

Allegheny Regional Asset District  
Board of Directors Meeting & Public Hearing  
3 PM May 25, 2021  
via Zoom

The Board of Directors met at 3:00 PM on Tuesday, May 25, 2021 convened by way of Zoom webinar, due to the COVID-19 crisis. Present were Board Members: Ms. Dusty Kirk (Chair), Ms. Jackie Dixon, Ms. Sylvia Fields, Mr. Daniel Griffin, Ms. Hilda Fu, and Dr. Daniel Rosen. Chief Counsel Mr. James Norris, Executive Director Mr. Rich Hudic, staff, advisory board members and members of the public. Notice of the meeting was published in accordance with the Act and By-laws. The agenda and instructions for viewing the meeting were posted on the District website.

Ms. Kirk stated that due to the COVID-19 pandemic, and out of concern for the health and wellness of the public, our Board members, and our employees, this meeting is being held with call-in and web-based options only. RAD remains committed to transparency and to our obligations under the Sunshine Act. She noted that the District was also acting in accordance with guidance from public health experts and County and City officials.

Ms. Kirk acknowledged and thanked all the citizen advisory board members that were in attendance.

*Public Comment*

The chair indicated that this meeting would serve as to public hearing, as grant proposals would be discussed. No one registered to speak at that time.

*Minutes*

The first item on the agenda was consideration of the minutes of the meeting of February 16, 2021. As there were no additions/corrections, Ms. Fu moved approval with Ms. Dixon seconding. The motion was unanimously approved.

Also, up for approval were the minutes from the special board meeting that was held on April 20, 2021. As there were no additions/corrections, Mr. Griffin moved approval with Mr. Rosen seconding. The motion was unanimously approved.

*Treasurer's Report*

The Chair called on Ms. Fields to submit the following report.

Board Members:

I am pleased to submit the following report on RAD's financial position. Year to date sales tax revenue through May is \$44.4 million, which is 6.3% higher than 2020 year to date revenue of \$41.8 million. The Allocations Committee has reviewed these trends and will report later on the implementation of the 2021 budget.

The District has distributed \$36.9 million in 2021 grants through May, including \$352,000 in prior year capital, project, and RADical ImPAct payments. In addition to monthly payments to contractual assets, the first quarterly payments to large annual grantees have been released, and the 2021 grants to all other assets will be paid in June.

We remain on budget on the administrative side at this time.

Submitted by  
Sylvia Fields  
Treasurer

Ms. Kirk asked if there were any comments or questions.

Ms. Dixon wondered if RAD receives a percentage of tax from home sales in Allegheny County. Ms. Kirk explained that although taxes from home sales are not part of RAD's revenue, RAD would receive a percentage of the sales tax on the many purchases that often follow the buying of a new home.

In response to Mr. Rosen's question asking if the 2020 year to date figure in the report yet reflected the effects of the pandemic, Mr. Hudic stated that effects of the pandemic were beginning to be seen by this point last year. He compared RAD's 2021 year to date revenue to that of 2019, which was the highest earning year in RAD history. Current year to date revenue is 1.2 million dollars ahead of 2019's historic amounts.

### *Audit Committee Report*

The chair gave the audit report.

Board Members:

The Audit Committee met on April 29, 2021 with the District's independent auditors. A representative from the County Controller's office and RAD staff

were also present. We are pleased to present the following report to the Board.

### **2020 Audit**

Brian Chruscial, CPA and Partner with Zelenkofske Axelrod presented a detailed report of the District's 2020 Audit. Mr. Chruscial offered an unmodified opinion stating there were no disagreements with management and no internal control deficiencies. The District is in full compliance with current standards for presentation of financial statements by government entities.

Board members will receive a hard copy of the 2020 audit in the mail and it is available for public inspection in the RAD office and posted on the District's web site.

Submitted by  
Dusty Kirk and Tony Ross  
Audit Committee

The chair opened the floor for any questions of the audit. Ms. Dixon remarked that the 2020 audit was one of the better ones she's reviewed. Mr. Kirk agreed and added that it was a very clean presentation and thanked staff for their work.

### ***Report of the Project Review Committee***

The chair called on Dr. Rosen to submit the project review committee report.

Board Members:

The Project Review Committee has met and review project grant applications and makes the following recommendations for your consideration today.

A Connection Grant in the amount of \$250,000 to the Pittsburgh Ballet to offset the shared operating costs for our assets to participate in six Open Air Series performances over the next three years throughout the county. By making it affordable and easy, many of our assets will have the chance to perform at venues where they may not have had an opportunity due to budget constraints. Undoubtedly, organizations will get the chance to share their art with a larger audience base and taxpayers will have far greater access and opportunity to experience a first-rate performance in

their very own community. The committee enthusiastically recommends this request under the criteria established in the Connection Grant program: **a collaborative project resulting in audience growth and reduction of costs.** We further recommend that the grant be released in tranches over three years (\$125K, \$75K, \$50K respectively) contingent on the Ballet meeting the certain conditions and benchmarks. Assets currently engaged due to the greatly reduced cost include: Attack Theatre, Chatham Baroque, Kelly Strayhorn Theater, Pittsburgh CLO, Pittsburgh Festival Opera, Pittsburgh Playwrights, Pittsburgh Public Theater, River City Brass, Texture Contemporary Ballet, August Wilson African American Cultural Center, Pittsburgh Cultural Trust, Pittsburgh Opera, Pittsburgh Symphony and the Ballet.

Second, the Committee recommends a Connection Grant in the amount of \$25,000 to the Pittsburgh Camerata to support the establishment of a formal administrative affiliation with the Pittsburgh Girls' Choir under the established Connection Grant program criteria: **agreements between or among assets to share a significant portion of administrative costs and/or facilities for a minimum of three years.** The committee believes that the value of assisting the two organizations with the transition of their executive leadership is valuable in the long run and applaud their efforts. RAD funds are contingent on the successfully enacted agreement between the organizations.

The total impact of these two highly recommended proposals on RAD's budget for 2021 is \$150,000 leaving a balance of \$150,000 for additional considerations throughout the year.

Submitted by  
Sylvia Fields, Hilda Fu, & Danny Rosen  
Project Review Committee

Ms. Dixon commented that these types of projects should be highlighted in the press. She expressed that the public needs to know about the wonderful RAD supported programs.

Ms. Fields echoed Ms. Dixon sentiments and added that the effects of the pandemic could be felt up to five years from now so programming such as the Open-Air Series would help curb public hesitancy to return to theatrical spaces.

This Connection Grant will allow assets to not only build new audiences but reengage the ones they had prior to the COVID crisis.

The chair added that this Connection Grant will allow other RAD assets to use the Open Air Series portable stage at a significantly reduced cost.

Mr. Hudic noted that a few Ballet and Pittsburgh Camerata staff were in attendance and happy to hear the board's enthusiasm and support of these Connection Grants.

The chair called for a motion of approval. Mr. Griffin motioned with Ms. Fields seconding. The motion was unanimously approved.

### *Allocations Committee Report*

Ms. Kirk called on Dan Griffin to submit the allocations committee report.

Board Members:

Our committee has reviewed the status of the 2021 budget as well as the proposed guidelines for the 2022 budget. Based on our review, we offer the following report and recommendations.

Under provisions of Act 77 and the agreements with the contractual assets, the District is required to examine its revenue mid-year to determine if it will meet budget projections. As stated previously in the Treasurer's report, District revenue has exceeded monthly budgeted projections for the first half of the year and we do not expect any dramatic changes in this trend through the end of the year. Therefore, we recommend the District's full implementation of the 2021 budget as it was adopted in December.

Looking towards a brighter future, the committee reviewed the eligibility and program guidelines for 2022 funding and proposes the following recommendations and enhancements:

1. We recommend that applicants focus on their financial positions, including their sustainability, plans for growth, and a true assessment of their needs in order to build back to a meaningful capacity. We want them to take a thoughtful look at their viability and when appropriate, explore creative ways to collaborate and establish long lasting partnerships.

2. We also recommend that the Board accept proposals for discretionary capital projects. While the District's ability to make capital, grants is dependent on resources, at this point the committee believes we should have a list of projects ready for consideration. We recommend that emphasis is placed on shovel ready projects and that financial support from other sources be taken into consideration during evaluation. In addition, we recommend evaluating an organization's ability to sustain the project long-term.
3. The committee recommends that we continue to use our citizens advisory board members to evaluate a select group of applicants for further consideration by the RAD Board.

Applications will be due July 12, 2021 and budget hearings will be scheduled for mid-to-late August through early September. The first hearing is scheduled for August 18<sup>th</sup> with a recommendation from the Committee to host each public hearing virtually. The Board is tentatively scheduled to meet on September 30<sup>th</sup> to release a preliminary budget in compliance with the District's enabling legislation.

As long-term impacts of the pandemic are more fully realized, the committee believes that the recommended 2022 operating and capital grant programs emphasize the Board's core goal to preserve a group of quality, well-managed, diverse and inclusive regional assets. We look forward to working with the Board and applicants during the coming months and move the adoption of the recommendations outlined in this report.

Submitted by  
Hilda Fu, Dan Griffin, and Tony Ross  
Allocations Committee

Dr. Rosen asked if proper direction regarding capital projects would be provided to applicants as discussed in the Allocations Committee. Mr. Hudic explained that the committee reviewed and approved the capital guidelines and they will be made available to all applicants. Applicants seeking capital support in 2022 will share their project details during the fall hearing process.

Mr. Griffin stated that the Allocations Committee met back in April and at that time they felt it best to recommend the continuation of virtual meetings. However, with the steady roll out of vaccinations he wanted to revisit that recommendation.

Ms. Kirk agreed that while the board did miss in-person interactions with the assets, she felt that proceeding with Zoom based meetings, especially for the upcoming public hearings in August and September, would be best.

Mr. Hudic echoed these sentiments based on the most recent extension of the emergency pandemic declaration.

The chair called on a motion for approval. Ms. Fields moved for approval with Dr. Rosen seconding. The motion was unanimously approved.

### *Report of the Citizens Advisory Board Liaison*

The Chair called on Ms. Dixon to submit the following report

Board Members:

I am pleased to report on the recent meeting of our Citizens Advisory Board, which took place April 28<sup>th</sup> via Zoom. We had the opportunity to connect with many of our advisory board members, including the two newest appointees, Melanie Marie Boyer and Eddie Vargo.

The advisory board was introduced to the new staff and received detailed updates on RAD activities including finance and budget expectations, RADical ImPact Grants, and RADical Days. In addition, advisory board members were encouraged to engage in asset site visits and volunteer to serve during the annual hearing process as a panelist.

It was a great meeting and a wonderful opportunity to acknowledge and thank our advisory board members for their service and support of RAD. We look forward to when we can meet again in person!

Finally, I would like to recommend the appointment of Ian Hurley to the Citizens Advisory Board. Ian joined us for the spring meeting and is eager to be part of the team. He is the Director of Social Media at Duquesne University and has been a lifelong fan of the work RAD supports.

Submitted by  
Jackie Dixon  
Advisory Board Liaison

Ms. Dixon made a short introduction of Mr. Ian Hurley, a nominee for the Citizens Advisory Board. Mr. Hurley grew up in Pittsburgh and currently resides in the South Hills, where he's taken advantage of some of the RAD resources and programming in his neighborhood. A longtime admirer of the work RAD does, he is excited to become a contributing member of the Citizens Advisory Board.

Ms. Kirk called for an approval motion. Ms. Fu moved for approval with Ms. Fields seconding. The motion was unanimously approved.

Ms. Kirk extended a warm welcome to Mr. Hurley and called on Mr. Hudic to present his Executive Director's report.

### *Report of the Executive Director*

Mr. Hudic noted that the first thing on his agenda was a request for an administrative budget amendment. He noted that due to the pandemic, 2020's marketing and RADical Days budget was significantly smaller than in years past, and due to the uncertainty of what 2021's RADical Days would look like, that budget line remained reduced. In light of the fact that RAD assets are beginning to open up more fully, RADical Days 2021 can play a significant role in the region's reopening, encouraging Allegheny County residents and visitors to reconnect with our regional assets. As such, Mr. Hudic requested an increase of \$120,000 to support RADical Days marketing and partnership collaborations. He noted that \$60,000 would come from the sales tax fund reserves and \$60,000 from the general fund surplus. He emphasized that the administrative budget would remain below one percent of RAD's overall budget with the proposed increase.

Mr. Griffin offered his support of the increase, noting that it would provide free marketing for RAD assets and assist them in attracting audiences and patrons back through their doors.

Ms. Kirk echoed Mr. Griffin's sentiments and called for a motion of approval.

Dr. Rosen motioned with Ms. Dixon seconding. The motion was unanimously approved.

***\*Reviewed and recommended by the Allocations Committee***



## BUDGET AMENDMENT

### RADical Days 2021 Collaboration & Partnership Marketing Initiative

RADical Days 2021 will be key in generating awareness and enthusiasm among County residents to re-engage with assets after a long hiatus. In an effort to reach as many people as possible, RAD will invest in the marketing and communications of RADical Days in the following ways:

- Expand marketing material distribution from 42,000 to 100,000+ (*list in development*)
- Invest in digital, radio, TV, print promotion
- Establish strategic marketing and promotional partnerships with assets of their RADical Days events (*i.e. Cultural District reopening week as RADical Days*)
- Work in concert with GPAC's ReStart the Arts campaign and have RADical Days as part of that rollout
- Big kickoff presser; joint press releases with participating assets for specific events

Draft Budget – flexibility to adjust as opportunities arise

#### EXPENSES

#### NOTES

Collateral Materials	\$15,000	Based on 2019 \$ x 2.5
Promotion – all media	\$15,000	Based on GPAC proposals re: ads
Strategic Partnerships	\$90,000	i.e. Cultural Trust, GPAC etc...
Total	\$120,000	STRF reserve & GF surplus
Current Marketing Budget	\$30,000	
<b>TOTAL Marketing + RADical Days</b>	<b>\$150,000</b>	

Sourced: \$60,000 Sales Tax Revenue Fund (reserve) | \$60,000 General Fund Surplus

Next, Mr. Hudic reported on the updates of the RADical ImPAct projects, many of which are now in full swing. To give the board a more in-depth look at their process, staff and artists from City Theatre Company joined the meeting to present on their RADical ImPAct project, a new play called *The Rivers Don't Know*, which will premiere in the fall. Marc Masterson (Artistic Director), Clare Drobot (Associate Artistic Director), and Monteze Freeland (Associate Producer) gave a presentation on the development of this community-centered play, and City's partnerships with several local organizations that work with Pittsburgh's immigrant and refugee populations. Their presentation concluded with two local actors reading a scene from the play.

Ms. Kirk stated that it was fantastic to see RAD funds at work, and that getting the opportunity to see some of the artistic process was a nice change from typical board meeting numbers and reports.

### *Old/New Business*

The Chair reminded the board that the first date of the upcoming public hearings would be on August 18, 2021 at 2:30pm by way of Zoom.

### *Adjournment*

Ms. Kirk called for a motion to adjourn the meeting. Ms. Dixon motioned with Ms. Fu seconding. The meeting adjourned at 4:07pm.