

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH
BOARD MEETING
TUESDAY, APRIL 9, 2019
9:03 A.M. E.S.T.

A general meeting of the Board of Directors of the Stadium Authority of the City of Pittsburgh was held upon proper notice on April 9, 2019 in the Executive Board Room of the David L. Lawrence Convention Center. Board members in attendance: Stanley Lederman, Chairperson; James Malanos, Vice-Chairman; Reverend Brenda Gregg, Treasurer and Assistant Secretary; Keith Reed, Member and Steve Steingart, Member; as well as Authority staff members: Mary Conturo, Doug Straley, Rosanne Casciato, Bill Williams, Rhea Thomas, Rifat Qureshi, Sharon Mink, Simona Loberant, Rachel Cohen, Maggie Pike and Clarence Curry. Also in attendance: Diane Wohlfarth, Solicitor and Frederick Winkler, architect.

Mr. Lederman called the meeting to order at 9:03 A.M. and requested that everyone rise for the Pledge of Allegiance. Thereafter, Ms. Wohlfarth proceeded with a roll call of the Board Members, and confirmed that a quorum was present.

The following agenda items were discussed:

1. Public Participation

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

2. Approval of the Minutes from the meeting of February 26, 2019.

A motion to approve was made, seconded and carried. The Minutes were accepted. Mr. Lederman continued on to the next item on the agenda.

3. New Business

The first item read was:

A. Authorization to amend agreements with respect to the outdoor seating areas at Peoples Center (formerly Del Monte Building).

Mr. Rifat Qureshi explained that in 2004, pursuant to the North Shore Option Agreement, the Stadium Authority approved the sale of two development parcels to the optionee, North Shore Developers, L.P., a joint venture of the Steelers and Pirates. The optionee's developer, Continental / North Shore II L.P. ("Continental II"), constructed two office buildings that were separated by a public passageway (originally known as the Del Monte buildings, now referred to

as the Peoples Center). Pursuant to an easement agreement with the Stadium Authority and the Sports & Exhibition Authority, Continental II connected the two buildings with a pedestrian bridge built above the public passageway and provided for public improvements such as benches, light poles, a water fountain, planters and other improvements.

The public passageway is owned by the SEA, and is part of the North Shore Riverfront Park. It allows for pedestrians to move to and from the North Shore development area, the park, and the Riverwalk.

The North Shore Riverfront Park was constructed by the SEA as part of the overall North Shore infrastructure development to provide for a high-quality green open space for the public. It also includes an Esplanade which is a broad, pedestrian walkway that runs along the Peoples Center on the river side.

Pursuant to a 2004 letter agreement among the Stadium Authority, SEA and Continental II, the Authority permits first-floor retail tenants at the Peoples Center to utilize a portion of the Esplanade and the public passageway for outdoor seating. The Authority supports outdoor seating as a means of enlivening and activating the outdoor spaces as envisioned in the North Shore Master Plan.

The current retail tenants at the Peoples Center are Bettis Grille and The Foundry, which both have outdoor seating areas along the Esplanade. Two other restaurants, Tilted Kilt and Rivertowne, had outdoor seating along the Esplanade and into the passageway, but both closed in 2018. The building owner and its new retail tenant have proposed to the Authority and City of Pittsburgh Planning Department a plan for an expanded outdoor seating area for the former Tilted Kilt space. The proposed new tenant is Shorty's Pins x Pints which provides for family entertainment with food and beverage.

The outdoor use would include game activities such as duck pin bowling, bocce, corn hole and other family activities, a shipping container that is the location for food service, seating areas with a fire pit, festival lighting, a new sidewalk/patio and other aesthetic improvements that will enliven the outdoor experience.

The outdoor seating area in the public passageway would be expanded for Shorty's from the current 9.5 ft. to approximately 18ft. – 19.5ft. In order for the public passageway to be symmetrical, the outdoor seating area on the other side of the passageway would also be expanded when the opposite retail tenant is in place. The public passageway would be reduced from approximately 35 ft. to 15 ft. – 18ft.

Steve Quick of Civic Design and Planning is providing assistance to Authority staff in the review of the proposal and will continue to do so through the final plans. Authority staff is supportive of the proposed use and plans.

The City of Pittsburgh Planning Department is also reviewing the proposal, and the Stadium Authority's final approval would be conditioned on receipt of final approval from the City.

Peoples Center, through an existing contribution agreement with the Stadium Authority, provides for maintenance support for the Park. This includes a cash allowance that is used towards the maintenance of the Park, as well as daily pick up of trash and litter around Peoples Center by the building staff.

In 2019, the base cash allowance is \$12,102, which increases by 3% annually. In consideration for this proposed use, the building owner agrees to provide additional cash allowance of \$5,000 annually, increasing by 3% annually. This annual amount will be prorated for the first year based on when Shorty's outdoor license agreement is in place.

Mr. Lederman asked if any Board Members had any questions.

Mr. Keith Reed asked if there were any plans for the future use of the retail space opposite from the proposed Shorty's space.

Mr. Qureshi explained that the building owner is working diligently to find a retail tenant on the other side of the public passageway.

Mr. Reed expressed his concern that if the outdoor seating area is expanded on the other side, taking away from the public area and the ability for people to be able to walk back and forth, if a tenant is not found soon and if the tenant does not plan to use that space, then you have a bigger fenced off empty space that is not being used, which detracts from the attractiveness of that public space.

Ms. Mary Conturo added that the building owner is anxious to fill that space as well. She added that the Authority would have the right if the outdoor space was vacant to move the fencing back in order to avoid having empty space that is not being used.

Mr. Lederman asked if any Board Members had any further questions. Hearing none, he asked for a motion to approve.

The motion to approve was made, seconded and the following resolution was passed:

RESOLUTION NO. 2 (2019)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director and other proper officers are authorized to amend agreements with respect to the outdoor seating area and the contribution agreement with respect to Peoples Center (formerly Del Monte Buildings); and further that the proper officers and agents of the Authority are authorized and directed to take all

action and execute such documents as are related and proper to effectuate the terms of this resolution.

The next item read was:

B. Approval of the Stadium Authority audit as of December 31, 2018.

Ms. Sharon Mink explained that the Stadium Authority audit was completed by Cameron Professional Services Group, LLC.

Cameron issued the report with an unmodified opinion, which means that the Financial Statements present fairly, in all material respects, the financial position of the Authority. There were no significant deficiencies, findings, or questioned costs relating to the audit and therefore, no management letter was issued. No federal audit was required for this audit period.

On March 29, the Auditors, Francine Cameron and Corey Williams, reviewed the draft audit with the Stadium Authority Chairman, Vice-Chairman, Treasurer, Authority Executive Director, CFO and Controller.

The Board is referred to the section called "Management's Discussion and Analysis" which provides a narrative overview of the Authority's financial picture.

Mr. Lederman asked if any Board Members had any questions.

Mr. Lederman added that having been at the meeting and looking at the audit, he can report that the Stadium Authority's financial condition is strong, and is stronger in 2018 than it was at the end of 2017.

Mr. Lederman asked if any Board Members had any further questions. Hearing none, he asked for a motion to approve.

The motion to approve was made, seconded and the following resolution was passed:

RESOLUTION NO. 3 (2019)

RESOLVED by the Stadium Authority of the City of Pittsburgh that the Independent Auditor's Report for the year ending December 31, 2018 prepared by Cameron Professional Services Group, LLC is hereby accepted; 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. Lederman asked if there were any comments from the public. Hearing none, Mr. Lederman asked for a motion to adjourn. The motion was seconded and unanimously carried.

The meeting was adjourned at 9:13 A.M.