The Board of Directors met at 3:00 PM on Thursday, February 20, 2020 in the Koppers Building conference room in Pittsburgh. Present were Board members: Chair, Mr. Daniel Griffin, Ms. Dusty Kirk, Ms. Jackie Dixon, Ms. Sylvia Fields, Ms. Hilda Fu, Mr. Tony Ross (via phone) and Dr. Daniel Rosen. Chief Counsel Mr. James Norris also participated. Others in attendance included Executive Director Mr. Rich Hudic, staff and members of the public. Notice of the meeting was published in accordance with the Act and By-laws and the agenda was posted on the District website. Mr. Griffin confirmed that Mr. Ross was participating remotely and that he could hear all comments and speak to all those present. And likewise, all those present at the meeting could hear Mr. Ross and speak to him contemporaneously.

Public Comment/Hearing Period

The Chair then opened the meeting for public comment. No one registered to speak.

Minutes

The first item on the agenda was consideration of the minutes of the meeting of November 21, 2019. As there were no additions/corrections, Ms. Fields moved approval with Ms. Fu seconding. The motion was unanimously approved.

Treasurer’s Report

Ms. Fields submitted the following report:

Board Members:

Final tax revenue for 2019 is $105.96 million, which is 3.96 % higher than 2018 total revenue of $101.9 million. Interest earnings for 2019 totaled $671,549. The 2019 sales tax reserve balance at December 31st is $21.67 million, which is a reduction of $2.61 million from the 2018 ending reserve balance of $24.28 million.

The District’s independent audit has commenced and a final audit report is expected sometime in March. The Audit Committee will review the audit and report to the full board at the May meeting.

Year to date sales tax revenue through February 2020 is $16.1 million, which is $2.27 million lower than 2019 revenue for the same time.

Submitted by
Sylvia Fields
Treasurer
In response to a question from Mr. Griffin relating to the year to date funding shortfall, Mr. Hudic indicated that we anticipate an adjustment March. This is due to a process timing issue at the Commonwealth.

The Chair directed that the report be received and filed.

*Library Committee Report*

The Chair called on Dr. Rosen to submit the report.

Board Members:

We have two items to report:

1. **ACLA Formula**

Under the agreement between Allegheny County Library Association (ACLA) and the District, ACLA submits a proposed formula for distribution of RAD funds to local libraries with its request each July that then must be agreed to by the RAD board. In our November report, we noted the formula has remained the same since 2010. The components of the formula are: base support, population, local income, in-house circulation, non-resident circulation, computer use, and distressed community payment. In January we met with ACLA staff and have been gathering information on various components of the formula. The committee will be meeting in early March to review ideas, options and recommendations that will be shared with ACLA for consideration as they develop their annual formula plan.

2. **Library Study Project Update**

The Committee met with Jordan Pallitto from The Hill Group who provided an update on the status of the Shared Services Design and Implementation project. The pilot projects we described in our September board report will be starting soon and you will hear a report from the Project Review Committee on a Connections Grant request to support the projects. We are encouraged by the progress and believe the overall goal of shared services will result in enhanced county-wide quality and equity by reducing the time spent and resources used for back-office functions.

Submitted by

Dusty Kirk, Sylvia Fields, Danny Rosen

Ms. Dixon questioned if the formula will be revised. Ms. Kirk said that the Committee is reviewing the formula as it has remained the unchanged for the last 10 years. She added that recommended changes, if any, will be provided to ACLA. Mr. Griffin added that there may be a way to reward libraries receiving municipal support based on a municipality’s ability to pay and all of these factors will be discussed.
The Chair called on Ms. Dixon to present the report.

Board Members:

The Committee met to review a Connections Grant application received in February. Based on that review, we are advancing the following recommendation at this time:

A Connections Grant in the amount of $38,000 to Carnegie Library of Pittsburgh (CLP) for three shared service pilot projects with several Allegheny County libraries. The design and implementation of a meaningful shared services model has been an ongoing effort funded by RAD and in partnership with Carnegie Library of Pittsburgh and the Allegheny County Library Association for more than two years. The Shared Services Task Force has recommended three priority areas for pilot implementation: facilities, fund development, and human resources. Carnegie Library of Pittsburgh will provide the fund development and facilities services, and an outside vendor will provide human resources services. Up to four soon-to-be-determined libraries will be able to participate in each pilot project. Expenses include $18,000 for stipends for library participants to cover staff time spent in planning meetings and other activities associated with the pilot and $20,000 for the service providers.

 Participating libraries will benefit from operational improvements and expertise that they could not afford independently. The Hill Group will continue to coordinate the effort and will design the full-scale shared service delivery infrastructure once the pilot projects are completed. We recommend funding this request as it demonstrates the benefits of enhanced collaboration which is one of the goals of the grant program.

The line item for special project grants in the 2020 budget is $250,000.

Submitted by

Project Review Committee

Jackie Dixon, Hilda Fu and Tony Ross

In response to a question from Ms. Kirk, Mr. Hudic said the pilot projects give the Hill Group time to test the plans and refine the processes so that they are successful when rolled out for all libraries who choose to participate. Ms. Dixon asked how long The Hill Group has been working on the project and Mr. Hudic said about 18 months and their engagement continues through October 2020. Mr. Griffin commended the progress so far and said he hopes the expansion to other libraries happens at quick pace. He also said that approving this grant showed that shared services should not cost libraries.

Mr. Griffin asked for a motion to approve the grant. The motion was made by Ms. Dixon and seconded by Ms. Kirk. It was approved unanimously.
Report of the Executive Director

1. Sports and Exhibition Authority Bond Refunding.

The Chair asked Mr. Hudic to summarize the request. Mr. Hudic gave the following presentation:

Due to current market conditions, the Sports & Exhibition Authority is requesting RAD’s concurrence for the refunding of the Regional Assets District Sales Tax Revenue Series 2010 Bond. The savings resulting from the lower interest rates would be taken and applied to various capital projects. RAD’s current debt obligation which is due to expire in 2030 will remain constant and unchanged.

District counsel has prepared a resolution which would be required if the Board decides to approve this request. This bond reissue is considered debt of the District and must be listed as a liability on our balance sheet. Therefore, the resolution contains the necessary approval to file documents with the Commonwealth.

The resolution also provides that all out of pocket expenses incurred by the District will be paid from the proceeds of the issue and allow the RAD Board to determine an appropriate engineering inspection schedule for the convention center.

Mary Conturo, Executive Director of the Sports and Exhibition Authority along with representatives of bond counsel and the underwriters are here to answer any questions you might have.

In response from a question from Mr. Griffin, Chief Counsel stated that he had reviewed the documents along with Sara Davis Buss, from Eckert Seamans. In response to a question from Ms. Kirk, Mr. Norris stated that representing the Pittsburgh Penguins would not preclude her from voting on the resolution.

Ms. Fields then moved the adoption of the following resolution, seconded by Ms. Fu with all members voting in favor.

ALLEGENEY REGIONAL ASSET DISTRICT

RESOLUTION CONSENTING TO ISSUANCE OF SPORTS & EXHIBITION AUTHORITY OF PITTSBURGH AND ALLEGHENY COUNTY REFUNDING BONDS AND AUTHORIZING ACTIONS IN CONNECTION THEREWITH

WHEREAS, the Sports & Exhibition Authority of Pittsburgh and Allegheny County (the “Authority”) owns the David L. Lawrence Convention Center, PNC Park, Heinz Field and PPG Paints Arena (the “SEA Regional Assets”); and

WHEREAS, the Board of the Allegheny Regional Asset District (the “Board”) by its resolution adopted July 9, 1998, (i) authorized annual grants to the Authority to provide for the payment of debt service on bonds issued by the Authority to finance the construction of certain of
the SEA Regional Assets, (ii) authorized the Allegheny Regional Asset District (the “District”) to enter into a Cooperation and Support Agreement and an Intercept Agreement, and (iii) incurred lease rental debt within the meaning of the Local Government Unit Debt Act, 53 Pa.C.S. §8001 et seq. (the “Debt Act”) in an amount not to exceed $205,000,000, for the purpose of paying a portion of the costs related to construction of certain of the SEA Regional Assets; and

WHEREAS, the Authority issued $173,765,000 aggregate principal amount of its Regional Asset District Sales Tax Revenue Bonds, Refunding Series of 2010 (the “2010 SEA Bonds”), of which $112,045,000 remain outstanding, supported by the annual grants of the District; and

WHEREAS, in order to evidence such annual grants, the Authority, the City of Pittsburgh (the “City”), the County of Allegheny (the “County”), the Stadium Authority of the City of Pittsburgh (the “Stadium Authority”), as applicable, and the District entered into a Cooperation and Support Agreement dated as of May 6, 1999, a First Amendment to Cooperation and Support Agreement dated as of January 13, 2005, and a Second Amendment to Cooperation and Support Agreement dated as of August 1, 2010 (as so amended, the “Existing Cooperation Agreement”); and

WHEREAS, the Authority has determined that it may be financially beneficial to undertake a project (the “Project”) to currently refund all or a portion of the outstanding 2010 SEA Bonds and to apply the savings to pay the costs of capital repairs and improvements to SEA Regional Assets, as the Authority shall determine (collectively, the “Permitted Uses”); and

WHEREAS, in order to accomplish the Project, the Authority has developed a financing plan that contemplates the issuance of bonds by the Authority (the “SEA 2020 Bonds”) supported by annual grants from the District, without any increase in the amount of the annual grants from the District to the Authority under the Existing Cooperation Agreement; and

WHEREAS, the Existing Cooperation Agreement requires that the District consent to the issuance of the SEA 2020 Bonds and the Board desires to provide such consent and agree to the Authority’s use of the savings for capital repairs and improvements to the SEA Regional Assets as the Authority shall determine; and

WHEREAS, the Board desires to enter into a third amendment to the Existing Cooperation Agreement in order to evidence various matters relating to the Project and the SEA 2020 Bonds.

NOW THEREFORE, in consideration of the foregoing, the Board of the Allegheny Regional Asset District hereby adopts the following resolutions, effective immediately:

1. **Consent to Issuance of SEA 2020 Bonds.** The Board hereby consents to the issuance of the SEA 2020 Bonds upon the condition that (i) the annual grants to the Authority from the District as set forth in the Existing Cooperation Agreement are not increased and (ii) the savings resulting from the refunding of the SEA 2010 Bonds are applied to the Permitted Uses. The Chair, Vice Chair or Executive Director of the District are hereby authorized to execute and deliver (and the Secretary or the Assistant Secretary are hereby authorized and directed to attest, if necessary)
any certificates, instruments and documents required to be delivered by the District in connection with the issuance of the SEA 2020 Bonds (collectively, the “District Documents”), including, but not limited to, an amendment or supplement to the Existing Cooperation Agreement (the “Cooperation Agreement Amendment”) and the intercept letter with the Commonwealth of Pennsylvania, a continuing disclosure agreement and a disclosure certificate pertaining to any offering document for the SEA 2020 Bonds. Each such District Document shall be in form and substance approved by the District’s Chief Counsel and the officer executing the same, such approval to be conclusively evidenced by such officer’s execution thereof.

2. Debt Act Authorizations.

(a) The Board has been advised by representatives of the Authority qualified by experience that the reasonable estimated remaining useful life of the SEA Regional Assets is at least 13 years. The refunding of all or a part of the 2010 SEA Bonds and financing of a portion of the costs of capital repairs and improvements to the SEA Regional Assets are hereby determined to be a “project” of the District within the meaning of the Debt Act. Reasonable cost estimates for the project have been obtained from persons qualified by experience.

(b) Indebtedness of the District in an amount not to exceed $140,000,000 is hereby authorized to be incurred in connection with the issuance of the 2020 SEA Bonds, which indebtedness shall replace the indebtedness incurred by the District in 2010 in connection with the issuance of the 2010 SEA Bonds. As described in Section 2(d) below, annual payments by the District with respect to the 2020 SEA Bonds will remain the same as for the 2010 SEA Bonds. Such indebtedness shall be lease rental debt of the District (as defined in the Debt Act) and is authorized to be incurred for the purpose of paying the costs, including financing costs, of refunding the 2010 SEA Bonds and of capital repairs and improvements to the SEA Regional Assets.

(c) The Board hereby directs that the necessary documentation be filed with the Commonwealth’s Department of Community and Economic Development so that the debt incurred hereunder may be approved as lease rental debt of the District. It is therefore hereby declared that the lease rental debt of the District to be incurred hereunder shall be an amount equal to the total principal amount of SEA 2020 Bonds to be issued, which amount shall not be in excess of $140,000,000, nor in excess of the limitations as set forth in the Debt Act. The Chair, the Vice Chair or Executive Director and the Secretary or the Assistant Secretary of the District are each hereby authorized and directed to prepare, verify and file the Debt Statement required by Section 8110 of the Debt Act, together with the Borrowing Base Certificate and an application for approval of said indebtedness with the Department and to do and perform all other acts and sign all other documents necessary and proper for the obtaining of the approval of the Department.

(d) The maximum amount to be paid in each year pursuant to this Resolution with respect to the Existing Cooperation Agreement as amended by the Cooperation Agreement Amendment (as so amended, the “Cooperation Agreement”) is $13,400,000 for each of the calendar years 2020 through 2030. The Cooperation Agreement is a ‘subsidy agreement’ as defined in the Debt Act. The District covenants to include the amounts payable under the Cooperation Agreement in its budget for each year in which such amounts are payable; to
appropriate such amounts from District revenues for such payments and to duly and punctually pay such amounts or cause them to be paid on the dates and at the places and in the manner stated in the Cooperation Agreement according to the true intent and meaning thereof.

(e) Pursuant to and subject to the provisions of the Debt Act and upon receipt by the District of the approval of the Department, the District shall enter into the Cooperation Agreement Amendment containing terms and conditions consistent with this Resolution.

(f) The Chair, Vice Chair or Executive Director of the District are hereby authorized and directed to execute the Cooperation Agreement Amendment for and on behalf of the District containing terms and conditions consistent with this Resolution, in such form as may be satisfactory to the officers signing such Cooperation Agreement Amendment, subject to approval as to legality by the Chief Counsel to the District, and the Secretary or Assistant Secretary of the District shall attest the same and affix thereto the seal of the District.

(g) The proper officers of the District are hereby authorized and directed to perform all acts necessary and proper for the delivery of the Cooperation Agreement Amendment, the payment of the amounts due under the Cooperation Agreement, and the performance of all acts required thereby.

3. Costs and Expenses. All out-of-pocket costs and expenses (including counsel fees) incurred by the District in connection with the Project, including the issuance of the SEA 2020 Bonds, shall be paid or reimbursed from the proceeds of the SEA 2020 Bonds or from funds otherwise provided by the Authority.

AND IT IS FURTHER RESOLVED THAT

(a) this Resolution shall be effective immediately, and

(b) all prior inconsistent resolutions or parts thereof adopted by the Board are hereby repealed and of no effect.


2. Request by City Theatre to repurpose a portion of their 2020 capital grant.

Mr. Hudic stated that RAD awarded the City Theatre a $75,000 capital grant in 2020 based on a bid for roof replacement. Since applying for the award, they have been successful in securing a much lower bid from for $45,865 resulting in an approximate balance of $28,435.

The City Theatre is requesting that the Board consider a project scope adjustment to include some urgent facility upgrades that include restrooms, lobby carpeting; painting; and safety measures to our theater lighting grid and catwalk.
In response to a question from Mr. Griffin, Mr. James McNeel, Managing Director for the City Theatre said that they had not received bids for the interior work and it was likely that the projects would exceed the balance remaining from the 2020 grant. In response to another question, Mr. McNeel said the roof came with a 20 year warranty. He also stated that the City Theatre had a very short window of time to complete the renovations and that was why he made the request to the District now. Ms. Fields questioned the number of bids that were received when the City Theatre requested a capital grant for 2020. Mr. McNeel said one bid had been received by the same company that had just finished a roofing project. Mr. Griffin said perhaps we should require more than one bid be received at time of application.

Mr. Griffin asked for a motion to approve the request. The motion was made by Ms. Fields and seconded by Ms. Dixon and it passed unanimously.

3. Public Member Nomination.

Mr. Hudic stated that the RAD Board consists of seven voting members, four appointed by the County Chief Executive, two by the Mayor of Pittsburgh and a seventh or “at-large” member to be elected by the appointed members “from a list of nominees provided by regional economic and community development organizations.” The term of the current at-large Board member (Dr. Danny Rosen) expires June 1st. Therefore, in accordance with the Act, the District will begin accepting nominations for the public member position beginning April 1st through April 30th.

The opportunity will be posted on our website and qualified organizations are encouraged to submit nominees for election at the May 20th board meeting. The at-large seat is a term of two years. An at-large member may be re-elected for an additional term provided he/she is re-nominated.

Mr. Griffin remarked that Dr. Rosen is willing to continue as the seventh member if selected during the process.

4. RAD Branding Refresh Project Update.

Mr. Hudic provided an update on the project. Wall to Wall Studios just wrapped up their research phase of the rebranding project collecting thoughts, ideas, commentary, and inspiration from several advisory board members, assets and collaborative partners.

This research will serve as a solid base for them to build upon. We expect you to have an opportunity to consider options in the near future. Mr. Hudic then introduced Bria Blackshear, an arts management student at Carnegie Mellon University and Shannon Musgrave, Communications Director who provided more details on the project including a new feature of our website with an interactive map showing where the assets are located. Dr. Rosen noted that the when doing the website redesign to keep in mind the accessibility requirements. Mr. Griffin commended Ms. Musgrave for RAD’s social media presence.

5. RADical ImPAct Grant Update.

Mr. Hudic reported that as part of our ongoing efforts to celebrate our assets and taxpayer investment in these assets, Ms. Musgrave has designed a monthly newsletter dedicated to RADical ImPAct Grants. Staff recently met with all 12 grant recipients and reviewed obligations and expectations. Most of the projects are making great headway. He then introduced Janis Burley Wilson, President and CEO of the
August Wilson African American Cultural Center who provided an update on the Center’s ImPAct project August Wilson: The Writer’s Landscape and the activities of the Center. In addition to the update, Ms. Burley Wilson also provided a general status report on the August Wilson Center itself noting the sizable increase in funders, national media attention and increased activity at the building. She thanked the RAD Board for its longtime commitment and support.

6. Citizen Advisory Board Update.

Mr. Hudic stated that RAD has an amazing volunteer citizen’s advisory and Ms. Dixon has been their biggest champion and leader. We have engaged and involved them in many aspects of the organization including our hearing process, project feedback, policy discussions and site visits. The Advisory Board currently consists of 18 members. Three members have submitted their resignation since the last meeting including Jonathon Cox, Carlos Vallalta and Stephen Jackson. He wished them well and thanked them for their service. Mr. Hudic noted that we can have up to 27 members appointed by the Board. If he shared that if you know someone who may be interested in volunteering to please let us know. Staff will meet with them and provide a thorough review of RAD’s expectations before the Board officially nominates and approves them to serve.

Old Business

Center for the Arts & Media

Mr. Hudic informed the Board that the new leadership at the Center for Arts and Media will appear at the May meeting. There are several action items that are currently tabled until they can provide further explanation and request action from the board officially. Unfortunately they were not prepared to do so today and asked for additional time.

Ms. Kirk had questions on their current leadership. Mr. Griffin stated that it was obvious that the organization has changed since they submitted an application for 2020 funding in July. In response to a question, Mr. Hudic said the capital balances for 2017 and 2018 total $61,741 and $57,500 for the fourth quarter 2019 operating payment. He also informed the Board that we have not entered into a 2020 operating agreement at this time. Ms. Kirk motioned that we should not continue to provide an extension for the capital payments. Ms. Dixon recommended waiting until we hear from the organization in May and Ms. Kirk withdrew her motion. Ms. Fields expressed concern about the sustainability of the organization. Mr. Ross also concurred that he was hesitant in providing additional funds. Dr. Rosen said the District should give the organization a deadline. Mr. Ross also suggested that they be told there is no assurance of the prior funds.

New Business - 2020 Board Reorganization

The Chair asked Mr. Hudic to conduct the nomination and election process that will select officers for calendar year 2020. There were single nominations for each office with the results as follows:

<table>
<thead>
<tr>
<th>Office</th>
<th>Nominee</th>
<th>Nominated By</th>
<th>Vote Tabulation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Chair</td>
<td>Dusty Kirk</td>
<td>Dan Griffin</td>
<td>Unanimous</td>
</tr>
<tr>
<td>Vice Chair</td>
<td>Dan Griffin</td>
<td>Sylvia Fields</td>
<td>Unanimous</td>
</tr>
<tr>
<td>Secretary/Treasurer</td>
<td>Sylvia Fields</td>
<td>Dan Rosen</td>
<td>Unanimous</td>
</tr>
</tbody>
</table>
Ms. Kirk nominated Mr. Hudic as Assistant Secretary/Treasurer and it passed unanimously.

Mr. Griffin turned the meeting over to the newly elected Chair, Ms. Kirk who thanked Mr. Griffin for his leadership over the last three years. Ms. Kirk then proceeded to the appointment of committees.

Appointment of Committees

Ms. Kirk made the following Board committee appointments and all were unanimously approved by the Board:

<table>
<thead>
<tr>
<th>Committee</th>
<th>Members</th>
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<tbody>
<tr>
<td>Allocations</td>
<td>Hilda Fu, Dan Griffin, Tony Ross</td>
</tr>
<tr>
<td>Library</td>
<td>Jackie Dixon, Dan Griffin, Dusty Kirk</td>
</tr>
<tr>
<td>Audit</td>
<td>Dusty Kirk, Tony Ross</td>
</tr>
<tr>
<td>Project Review</td>
<td>Sylvia Fields, Hilda Fu, Dan Rosen</td>
</tr>
<tr>
<td>Advisory Board Liaison</td>
<td>Jackie Dixon</td>
</tr>
<tr>
<td>Gender Equity Task Force</td>
<td>Sylvia Fields, Dan Rosen</td>
</tr>
</tbody>
</table>

Adjournment

The meeting was adjourned at 4:30 PM.