

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH
Pittsburgh, Pennsylvania

Financial Statements and Supplementary Information

For the Year Ended December 31, 2018

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

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To the Members of the Board of the
Stadium Authority of the City of Pittsburgh
Pittsburgh, Pennsylvania

Report on the Financial Statements

We have audited the accompanying financial statements of the Stadium Authority of the City of Pittsburgh, which comprise the statement of net position as of December 31, 2018 and the related statements of revenues, expenses, and change in net position and cash flow for the year ended, and the related notes to the financial statements, which collectively comprise Stadium Authority of the City of Pittsburgh's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Stadium Authority of the City of Pittsburgh's management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Stadium Authority of the City of Pittsburgh as of December 31, 2018, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Report on Summarized Comparative Information

We have previously audited the Stadium Authority of the City of Pittsburgh's December 31, 2017 financial statements, and our report dated May 31, 2018, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2018, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Cameron Professional Services Group, LLC
Pittsburgh, Pennsylvania

March 31, 2019

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Management's Discussion and Analysis

December 31, 2018

As management of the Stadium Authority of the City of Pittsburgh (**Authority**), we offer readers of the Authority's financial statements this narrative overview and analysis of the financial activities of the Authority as of and for the 12-month periods ended December 31, 2018 and 2017. This Management's Discussion and Analysis is designed to assist the reader in focusing on significant financial issues and activities. We encourage the reader to consider the information presented here in conjunction with the financial statements as a whole.

Financial Highlights

- Net position as of December 31, 2018 is greater than the prior year by \$3.27 million. Net investment in capital asset increased \$4 million. Restricted for capital activity and debt service decreased \$1.66 million. The Authority's total cash and cash equivalents balance (Note 3) at the close of the 2018 fiscal year was \$10.5 million, representing a \$2.2 million decrease over the prior year-end. The liabilities of the Authority decreased \$2.7 million due primarily to the decrease in payables due on Gold 1 Garage construction and payment of debt on the long term note due to the SEA.
- The Authority recognized \$10.5 million in operating revenues for the calendar year 2018, an increase of \$429,000 over 2017. This is generated mostly from parking revenues from the Authority's garages and the Authority's North Shore lots.

- As shown on the Statements of Revenues, Expenses, and Changes in Net Position, total Authority operating revenues (\$10.5 million), net of operating expenses (\$6.4 million), resulted in a \$4.1 million operating surplus. All of the Authority operating revenue is restricted to the 2017 Parking System Revenue Bonds. The surplus also includes depreciation and amortization expenses of \$1.5 million.

Overview of the Financial Statements

The Management's Discussion and Analysis is intended to serve as an introduction to the Authority's basic financial report, which is comprised of a single enterprise fund. The following is a brief history of the Stadium Authority of the City of Pittsburgh and its role today in the development of the North Shore.

The Authority was formed by the City of Pittsburgh (**City**) on March 9, 1964 pursuant to the provisions of the Public Auditorium Authorities Law of the Commonwealth of Pennsylvania approved July 29, 1953, P.L. 1034, as amended (recodified as the Sports and Exhibition Authority Act 16 P.S. Section 5502-A et seq.). The Authority was originally responsible for the construction and management of Three Rivers Stadium and related parking facilities. Three Rivers Stadium, which was used for baseball, football and various concert events, opened on July 16, 1970 and was demolished in February 2001. The Sports & Exhibition Authority of Pittsburgh and Allegheny County (**SEA**) constructed Heinz Field, which is leased to the Pittsburgh Steelers, and PNC Park, which is leased to the Pittsburgh Pirates, to replace Three Rivers Stadium. The Authority remains responsible for the development of the land between the football stadium and the baseball park (which area is generally called the **Option Area**).

In 2003 the Authority entered into an agreement with the North Shore Developers, L.P., a joint venture of the Steelers and Pirates, for the development of the Option Area which agreement has been amended over time (as amended, the **Option Agreement**). The Authority oversees this development according to the terms of the Option Agreement. The Option Area contained 12 development parcels of various sizes. The North Shore Developers, L.P. have developed six parcels: the Equitable Resources building, the Del Monte building (2 parcels), the Hyatt Place Hotel, North Shore Place I and North Shore Place II. In September 2017 North Shore Developers, L.P. took down a seventh parcel (**Parcel 14**) and began construction of a new office building which is expected to be completed in the second quarter of 2019. Five development parcels remain.

As part of the Option Area development, the Authority built the West General Robinson Street (**WGRS**) garage which opened in 2006, and the Gold 1 Garage which opened in May 2017 to provide parking for the stadium and ballpark and to replace parking that was or will be eliminated with the development. The Authority also sold land for the development of Stage AE pursuant to the Steelers lease. The remaining development parcels will continue to be used as surface parking lots until developed.

Pursuant to the team leases for Heinz Field and PNC Park and the Option Agreement, the teams earn certain surface parking lot revenue related to Heinz Field and PNC Park events. The teams receive certain of the event parking revenues annually and certain of the event parking revenues are placed in development funds and are paid to the teams as development of the Option Area occurs.

The Authority leases certain land from the Commonwealth of Pennsylvania that is also used for surface parking. The WGRS and Gold 1 garages and all surface lots are managed by or leased to

ALCO Parking Corporation (**ALCO**). The lease and management agreements with respect to the parking lots run through 2050. The management agreements for the garages run through December 31, 2026.

The SEA provides staffing and administrative services for the Authority.

Financial Statements

The financial statements are designed to provide readers with a broad overview of the Authority's finances, in a manner similar to a private-sector business.

The *statements of net position* presents information on all of the Authority's assets and liabilities, with the difference between the two reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

The *statements of revenues, expenses, and changes in net position* present information showing how the Authority's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g. accrued receivables).

The *statements of cash flows* report cash and cash equivalent activities for the year resulting from operating activities, non-capital financing activities, capital and related financing activities, and investing activities. The net result of these activities added to the beginning of the year cash and cash equivalents balance reconciles to the cash and cash equivalents balance at the end of the year.

Notes to Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the financial statements.

Financial Analysis

Below is a summary of the net position of the Authority as of December 31, 2018. Note that previously the Authority's fiscal year was April 1 to March 31. In October 2017, the Authority's Board amended the by-laws providing for a fiscal year beginning January 1 and ending December 31.

Condensed Summary of Net Position at December 31 (in thousands)

	<u>2018</u>	<u>2017</u>
Current assets	\$15,007	\$13,298
Capital assets	44,595	45,824
Other assets	3,519	3,429
Construction in Progress	385	4
Total Assets	<u>63,507</u>	<u>62,555</u>
Current liabilities	1,595	3,218
Other long-term liabilities	25,353	26,393
Grants from the City of Pittsburgh	22,775	22,775
Total Liabilities	<u>49,723</u>	<u>52,386</u>
Net investment in capital assets	25,538	21,491
Restricted for capital activity/debt service	7,264	8,569
Unrestricted	<u>(19,018)</u>	<u>(19,894)</u>
Total Net Position	<u>13,784</u>	<u>\$10,166</u>

Current assets include cash, investments, and receivables from parking operations. Current assets increased \$1.7 million over 2017. Other assets include \$897,000 in development funds for

the Steelers, Pirates and Authority. Steelers and Pirates development funds are held and paid upon the development of parcels in the Option Area. An Authority development fund is held to support costs of development and debt service related to financing of parking garages on the North Shore. (All development funds collectively referred to herein as the **development funds**.)

Other assets also include \$2.3 million being the Authority's share of the debt service reserve account for the SEA Parking Revenue Bonds, Series of 2017 (**Parking Bonds**).

Liabilities decreased \$2.7 million in 2018. Current liabilities include accounts payables on capital projects including the WGRS and Gold 1 garages. In November 2017 the SEA issued the Parking Bonds in order to provide long term stable financing for parking facilities of the SEA and the Authority. The Parking Bonds refunded the Authority's 2017 PNC/Dollar Bank Variable Rate notes. The Authority's portion of the Parking Bonds debt is reflected on the Statement of Net Position as a long-term loan/note payable to the SEA. Other long-term liabilities include continued principal payments for the IDP loan as described hereafter.

Net Position increased from \$10.2 million in 2017 to \$13.4 million in 2018. The Net Position reports the amount of discretionary assets that an organization has to meet its obligations and is composed of Net Investment in Capital Assets, Restricted for Capital Activity and Debt Service and Unrestricted (discretionary revenues).

- Net investment in capital assets (\$26 million) reflects the Authority's capital assets net of related debt.
- Restricted for capital activity/debt service (\$6.9 million) has decreased \$1.7 million over last year and includes pledged parking revenues and debt service reserve for loans and development funds for the Authority and teams.

- The unrestricted portion of net position has a deficit of \$19 million. This is a direct result of recording almost \$23 million in grants payable to the City from 1965 to 1994 for operation of Three Rivers Stadium. The City does not include this \$23 million as a receivable on its financial statements, due to the unlikelihood of collection (See Note 9).

**Condensed Summary of Revenues, Expenses and Changes in Net Position at December 31
(in thousands)**

	<u>2018</u>	<u>2017</u>
Operating Revenue	10,474	\$10,045
Operating Expenses		
Operating and Maintenance	3,807	4,603
General and Administrative	1,114	763
Depreciation	1,451	1,945
Total Operating Expenses	<u>6,372</u>	<u>7,311</u>
Operating Income/(Loss)	4,102	2,734
Non-operating Revenues/(Expenses)		
Gain on sale of land	0	2,165
Capital Transferred to the SEA	(367)	16
Development Fund Expense	(117)	(272)
Loan Issuance Costs	0	(381)
Total Non-operating Revenues/(Expenses)	<u>(484)</u>	<u>1,527</u>
Increase/Decrease in Net Assets	3,618	\$4,261

The Authority's operating revenues are derived from parking revenues from the WGRS and Gold 1 garages and various Authority parking lots. Revenues were \$429,000 greater in 2018 than in 2017.

All Authority net parking revenues are restricted for purposes of repaying the Parking Bonds (Note 8). Operating and administration expenses are primarily related to the parking operations,

reimbursement to the SEA for administration expenses, insurance, consulting expenses relating to the take down of the Option Area parcels, depreciation and interest expense on the Authority's garage financings. Operating expenses are \$939,000 less than last year mainly due to a 2017 parking agreement payment which is the buyout paid to Alco parking for the permanent reduction of 140 leasehold spaces due to the sale of Parcel 14 (Lot 3).

Other non-operating revenues (expenses) are primarily money transferred to/from the SEA in accordance with the various loan agreements and payments to the teams from the development funds. The Authority's operating surplus was \$3.3 million for the 12-month period ending December 31, 2018 (before debt service principal payment).

Debt Administration

The Authority had outstanding on December 31, 2016 a 2012 PNC Bank/Dollar Bank fixed rate loan in the amount of \$12 million and a 2016 PNC Bank/Dollar Bank variable rate drawn down loan which was authorized up to \$15 million for construction of the Gold 1 garage. By April 2017 all \$15 million had been drawn down and used for the project. Both bank loans came due May 1, 2017 at which time the Authority issued a PNC Bank variable rate note in the amount of \$17,299,100 and a Dollar Bank variable rate note in the amount of \$9,314,900, both with a stated maturity date of May 1, 2018, but repayable at any time.

In May 2017, the SEA also refinanced outstanding debt on the North Shore Garage and issued a PNC Bank variable rate note of \$16,650,400 and a Dollar Bank variable rate term note in the amount of \$8,965,600, also with a stated maturity date of May 1, 2018, but repayable at any time. In November 2017 the SEA issued its Parking Bonds in the amount of \$41,670,000 to pay off both the Authority and the SEA parking notes. The bonds are secured by a joint pledge of net parking revenues by the Authority and the SEA. Per a Cooperation Agreement between the SEA

and the Authority, of the total \$41,670,000 principal of the Parking Bonds, \$22,055,000 is a liability of the Authority payable to the SEA. As of December 31, 2018 the Authority's outstanding principal balance due is \$21,400,000.

When construction of the WGRS garage began in 2005, the Authority received a \$1,250,000 Infrastructure Development Program (**IDP**) loan, with an interest rate of 2%, from the Commonwealth of Pennsylvania, Department of Community and Economic Development (**DCED**) to be repaid over 20 years. \$83,378 of principal and interest was paid on the IDP loan in the year ending December 31, 2018.

Economic Factors

Certain factors were considered in preparing the Authority's budget for the fiscal year ending December 31, 2019. The Gold 1 garage completed its first full year of operations and is performing as anticipated. It is expected that the North Shore Light Rail Transit (**LRT**) System will continue to have a positive impact on North Shore parking. North Shore Developers, L.P are expected to complete construction on Parcel 14 in 2019 creating additional parking demand on the North Shore and are currently scheduled to take down the next parcel in 2019.

Future Events that will Financially Impact the Authority

As stated previously, per the Option Agreement there were initially 12 parcels of property to be developed on the North Shore, with five remaining to be developed. By the terms of the Option Agreement, one of the remaining parcels is to be taken down by February 27, 2019. After the year end, the Board approved an extension on February 26, 2019 until August 30, 2019.

Thereafter, the remaining parcels may be taken down for development until May 31, 2021. With each take down of property, the amount of surface parking will decrease and demand for daily

parking may increase, which may have an impact on the amount of Authority parking revenues.

WGRS garage is in its 13th year of operations and Gold 1 garage is in its second year. ALCO has provided a 10-year capital budget identifying capital projects for the parking facilities over that time period. The Authority continues to plan for funding the future capital projects as the facilities and lots age.

Contacting the Authority's Financial Management

Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Sports & Exhibition Authority, 171 Tenth Street, 2nd Floor, Pittsburgh, PA 15222.

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Statements of Net Position

December 31, 2018 and 2017

	<u>Assets</u>	
	<u>2018</u>	<u>2017</u>
Current assets:		
Cash and cash equivalents	\$ 3,214,640	\$ 2,849,171
Restricted – cash and cash equivalents	7,307,681	9,897,616
Receivables:		
Bond Trustee fund	3,983,617	0
ALCO Parking	(40,413)	91,581
Other receivable	493,344	422,612
Interest receivable	15,415	5,702
Prepaid insurance	32,900	31,913
Total current assets	<u>15,007,184</u>	<u>13,298,596</u>
Noncurrent Assets		
Bond debt service reserve	2,269,500	2,269,500
Development fund	1,249,791	1,156,177
Capital assets, net	44,595,342	45,823,671
Construction in progress	385,430	3,500
Total noncurrent assets	<u>48,500,064</u>	<u>49,252,848</u>
Total assets	\$ 63,507,247	\$ 62,551,444

See the accompanying notes to the financial statements.

Liabilities

	<u>2018</u>		<u>2017</u>
Current liabilities:			
Accounts payable and accrued expenses	804,878	\$	2,494,231
Accrued interest payable	1,248		1,360
Current portion of long-term debt	788,399		722,058
	<hr/>		<hr/>
Total current liabilities	1,594,525		3,217,648
Noncurrent liabilities:			
Long-term loans/notes payable	24,907,326		25,883,220
Long-term parking agreement payable	445,832		509,522
	<hr/>		<hr/>
Total noncurrent liabilities	25,353,158		26,392,742
Three Rivers Stadium Grant – City of Pittsburgh	22,775,168		22,775,168
	<hr/>		<hr/>
Total liabilities	49,722,851		52,385,558
Net position:			
Net investment in capital assets	25,538,165		21,491,393
Restricted for capital activity and debt service	7,264,338		8,568,577
Unrestricted	(19,018,107)		(19,894,084)
	<hr/>		<hr/>
Total net position	13,784,396		10,165,886
Total liabilities and net position	\$63,507,247	\$	62,551,444

See the accompanying notes to the financial statements.

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Statements of Revenues, Expenses and Changes in Net Position

For the Years Ended December 31, 2018

	<u>2018</u>	<u>2017</u>
Operating revenues - restricted:		
West General Robinson Street garage	5,349,306	\$5,526,050
Gold 1 garage	3,205,097	1,919,315
Parking lots	1,770,594	2,532,779
Interest	149,295	66,828
Total operating revenues	<u>10,474,292</u>	<u>10,044,973</u>
Operating expenses:		
Salary reimbursement	47,566	35,674
Administrative	61,682	70,862
West General Robinson Street garage	2,335,940	2,483,810
Gold 1 garage	1,401,090	865,715
Parking lots	70,080	70,080
Parking agreement payment	0	1,183,577
Insurance	64,813	33,777
Interest	940,380	622,188
Amortization and depreciation	1,450,807	1,945,115
Total operating expenses	<u>6,372,358</u>	<u>7,310,798</u>
Operating surplus (loss)	<u>4,101,934</u>	<u>2,734,175</u>
Non-operating revenues (expenses):		
Gain on sale of land	0	2,164,510
Capital transferred (to)/from the SEA	(366,890)	15,624
Development fund expenses	(116,533)	(272,405)
Bond issuance costs	0	(380,829)
Total non-operating revenues, net	<u>(483,423)</u>	<u>1,526,899</u>
Change in Net Position	3,618,510	4,261,075
Net Position beginning of year	<u>10,165,884</u>	<u>5,904,809</u>
Net Position end of year	<u><u>13,784,392</u></u>	<u><u>\$10,165,884</u></u>

See accompanying notes to the financial statements.

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Statement of Cash Flows

For the Years Ended December 31, 2018

	<u>2018</u>	<u>2017</u>
Cash flows from operating activities:		
Parking	\$10,456,991	\$10,000,351
Other	(4,054,349)	1,038,510
Interest	<u>139,582</u>	<u>61,126</u>
Total receipts	6,542,224	11,099,987
Salaries	(47,566)	(35,674)
Administrative	(61,682)	(70,862)
Operations and development	(3,555,671)	(5,970,141)
Insurance	<u>(64,813)</u>	<u>(33,777)</u>
Total operating expenses	<u>(3,729,732)</u>	<u>(6,110,454)</u>
Total cash provided (used) by operating activities	<u>2,812,492</u>	<u>4,989,533</u>
Cash flows from capital and related financing activities:		
Principal payments of long-term debt	(973,243)	7,720,319
Receipts/(payments) from/to SEA	(366,890)	15,624
Interest paid on long-term debt	<u>(940,278)</u>	<u>(620,828)</u>
Net cash provided in capital & related financing activities	(2,280,411)	7,115,115
Cash flows from investment activities:		
Gain on sale of land	(2,164,510)	2,164,510
(Deposits) withdrawals to development funds	(93,614)	(571,950)
Purchase of CIP	(381,930)	(10,871,418)
Other	(116,533)	(272,405)
(Deposits) withdrawals to reserve loans	-	340,148
Bond Issuance Cost	<u>-</u>	<u>(380,829)</u>
Net cash used in investment activities	<u>(2,756,587)</u>	<u>(9,591,944)</u>
Net increase (decrease) in cash and cash equivalents	<u>(2,224,506)</u>	<u>2,512,704</u>
Cash and cash equivalents at beginning of year	<u>\$12,746,787</u>	<u>\$10,234,083</u>
Cash and cash equivalents at end of year	<u>\$10,522,281</u>	<u>\$12,746,787</u>
Total cash and cash equivalents consist of:		
Unrestricted cash and cash equivalents	<u>3,214,600</u>	<u>2,849,171</u>
Restricted cash and cash equivalents	<u>7,307,681</u>	<u>9,897,616</u>
Total cash and cash equivalent	<u>\$10,522,281</u>	<u>\$12,746,787</u>

See accompanying notes to the financial statements.

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Statement of Cash Flows

For the Years Ended December 31, 2018

Cash flow from operating activities:	<u>2018</u>	<u>2017</u>
Operating profit (loss)	\$4,101,934	\$2,734,175
Adjustments to reconcile change in net assets to net cash provided (used) by operating activities:		
Amortization/depreciation	1,450,807	1,945,115
Interest on debt	940,380	622,188
Changes in operating assets and liabilities:		
Receivable – ALCO Parking	131,994	22,207
Other receivables	(70,732)	1,038,510
Accounts payable and accrued expenses	(1,689,353)	(1,335,047)
Prepaid Insurance	(987)	(31,913)
Interest receivable	<u>(9,713)</u>	<u>(5,702)</u>
Total cash provided by operating activities	<u>\$4,854,330</u>	<u>\$4,989,533</u>

See accompanying notes to the financial statements.

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Notes to the Financial Statements

December 31, 2018

(1) **Organization**

The Authority was formed by the City of Pittsburgh on March 9, 1964 pursuant to the provisions of the Public Auditorium Authorities Law of the Commonwealth of Pennsylvania approved July 29, 1953, P.L. 1034, as amended (recodified as the Sports and Exhibition Authority Act 16 P.S. Section 5502-A et seq.) to provide increased commerce and prosperity, and to promote educational, cultural, physical, civic, social and moral welfare to the general public. Current documentation provides for the term of the Authority to run to April 4, 2049.

The Authority was responsible for the management of Three Rivers Stadium located in the City of Pittsburgh. Three Rivers Stadium was home to the Pittsburgh Pirates (**Pirates**) and Pittsburgh Steelers (**Steelers**) professional sports teams and was also utilized for various concerts and other events until it was razed in February 2001. Subsequent to the razing of Three Rivers Stadium, the Authority has been responsible for the development of the land between the newly constructed stadium and ballpark (See Note 4). A portion of that land was conveyed to the Sports & Exhibition Authority of Pittsburgh and Allegheny County (**SEA**) for construction of infrastructure. The remaining land was retained by the Authority to be developed according to a master development plan. The Authority entered into the Option Agreement with a joint venture of the Steelers and Pirates for the development of a significant portion of that land. The Authority has constructed two public parking garages on portions of the land. Pending development, the remaining land is used for surface parking.

The Authority is reported as a discretely presented component unit in the City's financial statements. The Authority's component unit status is due to the City's appointment of Authority board members. The board of directors (**Board**) of the Authority is appointed by the Mayor of the City of Pittsburgh. The Board is a five member board and is responsible for all the activities and operations of the Authority.

An Administrative Services Agreement was entered into in November 2002 between the Authority and the SEA and amended in November 2017 whereby the SEA staff performs all administrative services required for the Authority to fulfill its duties and obligations. The Authority reimburses the SEA certain expenses on a year-by-year basis. The SEA has a separate board appointed by the Mayor of the City of Pittsburgh and the County Executive of Allegheny County.

The Authority's fiscal year was historically April 1 to March 31. In 2017 the Authority Board changed the fiscal year end from March 31 to December 31.

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Notes to the Financial Statements, continued

December 31, 2018

(2) **Summary of Significant Accounting Policies**

The accounting policies of the Authority conform to accounting principles generally accepted in the United States of America applicable to governmental units and promulgated by the Governmental Accounting Standards Board (**GASB**).

The Authority is considered a special purpose government engaged in business-type activities, and as such, presents the financial statements required for enterprise funds. A summary of the Authority's more significant accounting policies applied by management in the preparation of the accompanying financial statements follows:

(a) **Basis of Accounting and Measurement Focus**

The Authority's financial statements are prepared using the accrual basis of accounting and the flow of economic resources measurement focus. Revenues are recognized when earned and expenses are recognized when a liability is incurred. All assets and all liabilities associated with the operations of the Authority are included on the statements of net position. The statements of revenues, expenses, and changes in net position present increases (i.e., revenues) and decreases (i.e., expenses) in the Authority's net total assets.

Classification of Net Position

Accounting standards requires the classification of net position into three components – net investment in capital assets; restricted; and unrestricted. These classifications are defined as follows:

- Net investment in capital assets – This component of net position consists of capital assets net of accumulated depreciation and reduced by the outstanding balances of any bonds, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of these assets.
- Restricted for capital activity and debt service – This component of net position consists of net position that has constraints on use from external restrictions, reducing liabilities related to those assets.
- Unrestricted – This component of net position consists of assets that do not meet the definition of “restricted for capital activity and debt service” or “net investment in capital assets.”

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Notes to the Financial Statements, continued

December 31, 2018

(2) **Summary of Significant Accounting Policies, continued**

(b) **Management Estimates**

The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

(c) **Revenues**

The Authority's operating revenues consist of parking revenues from the WGRS garage and the Gold 1 garage and various Authority parking lots. Non-operating revenues consist primarily of the gain on the sale of land (Note 4) and funds transferred to/from the SEA per the various notes and lease agreements (Note 5). When both restricted and unrestricted resources are available, the Authority's policy is to use restricted resources first, then unrestricted as needed.

(d) **Cash and Cash Equivalents**

The Authority considers all investments acquired with an original maturity of 180 days or less to be cash equivalents.

(e) **Restricted Assets**

Restricted assets include the portion of the development fund money which is generated from parking and which can only be used for certain eligible expenses as outlined in the Option Agreement.

Restricted assets also include reserve accounts for the WGRS and Gold 1 garages and the lots, and the debt service reserve and other accounts relating to the Parking Bonds.

(f) **Pending Pronouncements**

GASB has issued the following statements that will become effective in future years as shown below. Management has not yet determined the impact of these statements on the Authority's financial statements:

GASB Statement No. 72, "*Fair Value Measurement and Application*," effective for fiscal years beginning after June 15, 2015 (the Authority's financial statements for the year ending December 31, 2018). This statement addresses accounting and financial reporting issues related to fair value measurements.

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Notes to the Financial Statements, continued

December 31, 2018

(f) **Pending Pronouncements, continued**

GASB Statement No. 76, “Hierarchy of Generally Accepted Accounting Principles for State and Local Governments,” effective for fiscal years beginning after June 15, 2015 (the Authority’s financial statements for the year ending December 31, 2018). This statement identifies the hierarchy of generally accepted accounting principles (GAAP), reduces this hierarchy to two categories of authoritative GAAP, and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This statement supersedes Statement No. 55.

(3) **Cash and Cash Equivalents**

The Authority’s policy is to maintain all cash deposits in qualified public depositories and is authorized to invest in securities of the United States government, other instruments that are collateralized by United States government securities, repurchase agreements subject to certain restrictions and other debt instruments (**INVEST**) set forth by the office of the State Treasurer of the Commonwealth of Pennsylvania (**Commonwealth**). These types of investments are held by the purchasing bank or financial entity in the Authority’s name. The Authority’s investment activities are governed by the Commonwealth and Authority’s investment policy.

The following is a summary of the Authority’s cash and cash equivalents and investments at December 31, 2018.

	<u>2018</u>	<u>2017</u>
Unrestricted cash and cash equivalents:		
Cash	\$ 616,926	\$ 279,497
Government funds	1,883,163	1,855,458
Certificate of deposit	<u>714,551</u>	<u>714,316</u>
Total	3,214,640	2,849,271
Restricted cash and cash equivalents:		
Cash	1,094,396	4,935,552
Money market funds	282,805	1,307,417
Government funds	<u>5,930,480</u>	<u>3,654,647</u>
	\$7,307,681	\$ 9,897,616

Interest Rate Risk –The Authority limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The Authority investments have maturities of one year or less.

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Notes to the Financial Statements, continued

December 31, 2018

(3) **Cash and Cash Equivalents, continued**

Credit Risk – The Authority is subject to credit risk on investments. The maximum amount of loss the Authority would incur, if any, if the parties failed to perform on their obligation is limited to the amount recorded in the financial statements. The Authority does not hold any type of collateral on these investments.

Concentration of Credit Risk – The Authority places no limit on the amount that may be invested in any one institution. Currently the Authority maintains its cash and cash equivalent balances at three financial institutions; two are FDIC insured banks and the third is at PA Invest (a Commonwealth program that provides highly rated investment pools designed specifically for local government and nonprofit groups). At FDIC insured banks, accounts are fully insured up to \$250,000 per institution which constitutes federally insured funds. The excess funds are secured with a pledge of collateral from the bank. Therefore at December 31, 2018 all of the Authority's cash and cash equivalent deposits were either insured under federal insurance programs or collateralized.

(4) **Land**

The Authority's balance sheet does not include any value for land owned by the Authority because its land was conveyed to the Authority for the construction of Three Rivers Stadium by the Urban Redevelopment Authority of Pittsburgh at no cost.

Pursuant to the Option Agreement approximately 400,000 square feet of land between the ballpark and the stadium (**Option Area**) has been or is being developed. The land was originally divided into 12 development parcels. Between 2003 and 2013 six parcels were taken down and developed. In September 2017 the seventh parcel (Parcel 14) was purchased from the Authority at a price of \$2.165 million and construction on an office complex began. This sale included a 13,014 square foot parcel of land adjacent to Parcel 14 that was sold for \$200,000 to support the new office building. Completion of the office complex project is anticipated in the second quarter of 2019. These values are net of certain related closing costs.

(5) **Development Funds**

In accordance with the Option Agreement, the Authority deposits certain event parking revenues in team development funds maintained by the SEA. Pursuant to the Option Agreement, these funds remain in the account until development occurs, at which time they are transferred to the teams. As of December 31, 2018, 7 of the 12 parcels are developed.

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Notes to the Financial Statements, continued

December 31, 2018

(5) **Development Funds, continued**

Pursuant to an amendment to the Option Agreement, it was agreed that for the fiscal year April 1, 2016 to March 31, 2017 all new deposits to the team development funds during that time period were to be released to the Authority. \$373,000 was deposited during this time period and upon release to the Authority, was used for the construction of the Gold 1 garage.

\$198,000 of development fund money was generated by the teams for the year ending December 31, 2018.

Of the remaining undeveloped parcels, event parking revenues generated by certain parcels are to be used per a November 2011 Amendment to the Option Agreement to support the development of additional parking and in the absence of additional parking, applied to pay debt service on the WGRS garage and/or SEA's North Shore Garage. \$69,668 will be deposited to the Authority development fund for 2018 and will be used per the agreement.

(6) **Building**

Property and equipment are recorded at cost. Repair and maintenance costs which do not increase the useful lives of the assets are charged to operations as incurred. Depreciation is computed on the straight-line basis over the following estimated useful lives:

Buildings and Improvements	10, 15, and 40 years
Machinery and Equipment	5 years

Depreciation expense for the 12 month period ended December 31, 2018 and December 31, 2017 was \$1,450,894 and \$1,945,115 respectively. Changes in capital assets, net of accumulated depreciation were as follows:

Fixed Assets	2017	Additions/Depreciation	2018
Building	\$52,969,779	\$ 222,479	\$53,192,258
Infrastructure	2,241,369	0	2,241,369
Machinery/Equipment	43,588	0	43,588
Less: accumulated depreciation.	<u>(9,431,065)</u>	<u>(1,450,807)</u>	<u>(10,881,873)</u>
Net fixed assets	\$45,823,674	(\$1,228,328)	\$44,595,342

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Notes to the Financial Statements, continued

December 31, 2018

(6) **Building, continued**

HOV Improvements and Chuck Noll Way (infrastructure) were constructed by the Authority and dedicated to and accepted by the City on June 13, 2013 as City responsibilities but continue to be reflected as Authority assets because these costs are considered an integral part of the development cost of the Option Area and, accordingly, are capitalized over the life of the projects.

(7) **Construction in Progress**

Construction in Progress totaled \$385,430 as of December 31, 2018 and relates to the costs of a WGRS garage construction project.

(8) **Debt**

The WGRS garage was built and opened in 2006 in accordance with the requirements of the Option Agreement. It was recognized that the garage was needed to allow for future economic development and to compensate for the reduction in supply of surface parking spaces that would result from development. In 2012 the Authority refinanced the original construction debt related to an ERECT Fund loan and a Strategic Investment Fund (SIF) loan with note proceeds from a PNC Bank and Dollar Bank financing (together, the **2012 SA Garage Financing**). In April 2016 the Authority closed on a \$15 million loan for construction of the Gold 1 garage (the **2016 SA Garage Financing**).

The SEA held a 2010 PNC Bank/Dollar Bank Loan (**2010 SEA Garage Financing**). The Authority entered into a Collateral Assignment of Parking Revenue Agreement with the SEA in 2010 that pledged certain parking revenues from Lots 1 and 7A through 7J (see Property Overview Map) to help secure the 2010 SEA Garage Financing. The Authority and the SEA amended the documents related to the 2010 SEA Garage Financing to extend the pledge of certain collateral to the 2012 SA Garage Financing and again to the 2016 SA Garage Financing. As a result, the security for the three loans (2010 SEA Garage Financing, 2012 SA Garage Financing and 2016 SA Garage Financing) included the assignment of net revenues from (1) the Authority's WGRS garage, Lots 7A to 7J, Lots 1 through 5, and (2) the SEA's Convention Center Garage, North Shore Garage, and SEA surface lots revenue.

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Notes to the Financial Statements, continued

December 31, 2018

(8) **Debt, continued**

All three loans (2010 SEA Garage Financing, 2012 SA Garage Financing and 2016 SA Garage Financing) came due May 1, 2017. At that time the SEA refinanced the SEA loans with a \$16,650,400 PNC Bank variable rate note and an \$8,965,600 Dollar Bank variable rate note. The Authority refinanced its notes with a \$17,299,100 PNC Bank variable rate note and a \$9,314,900 Dollar Bank variable rate note (together, the **2017 Notes**). Both the SEA and Authority 2017 Notes had a stated maturity date of May 1, 2018, but were pre-payable at any time. The 2017 Notes were secured by a joint pledge of certain SEA and Authority parking revenues similar to the pledge for prior notes (except that the Convention Center Garage revenue was removed and the Authority Gold 1 garage was added as collateral). The 2017 Notes bore interest at a fluctuating rate equal to 70% of Daily LIBOR plus 105 basis points (1.05%).

The objective of both the SEA and Authority was to refinance the short-term bank loans with long term, fixed rate, investment grade debt. On November 30, 2017 the SEA issued the Sports & Exhibition Authority of Pittsburgh and Allegheny County Parking System Revenue Bonds, Series of 2017 (**Parking Bonds**). The Parking Bonds are payable from, and are secured solely by, net revenues of a "Parking System". The Parking System is made up of specified parking facilities of the SEA and specified parking facilities of the Authority. Pursuant to the Collateral Assignment Agreement, (the **Collateral Assignment Agreement**) and a Joinder Agreement (the **Joinder Agreement**), each dated as of November 1, 2017 and each between the Authority and Zions Bank, as bond trustee, the Authority has agreed to pledge the net revenues of its parking facilities and abide by all of the obligations and duties imposed upon the Authority by the bond trust. The proceeds of the Parking Bonds were used to refund the 2017 Notes and fund a reserve fund and pay costs of issuing the Parking Bonds.

While the SEA issued the Parking Bonds, the Authority has certain obligations as provided for in the Collateral Assignment Agreement and the Joinder Agreement. Pursuant thereto, the Authority has recorded a note payable to the SEA and the SEA recorded a long-term receivable from the Authority, the balance of the components of which are as follows:

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Notes to the Financial Statements, continued

December 31, 2018

(8) **Debt, continued**

Note Receivable, Net	2018	2017
Note Payable	(\$21,400,000)	(\$22,055,000)
Original Issue Discount	(3,546,778)	(3,749,898)
Debt Service Reserve Fund receivable	<u>2,269,000</u>	<u>2,269,000</u>
Total	(\$22,677,778)	(\$23,535,898)

The trust indenture for the Parking Bonds includes a rate covenant pursuant to which the Authority and the SEA each covenant to maintain rates and charges for use of the pledged parking facilities sufficient to pay operating expenses and produce net revenues equal to at least 150% of the debt service requirements for each fiscal year period. This covenant was met in 2018. (See the Parking System Report dated December 31, 2018.) Balances and terms of the notes payable at December 31, 2018 are as follows:

	<u>December 31, 2017</u>	<u>Principal Additions/ Reductions</u>	<u>December 31, 2018</u>
Infrastructure Development Program (IDP) (original WGRS financing) was received as a lump sum \$1,250,000 loan from PA DCED on August 22, 2005. It has a term of 20 years with a 2% interest rate. Interest payments are made semi-annually on June 1 and December 1. The last payment is due December 1, 2028.	\$816,004	(\$ 67,058)	\$ 748,947
Note Payable to the SEA for the Parking System Revenue Bonds, Series of 2017 of \$41,670,000 due in annual installments ranging from \$1,240,000 to \$3,175,000 through December 2037, interest payable semi-annually on June 15 and December 15 at rates ranging from 3% to 5%, issued in November 2017 to refund SEA bank notes and refund Authority bank notes. Funding Source: Net Revenues of the Parking System.	<u>\$22,055,000</u>	<u>(\$655,000)</u>	<u>\$21,400,000</u>
<u>Total loans/notes payable</u>	<u>\$22,871,004</u>	<u>(722,058)</u>	<u>\$22,148,946</u>
<u>Original Issue Premium</u>	<u>3,734,273</u>	<u>(187,494)</u>	<u>\$3,546,778</u>
<u>Long term loans/notes payable</u>	<u>\$26,605,277</u>	<u>(\$909,552)</u>	<u>\$25,695,724</u>

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Notes to the Financial Statements, continued

December 31, 2018

(8) **Debt, continued**

The aggregate amount of annual principal payments required on the Authority's debt for the IDP loan for the years ending 2019 through 2028 is as follows:

	Total Principal	Interest	Total
2019	\$ 68,399	\$14,979	\$ 83,378
2020	69,767	13,611	83,378
2021	71,162	12,216	83,378
2022	72,585	10,792	83,378
2023	74,037	9,341	83,378
2024-2028	<u>\$392,997</u>	<u>\$23,891</u>	<u>\$416,888</u>
	\$748,947	\$84,830	\$833,776

The aggregate amount of principal and interest payments payable to the SEA from the Authority for the Parking System Revenue Bonds, Series of 2017 is as follows:

	Total Principal	Interest	Total
2019	\$ 720,000	\$ 1,047,550	\$ 1,767,550
2020	750,000	1,018,750	1,768,750
2021	775,000	988,750	1,763,550
2022	810,000	957,750	1,767,750
2023	850,000	917,250	1,767,250
2024-2028	4,940,000	3,903,500	8,843,500
2029-2033	6,295,000	2,540,000	8,835,000
2034-2037	<u>6,260,000</u>	<u>801,250</u>	<u>7,061,250</u>
	\$21,400,000	\$12,174,800	\$33,574,800

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Notes to the Financial Statements, continued

December 31, 2018

(9) **Grants from the City of Pittsburgh**

Under the terms of an agreement dated July 1, 1965, and amended on various dates through June 17, 1992, the City made total grants of \$22,775,168 to the Authority to cover the excess of the aggregate costs of operations and maintenance of Three Rivers Stadium and debt service on its bonds over the total funds available to the Authority for those purposes, to be repaid if funds are available. The City does not include the \$22,775,168 as a receivable on its audited financial statements, due to the unlikelihood of collection.

(10) **Parking Operations**

The Authority owns and maintains both structured and surface parking facilities on the City's North Shore. In conjunction with the Authority's parking assets, the SEA also owns parking garages and several lots located on the City's North Shore, Central Business District and at the PPG Paints Arena. These combined facilities provide daily commuter parking as well as event parking adjacent to the SEA's public destination venues. (See Property Overview Map). Certain of the Authority's and SEA's combined parking revenues are pledged as security for the SEA's Parking Bonds (Note 8).

Stadium Authority Parking

Facility	Location	Date Opened	Number of Spaces	Management or Lease agreement; date of expiration
<u>Garage</u>				
West General Robinson Street (WGRS)	North Shore	2006	1,324 (1,256 structured and 68 surface)	Management; 12/31/2026
Gold 1	North Shore	2017	998	Management; 12/31/2026
<u>Surface Parking</u>				
Lots 1, 2, 4 and 5*	North Shore	-	1,473	Lease; 3/31/2050; Management (portions of Lot 1 and 2), 3/30/2050
Lots 7A-7J	North Shore	-	1,111	Lease; 3/31/2050
Total			4,906	

*Lot 4 is not part of the Parking System. Without Lot 4's 341 spaces the Parking System spaces total 4,565.

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Notes to the Financial Statements, continued

December 31, 2018

(10) **Parking Operating System, continued**

Management Agreement for the Garage

The Authority has contracted with ALCO Parking, Inc. (ALCO) to operate its WGRS garage and Gold 1 garage. Each arrangement is structured as a management contract. The Authority's management contracts for the garages expire December 31, 2026. ALCO is paid a set fee per year to manage the garages. In 2018 ALCO was paid \$49,200 for WGRS garage and \$43,050 for Gold 1 garage. The management fee is increased annually by 2.5%.

Lease Agreement for the Lots

Certain surface lots of the Authority's surface parking facilities are operated through a Lease Agreement (Lease). The Lease was entered into among the Authority, the SEA and ALCO. The original Lease term was a 40-year period, which began April 1, 1970 and ended March 31, 2010. ALCO has exercised its option to extend the term of the Lease for four consecutive additional periods of 10 years each to March 31, 2050.

The Lease covers the majority of Lots 1, 2, 4, and 5 (the remaining portion of Lot 1 holds spaces operated under a management agreement as described herein), Lots 7A through 7J, which the Authority leases from the Commonwealth (Note 11) and SEA Lots Green 22 and 23. ALCO pays to the Authority an amount equal to the greater of (i) 50% of the Parking Residual Rent or (ii) 50% of the Residual Base Period Rent, each as defined in the Lease. For calendar year 2018, Parking Residual Rent was greater and therefore was the basis of the payment.

As part of the Lease, the parties agreed that in the event the Authority and/or the SEA permanently appropriate parking spaces covered by the Lease, either substitute spaces must be provided, or a buyout price is to be paid. On April 1, 2004 the parties entered into a Release Space Agreement that established the buyout price per space to be \$6,602.73, with annual CPI adjustments.

When Parcel 14 (with adjacent land) was taken down in 2017 (Note 4), the number of Lease spaces permanently appropriated was 140. The Authority committed to pay Alco the buyout price for the spaces, at a cost per space of \$8,416.21, totaling \$1.2 million. On August 2, 2017 an agreement was entered into whereby Alco was paid 50% of the amount (\$589,135) at the Parcel 14 closing and 50% in 111 monthly installments of \$5,307.52 each. At December 31, 2018 the balance due to Alco is \$509,522.

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Notes to the Financial Statements, continued

December 31, 2018

(10) **Parking Operating System, continued**

Management Agreement for the Lots

A portion of the Lot 1 surface spaces is operated through a management agreement. This management agreement was entered into between the Authority and ALCO commencing July 13, 2001 and the agreement will expire March 30, 2050. The Authority pays to ALCO a management fee of 3.5% of net operating income.

(11) **PennDOT Lease**

On March 23, 1989, the Authority entered into an agreement with the Department of Transportation of the Commonwealth of Pennsylvania (**PennDOT**) for the lease of certain property near Heinz Field and PNC Park (Lots 7A to 7J) to be used for public parking. The term of the lease was 21 years with options to extend. At the end of the first term (March 31, 2010) the Authority exercised its option to extend the lease for four (4) ten year terms, extending the term of the lease to March 31, 2050. The Authority expensed \$70,080 related to this agreement for the 12 month period ended December 31, 2018. The annual rate of \$70,080 began August 2010 and PennDOT has the ability to adjust the rate every two years on the basis of a fair market rental appraisal. No notification of a rate increase has been received.

Future minimum expected lease payments due from the Authority to PennDOT are as follows (assuming no rate adjustment). Because both parties have the ability to terminate the lease by mutual consent at any time, lease requirements are identified only through the end of the first 10 year extension.

2019	70,080
2020	<u>70,080</u>
	<u>\$140,160</u>

(12) **Conditional Receivable**

Pursuant to prior bonds, bank loans and the 2017 Parking Bonds (See Note 8) certain of the Authority's parking revenues were pledged as security for debt related to the financing of the SEA parking facilities. To date, a total of \$9,389,782 of Authority funds were used to pay such debt service

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH

Notes to the Financial Statements, continued

December 31, 2018

(13) **Investment in Capital Assets, Net of Related Debt**

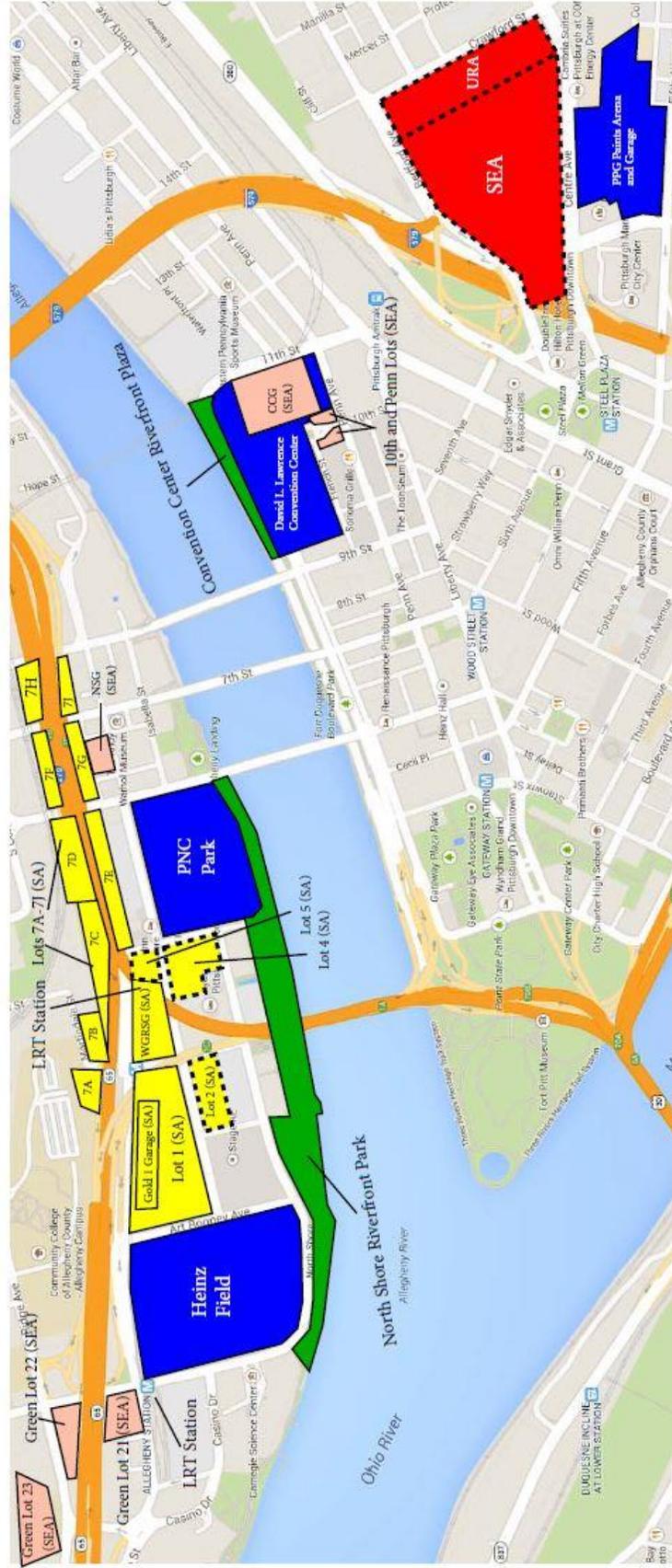
Total net assets include an amount for investment in capital assets, net of related debt. The calculation for the year ending December 31, 2018 is as follows:

	<u>2018</u>	<u>2017</u>
Capital assets, net	\$44,595,342	\$45,823,671
Debt Service Reserve fund receivable	2,269,500	2,269,500
Bond Trustee fund receivable	3,983,617	0
Less: loans/notes payable related to capital assets	(25,695,725)	(26,605,277)
Construction in progress	<u>385,430</u>	<u>3,500</u>
Net investment in capital assets	<u>\$25,538,165</u>	<u>\$21,491,393</u>

(14) **Subsequent Event**

Subsequent events were evaluated through the Auditor's report date, which is the date the financial statements were available to be issued. The Option Agreement required the next parcel to be taken down by February 27, 2019 (Note 4). On February 26, 2019 the Board approved an extension of this date until August 30, 2019.

Sports & Exhibition Authority (SEA) and Stadium Authority (SA) Property Overview Map



- Sports and exhibition venues owned by SEA (PPG Paints Arena includes a 640 space integral garage leased to the Penguins)
- SA parking lots and garages: land for Lots 7A-7J (SA)
- SEA parking lots and garages: "NSG" refers to North Shore Garage; "CCG" refers to Convention Center Garage
- 28-Acre Lower Hill Redevelopment site (19 acres owned by SEA; 9 acres owned by Urban Redevelopment Authority(URA); Penguins hold development option; SEA currently building road grid and infrastructure; Penguins currently receive surface parking revenues
- North Shore Riverfront Park and Convention Center Riverfront Plaza, both owned by SEA
- Remaining North Shore development parcels (owned by SA); joint venture of Steelers and Pirates holds development option; development of Lot 4 in planning stages