Centre and Washington Place when the design of improvements to the perimeter streets was underway. The current design provides for Washington Place to be transformed into a boulevard, like Grant Street is now, with the intent to slow traffic. A pedestrian bridge had been mentioned,

but she believes it was considered to be cost-prohibitive. Ms. Conturo stated that she will review any such previous analysis/ consideration of a pedestrian bridge and report back to the Board.

Rev. Grayson asked if something was found during the environmental study, who would bear the cost of repair or remediation.

Ms. Conturo stated that the environmental investigations have not found any significant environmental issues (other than with respect to the groundwater). If there is an environmental issue on a parcel, it is the developer's responsibility to remedy the issue.

Senator Fontana asked if there were any further 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. 5706

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to enter into an environmental covenant pursuant to the PA Uniform Environmental Covenants Act regarding property at the Lower Hill site; 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.

Senator Fontana introduced the next item on the agenda, under SEA Operating, authorization to submit, to the U.S. Economic Development Administration (EDA), a FY 2020 Economic Development Assistance Programs grant application in an amount of \$6,193,270.76 in support of Pittsburgh and Allegheny County public destination facilities.

Mr. Qureshi explained that the U.S. EDA, under the CARES Act, is providing through its public works grant program up to \$1.4 billion to eligible grantees for communities impacted by the pandemic. The Authority is owner of the Heinz Field, PNC Park, and PPG Paints Arena and leases them to the teams, who are responsible for the operations. The Authority owns and is

responsible for the operation of the DLCC. The Authority intends to apply for this EDA grant to make the necessary improvements to the facilities in order to ensure public health and safety at the facilities. These improvements include renovations to high-touch public areas, air filtration systems, reconstruction of food service/retail areas, and other safety provisions.

The request submitted is for \$6,193,270.76. A minimum 50% match is required for this grant. The Authority will submit a request for a RACP grant in an amount up to \$8 million which, if awarded, will fund the remainder of project costs and serve as the eligible match source. Should a RACP grant not be awarded, the teams have committed funds to match the EDA grant and the Authority will provide the 50% match for the DLCC projects through the DLCC Capital Reserve Fund. A third-party consultant has been engaged by the teams (AspireGrant and Development LLC) to compile and prepare the EDA grant. The EDA grant does not have a deadline but the awards are anticipated to be announced by September 30, 2020.

Senator Fontana 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. 5707

BE IT RESOLVED, that the Sports & Exhibition Authority of Pittsburgh and Allegheny County (the “Authority”), a public authority organized in the Commonwealth of Pennsylvania, hereby requests consideration of a grant in the amount of \$6,193,270.76 to support the “Pittsburgh and Allegheny County public destination facilities” project. The Authority hereby commits that, in the event the grant is awarded by the Economic Development Administration, the Authority will manage its committed matching funds, and will work with the Pittsburgh Pirates, the Pittsburgh Penguins and PSSI Stadium LLC in the management of their committed matching funds, in accordance with the project scopes as defined in the application.

BE IT FURTHER RESOLVED, that the Authority does hereby designate Rifat Qureshi to be its agent with the Economic Development Administration and Mary Conturo, as the official authorized to execute all

documents and agreements between the Authority and the Economic Development Administration, to facilitate and assist in obtaining the requested grant.

BE IT FURTHER RESOLVED, 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.

Senator Fontana continued on to the next item on the agenda, authorization to file an application for and accept a grant in the amount up to \$8,000,000 from the Commonwealth of Pennsylvania Redevelopment Assistance Capital Program (RACP) in support of Pittsburgh and Allegheny County public destination facilities.

Mr. Qureshi explained that this item represents the other side of the EDA grant, mentioned before. The Authority will apply for the RACP grant in the amount of \$8 million to cover capital improvements to ensure public health and safety at its facilities. These improvements include renovations to high-touch public areas, air filtration systems, reconstruction of food service/retail areas, and other safety provisions. The total costs of the projects at the four facilities (with a 5% contingency) is \$15.6 million. The RACP grant, together with the EDA grant, will fund these COVID-19 related improvements. The RACP grant, if awarded, will provide the 50% match for the EDA grant. If the RACP grant is not awarded to the Authority, each team will provide for the appropriate match amount for its facility and the Authority will fund its match for the DLCC improvements. Aspire Grant and Development LLC was engaged by the teams to prepare the RACP grant application, submitted in the name of the Authority. The application was submitted on August 12, 2020. If the project is selected for award, then the Authority will file a formal application and business plan. Date of award announcements will be provided on the RACP website.

Senator Fontana 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. 5708

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are authorized to file an application for and accept a grant in the amount up to \$8,000,000 from the Commonwealth of Pennsylvania Redevelopment Assistance Capital Program in support of Pittsburgh and Allegheny County public destination facilities; 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.

Senator Fontana continued on to the next item on the agenda, authorization to enter into a contract with Building Envelope Consultants & Scientists, LLC in an amount not-to-exceed \$82,000 for the structural assessments of PNC Park, Heinz Field and PPG Paints Arena.

Mr. Williams explained that the leases for PNC Park, Heinz Field and PPG Paints Arena provide for a structural assessment to be done for each facility every five years in order to better understand the structural condition. The last structural assessments for PNC Park, Heinz Field and PPG Paints Arena were done by Walter P. Moore.

The RFP was issued April 10, 2020 and sent to twenty-five firms and publicly advertised in the Post-Gazette, the New Pittsburgh Courier, posted on the Authority's website, and the URA assisted with social media communication by including this opportunity in its Twitter, Facebook and LinkedIn postings. A pre-proposal meeting was held on April 23 with thirty companies in attendance. Fourteen proposals were received and three firms were shortlisted. On July 1, 2020, a review team of Authority staff interviewed BECS, Desman, and SSE. The review team unanimously recommends BECS for the following reasons: company sport stadiums experience,

experience of personnel, technical approach, and lowest-priced proposer of the shortlisted firms. The base price for PNC Park is \$30,000, Heinz Field is \$37,000 and PPG Paints Arena is \$15,000.

BECS will perform a visual inspection of welds and railings and only if they identify any issues will the additional testing be done. They provided optional pricing for handrail load and ultrasonic weld testing, along with hourly and daily personnel rates. The PPG Paints Arena assessment will begin immediately and the PNC Park and Heinz Field will be done in the 2021. There is a 9.8% WBE participation by HRV Conformance Verification Associates, Inc. with base proposal and they will perform any additional testing, if it is found necessary. The assessments are funded by each facility's capital fund.

Senator Fontana asked if there were any questions from the Board.

Councilman Futules asked if the inspection was mandatory or could be postponed for a year since the stadiums have been empty.

Mr. Williams responded that the inspections are required every five years as a part of the leases to the teams.

Councilman Coghill stated that he was glad that the inspections are being kept up to date. He asked whether the inspection included electrical work.

Mr. Williams replied that the electrical inspections are done as a part of the annual condition assessments.

Senator Fontana asked if there were any further 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. 5709

RESOLVED by the Sports & Exhibition Authority of Pittsburgh and Allegheny County that its Executive Director and other proper officers are

authorized to enter into a contract with Building Envelope Consultants & Scientists, LLC in an amount not-to-exceed \$82,000 for the structural assessments of PNC Park, Heinz Field and PPG Paints Arena; 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.

Senator Fontana continued on to the next item on the agenda, establishment of SEA Sports Commission.

Ms. Conturo explained that Act 42 was amended in 2017 to provide for an allocation of funding to the Authority for the establishment, administration and maintenance of a regional sports commission. The funds may be used to attract and provide for major sporting events at the Authority facilities and otherwise in the region, and for sports related conferences, seminars and forums at the DLCC. This resolution establishes the sports commission as is required in order to receive this funding. The sports commission is being established per the Authority bylaws. The resolution provides for a commission of five members. The commission will provide advice to the Authority prior to the expenditure of any of the funds. The commission members will receive no compensation and will serve a term of one year. The Authority has the option to expand the number of members of the commission. The resolution describes the use of the funding and may provide for incentives or expenditures as a part of bids for events and for costs of holding events. In accordance with the bylaws, the Chairman designates the members of the commission. The initial five members are Kinsey Casey, Tracey McCants Lewis, Senator Jay Costa, Sala Udin, and the Chairman. At this time, the Authority will provide the staff for to the commission, so there will not be any additional staffing costs.

Mr. Udin asked if the decisions of the commission have to be approved by any other board.

Ms. Conturo replied that the commission provides advice to the Authority. The commission itself cannot spend the money. The commission reviews possible expenditures and makes recommendations to the Authority Board.

Senator Fontana asked if there were any further 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. 5710

Pursuant to Section 27.4 of Pennsylvania General Assembly Act 42 of 2017 (**Act 42**), an annual allocation has been made of funds from the Pennsylvania Gaming Economic Development and Tourism Fund (**EDTF**) for use by the SEA for the establishment, administration and maintenance of a regional sports commission. Pending such use, the money will be held by the SEA in a restricted receipts account (**EDTF Restricted Account**).

The SEA owns the David L. Lawrence Convention Center, Heinz Field, PNC Park and PPG Paints Arena, facilities appropriate for large public assemblies, the holding of conventions, sporting tournaments, athletic contests and exhibitions and other business, cultural, and recreational events. The SEA owns these facilities in order to benefit the people of the Commonwealth by, among other things, increasing their commerce and prosperity and promoting their educational, cultural, physical, civic, social and moral welfare. The SEA desires to assist the region in maintaining and growing its competitive position in the sports event market.

In furtherance thereof and in accordance with Act 42, the SEA Board designates the EDTF Restricted Account to be used for the purpose of attracting and/or providing for major sporting events at the SEA facilities and otherwise in the region, and for sports related conferences, seminars and forums at the David L. Lawrence Convention Center. The funding may be used for capital repairs and improvements to the SEA facilities. The funding may also be used for incentives and other expenditures to support bids for events, and for the costs of hosting events.

Prior to the SEA Board authorizing the expenditure of monies from the EDTF Restricted Account, it shall have first received the recommendation for such use of the monies from the SEA Sports Commission described below. The SEA Sports Commission shall review each proposed expenditure and evaluate the extent to which it furthers the

purposes as described above. If the SEA Sports Commission recommends an expenditure, that expenditure is then submitted to the SEA Board for consideration. Administrative costs associated with the EDTF Restricted Account and the SEA Sports Commission shall be paid from the EDTF Restricted Account.

The SEA Sports Commission, hereby established pursuant to Article VI of the bylaws, shall have five (5) members appointed by the Chairman of the SEA Board. The Chairman shall appoint one member each from names submitted by the Mayor and by the County Executive. The Chairman shall appoint three other members, at least one of which shall be an SEA Board member. The Chairman may designate himself/herself as a member.

The appointed members shall have a stated term of one calendar year except, however, the term of the initial members shall begin August 15, 2020 and run to December 31, 2021. Appointed members continue as such until their successor is appointed. Members shall receive no compensation for their services but shall be reimbursed for actual, necessary expenses, including traveling expenses, incurred in the discharge of their duties. Members serve at the pleasure of the SEA Board. The members shall determine their internal organization and rules for operation.

The proper officers of the SEA are hereby authorized to execute and deliver all other documents and to do all other 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. This resolution or any part hereof may be amended or revised at any time by a subsequent resolution of the SEA Board.

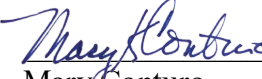
The next item was public participation, and Senator Fontana asked if anyone in the audience desired to address the Board.

Ms. Lauren Henderson stated that the Authority has allowed the public three options for public participation: email, telephone, or zoom chat. No public comments were submitted via email and there were no registrations to submit a public comment via telephone. Ms. Henderson stated that she had received one public comment via zoom chat from Mr. Lance Harrell.

Mr. Harrell stated if the board has any questions about the progress at the Lower Hill from the Executive Management Committee.

Ms. Conturo advised that she would coordinate with Mr. Harrell regarding the report to the Board on the status of the Lower Hill developments mentioned earlier.

Senator Fontana asked if there were any other further comments from the Board. There being no additional comments or business, Senator Fontana asked for a motion to adjourn. Upon a motion duly made, seconded and unanimously carried, the meeting was adjourned at 11:33 A.M.

 10/8/2020
Mary Conturo
Assistant Secretary