

STADIUM AUTHORITY OF THE CITY OF PITTSBURGH
BOARD MEETING
THURSDAY, MARCH 21, 2024
10:00 AM E.S.T.

A meeting of the Board of Directors of the Stadium Authority of the City of Pittsburgh (the “Authority”) was held virtually upon proper notice, in the David L. Lawrence Convention Center Executive Board Room, First Floor on February 6, 2024.

Board members in attendance: Stanley Lederman, Chairperson; Steve Steingart, Vice Chair; Rev. Brenda Gregg (Via Zoom), Treasurer/ Assistant Secretary; Keith Reed (Via Zoom), Member; and Ralph Horgan, Member. Authority staff present: Aaron Waller, Bridget Pascal, Rodney Pratt, Jhason Dixon, Alicia Matos, Sandhya Giri, John Mingle, Sue Ricketts, Kevin Kaiser, and Paul McDonald Jr.; Mark Belko, Pittsburgh Post-Gazette; Drew Singer; Pittsburgh Pirates.

Also in attendance: Marissa Levin, Sitting in for Solicitor Diane Wohlfarth.

Mr. Stanley Lederman called the meeting to order at 10:00 AM and requested everyone rise for the Pledge of Allegiance. Thereafter, Ms. Marissa Levin proceeded with a roll call of the board members and confirmed 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 address the board. Seeing none, Mr. Lederman moved to the next item on the agenda.

2. Approval of the Minutes from the meeting of February 6, 2024.

A motion to approve was made, seconded, and approved by roll call. The minutes were accepted. Mr. Lederman continued to the next item on the agenda.

3. Election of Officers

Mr. Keith Reed nominated the following slate of officers: Mr. Stanley Lederman for Chairman, Mr. Steve Steingart for Vice-Chairman, Mr. Ralph Horgan, Secretary, Ms. Brenda Gregg for Assistant Secretary and Treasurer, Mr. Aaron Waller for Second Assistant Secretary, and Ms. Bridget Pascal for Assistant Treasurer.

Mr. Lederman asked if there were any other nominations, hearing none, a motion to approve was made, seconded, and approved by roll call. Mr. Lederman continued to the next item on the agenda.

4. New Business

Mr. Lederman introduced the first agenda item, Item A, presented by Mr. Rodney Pratt, Sports & Exhibition Authority Senior Attorney. Mr. Pratt addressed the board for authorization to transfer Lot 10.1 (Tract 4C) to North Shore Developers – 2013, LP, or its designee for a purchase price of \$569,467.20 for the development of a year-round experiential entertainment plaza.

Mr. Pratt stated in 2003, the Authority entered into an Option Agreement (as amended, the “Option Agreement”) with a joint venture of the Pirates and Steelers (“Optionee”) to develop certain parcels of the land between Acrisure Stadium (formerly Heinz Field) and PNC Park. The Optionee named Continental / North Shore Manager, LLC as its master developer. The Authority has extended the Option Agreement as to the Take Down period for Lot 4(C) until March 29, 2024, as of December of 2023.

To date, the following developments have been completed by the Optionee and its master developer: the Peoples Gas Building (formerly Equitable Building), the Peoples Center (formerly Big Heart Pet Brands Building), the Hyatt Place Hotel, North Shore Place I and II (2 parcels), the SAP building, the six-story (441 space) Champions Garage on Lot 10.3 (Tract 4(B)) and the six-story mixed-use building with 108 residential apartment units on Lot 10.2 (Tract 4(A)). Pursuant to a separate agreement with the Steelers, Stage AE has also been developed. This resolution would allow Lot 10.1 (Tract 4(C)) to be developed.

Mr. Pratt continued; the Plaza Operating Plan maintains several key factors that will make it a year-round experiential destination for visitors on event/game days and non-event days alike. The Plaza will anchor the east end of the North Shore entertainment district, adding to a robust roster of restaurants, retail spaces, offices, museums, and other daily destinations.

The Plaza will feature a variety of seating options from traditional tables to other unique multipurpose platforms where guests can enjoy the outdoor social atmosphere. Umbrellas and tree canopies will protect people from inclement weather. Activities such as shuffleboard and other interactive fixtures will be incorporated into the free-flowing design.

Mr. Pratt continued; during non-event days, the Plaza may be used for farmer’s markets, outdoor movies, concerts, and other family-friendly events. On event days at PNC Park or Acrisure Stadium, the Plaza can be activated as a location for live broadcasts, music, autograph sessions, and so forth to create a block party atmosphere for fans before, during, and after the game. While the intent of the Plaza is to be a public destination, the Operator plans to offer the space for private events such as weddings, corporate outings, birthday parties, etc. A large video display board will

be a central feature of the Plaza with the ability to broadcast games, movies, and other integrated uses.

The Plaza features two distinctly unique, yet cohesive and complementary options for food and beverage, and there will be an experiential full-service restaurant adjoining the Plaza. For patrons who prefer a more casual dining experience, the restaurant will have a Plaza-facing concession window. Additionally, there will be a food stand/beer garden on the Plaza. The Operator is responsible for the maintenance of the Plaza, including repairs, cleaning, trash removal, landscaping, and snow removal.

Mr. Pratt further stated under the terms of the 2019 Amendment Agreement, the sale price of the Lot 10.1 (Tract 4(C)) property will be equal to the cost of the buyout of leasehold spaces. ALCO Parking is the leaseholder of the parking spaces. There are 60 spaces on the Plaza parcel (Lot 10.1 (Tract 4(C))). The Authority is required to provide to ALCO either substitute spaces or to buyout the spaces as provided for in a December 2016 agreement with ALCO. The cost of the buyout was \$9,491.12 per space. The total cost is 60 spaces x \$9,491.12 per space = \$569,467.20. The Authority elected to buyout the spaces on January 28, 2022, and received payment on January 31, 2022.

The Purchaser anticipates completion before March 31, 2025, and must complete the development of the property within 48 months of execution of the documents (March of 2026). The development is estimated to provide 100-150 temporary construction jobs. Upon completion, the development is estimated to generate \$15,000 in annual real estate taxes (County, City, and School District). It is estimated up to 150 full-time employees will be located at the development.

The Purchaser anticipates the following schedule of closing at the end of March 2024, the start of construction 60 days after closing, and a proposed plaza completion and opening to the public date of March 31, 2025.

Mr. Lederman asked if there were any questions.

With no questions or comments, Mr. Lederman called for a motion to approve the resolution and it was passed unanimously.

RESOLUTION NO. 19 (2024)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Chairman and/or Executive Director and other proper officers are authorized to transfer Lot 10.1 in the North Shore Subdivision Plan Revision (referred to as Tract 4(C) in the 2020 Amendment Agreement) to North Shore Developers – 2013, LP or its designee (the "Purchaser") for a purchase price of \$569,467.20 for the development of a year-round experiential destination for

visitors on event/game days and non-event days to include an LED ‘big screen’, seating area, restaurant, and open multi-use space, and that the proper officers and agents of the Authority are authorized and directed to take all actions and execute such documents as are related and proper to effectuate the terms and intent of this Resolution, including, without limitation, a deed, completion guarantee, access and utilities easements, contribution agreement, and such other documents as are otherwise contemplated by the Option Agreement and/or needed to effectuate the intended transaction, and to pay all costs and expenses as necessary and proper to effectuate the terms of this Resolution, and that all prior inconsistent resolutions or portions of resolutions are hereby repealed.

Mr. Lederman introduced the second agenda item, Item B, presented by Mr. Rodney Pratt, Sports & Exhibition Authority Senior Attorney. Mr. Pratt addressed the board for authorization to amend that certain Parcel 4 License Agreement with North Shore Plaza, LLC, to license nine parking spaces in Red Lot 5/Parcel 4 (“Parklet”) for the purposes of completing the Parklet Improvement Plan, in conjunction to the takedown of Lot 10.1 (Tract 4(C) the “Entertainment Plaza”).

Mr. Pratt stated as part of the original option agreement and takedown of Lot 10.1 (Tract 4(C)) to develop an Entertainment Plaza, the Optionee will add landscaping to the Parklet at the corner of West General Robinson Street and Mazerowski Way across from the Plaza. The Authority entered into the Parcel 4 License Agreement with North Shore Plaza, LLC in January of 2022, which was amended in April of 2023 and again in December of 2023. This proposed amendment will allow the Licensee to defer the commencement of construction on Parcel 4 to coincide with the construction of the Entertainment Parcel, but will require the Licensee pay the license fee in advance.

The Parklet Improvement Plan (“PIP”) was revised to accommodate comments from the City of Pittsburgh planning and zoning board, which required specific heights and types of trees to reduce the visibility of the ‘big screen’ to be implemented on the Entertainment Parcel from roadways. Based on these requirements, the developer intends to plant mature trees on the Parklet shielding the light from the video board once installed. The developer has provided the Authority with a PIP incorporating these features. This plan has been reviewed by the Authority’s design consultant and feedback has been provided to the developer.

Mr. Pratt further stated ALCO Parking is the leaseholder of the parking spaces in Red Lot 5 and comprising the Parklet. The PIP shows nine parking spaces will be lost to the Parklet improvements. The Authority is required to provide to ALCO either substitute spaces or to buyout the spaces as provided for in a December 2016 agreement with ALCO. The cost of the buyout for 2024 is \$10,670.67 per space. The total cost is 9 spaces x \$10,670.67 per space = \$96,036.03. The amendment to the Parcel 4 License agreement will require the Licensee to pay this buyout price for the license on this Parklet upon execution of the amendment.

Mr. Lederman asked if there were any questions.

Mr. Ralph Horgan asked who will be maintaining the Plaza.

Mr. Pratt stated the Pirates will.

With no additional questions or comments, Mr. Lederman called for a motion to approve the resolution and it was passed unanimously.

RESOLUTION NO. 20 (2024)

RESOLVED by the Board of the Stadium Authority of the City of Pittsburgh that its Executive Director or other proper officers are authorized to approve the Parklet Improvement Plan and to enter into an amendment of the Parcel 4 License Agreement with North Shore Plaza, LLC, 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 introduced the third agenda item, Item C, presented by Ms. Bridget Pascal, Sports & Exhibition Authority Chief Financial Officer (“CFO”). Ms. Pascal addressed the board for approval of the Stadium Authority’s Audited Financial Statements as of and for the year ended December 31, 2023.

Ms. Pascal stated the audit of the Stadium Authority’s financial statements for the year ended December 31, 2023, was completed by Maher Duessel (“MD”). MD issued its report with an unmodified opinion, which means that the Audited Financial Statements present fairly, in all material respects, the net position, revenue, expenses, and cash flows of the Authority. There were no significant deficiencies, findings, or questioned costs resulting from the audit, and therefore, no management letter was issued. A federal audit was not required for this period.

On March 14, 2024, Jeff Kent, and other representatives of MD, reviewed the draft independent auditor’s report and financial statements with the Authority’s Chairman (Stanley Lederman), Treasurer (Rev. Brenda Gregg), Executive Director (Aaron Waller), CFO (Bridget Pascal), and Controller (Jhason Dixon).

Ms. Pascal further stated one of the findings of MD was to have more financial reporting to the board. Moving forward there will be a financial quarterly report, and at the next Authority board meeting, there will be a review of the first quarter financials.

Mr. Lederman asked if there were any questions.

With no questions or comments, Mr. Lederman called for a motion to approve the resolution and it was passed unanimously.

RESOLUTION NO. 21 (2024)

RESOLVED by the Stadium Authority of the City of Pittsburgh that its Audited Financial Statements for the year ending December 31, 2023, and the related Independent Auditor's Report, which were prepared by Maher Duessel, are 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.

VII. Public Participation

Mr. Lederman asked if there were any comments from the public in the audience.

Hearing no further questions, Mr. Lederman asked for a motion to adjourn. The motion was unanimously carried.

VIII. Adjournment

The meeting was adjourned at 10:17 A.M.