

## BOARD ACTIONS EXPLAINED

URA Board Special Meeting – Lower Hill Briefing (Non-voting)

May 26, 2021

### Final Approvals for Block G-1 (FNB Tower)

URA Board Action	Explanation
1. Final Board Approval pursuant to the Comprehensive Option Agreement (the “Option Agreement”) among this Authority, the Sports & Exhibition Authority of Pittsburgh and Allegheny County ( <b>SEA</b> ), and Pittsburgh Arena Real Estate Redevelopment LP ( <b>PAR</b> ), of a Conceptual Development Plan for the Take Down of Block G-1 (a portion of Block 2-C, Lot 401), in the 3rd Ward (“Take Down Tract #10”) subject to all reviews and approvals provided in the Option Agreement.	If approved by the URA Board in June 2021, this action gives PAR the right to develop Block G-1 in a manner consistent with the plans presented to and approved by the Dept. of City Planning for the FNB Tower (i.e., the Conceptual Development Plan). This is consistent with the Option Agreement between the URA, SEA, and PAR, which granted PAR the right to purchase Block G-1 from SEA, its current owner. This option right is subject to the terms and conditions laid out in the Option Agreement.
2. Final Board Approval of Office Partners XXIII Block G1 LLC ( <b>Office Partners</b> ) as a Redeveloper for the Take Down of Block G-1 (a portion of Block 2-C, Lot 401), in the 3rd Ward (“Take Down Tract #10”).	If approved by the URA Board in June 2021, this action permits the Office Partners the right to buy land, finance real estate deals, have builders build projects, and manage the FNB Tower development process from beginning to end. The Office Partners were selected by PAR for this role. Please note that Board Action 2 cannot advance to a vote unless and until Board Action 1 is approved.
3. Final Board Approval of the Take Down of Block G-1 (a portion of Block 2-C, Lot 401), in the 3rd Ward (“Take Down Tract #10”) subject to all reviews and approvals provided in the Option Agreement.	If approved by the URA Board in June 2021, this action will authorize the SEA to transfer the title for Block G-1 to PAR (i.e., Take Down). Please note that Board Action 3 cannot advance to a vote unless and until Board Actions 1 & 2 are approved.
4. The proper officers and agents of this Authority are authorized and directed to take all actions and execute such documents as are related and proper to affect the terms of the foregoing.	Provided Board Actions 1-3 are approved, the URA Board’s approval of Action 4 allows URA leadership and staff to sign documents necessary for the real estate and financial closing on Block G-1.

### Preliminary and Final Approvals for Block G-4 (Public Open Space)

Board Action	Explanation
1. Preliminary and Final Board Approval, pursuant to the Comprehensive Option Agreement (the “Option Agreement”) among this Authority, the Sports & Exhibition Authority of Pittsburgh and Allegheny County ( <b>SEA</b> ), and Pittsburgh Arena Real Estate Redevelopment LP ( <b>PAR</b> ), of a Conceptual Development Plan for the Take Down of Block G-4 (a portion of Block 2-C, Lot 401), in the 3rd Ward (“Take Down Tract #11”), subject to all reviews and approvals provided in the Option Agreement.	If approved by the URA Board in June 2021, this action gives PAR the right to develop Block G-4 in a manner consistent with the plans presented to and approved by the Dept. of City Planning for public open space (i.e., the Conceptual Development Plan). This is consistent with the Option Agreement between the URA, SEA, and PAR, which granted PAR the right to opt to purchase Block G-4 from SEA, its current owner. This option right is subject to the terms and conditions laid out in the Option Agreement.
2. Preliminary and Final Board Approval of Office Partners XXIII Block G1 LLC ( <b>Office Partners</b> ) as a Redeveloper, and Lower Hill District Conservancy ( <b>Conservancy</b> ) a to be formed Pennsylvania unincorporated association as property owner and conservator, for the Take Down of Block G-4 (a portion of Block 2-C, Lot 401), in the 3rd Ward (“Take Down Tract #11”).	If approved by the URA Board in June 2021, this action permits the Office Partners the right to finance real estate deals, have builders build projects, and manage the development of the public from beginning to end. Further, it gives ownership and management of this public open space to the to-be-formed Conservancy. The Conservancy’s members shall include all current and future owners of Lower Hill site developments. The Office Partners and the Conservancy were selected by PAR for these roles. Please note that Board Action 2 cannot advance to a vote unless and until Board Action 1 is approved.

## BOARD ACTIONS EXPLAINED

URA Board Special Meeting – Lower Hill Briefing (Non-voting)

May 26, 2021

### Preliminary and Final Approvals for Block G-4 (Public Open Space) [continued]

Board Action	Explanation
3. Final Board Approval of the Take Down of Block G-4 (a portion of Block 2-C, Lot 401), in the 3rd Ward (“Take Down Tract #11) subject to all reviews and approvals provided in the Option Agreement.	If approved by the URA Board in June 2021, this action will authorize the SEA to transfer the title for Block G-4 to PAR (i.e., Take Down). Please note that Board Action 3 cannot advance to a vote unless and until Board Actions 1 & 2 are approved.
4. The proper officers and agents of this Authority are authorized and directed to take all actions and execute such documents as are related and proper to affect the terms of the foregoing.	Provided Board Actions 1-3 are approved, the URA Board’s approval of Action 4 allows URA leadership and staff to sign documents necessary for the real estate and financial closing on Block G-4.

### Lower Hill Local Economic Revitalization Tax Assistance (LERTA)

Board Action	Board Actions Explained
1. Authorization to amend the LERTA by entering into the First Amendment to the Declaration for Restrictive Covenants, and authorization to accept funds and execute any documentation necessary for the Authority to administer the LERTA, pursuant to the Cooperation Agreement Regarding the Lower Hill Local Economic Revitalization Tax Assistance District.	If approved by the URA Board in June 2021, this action will allow URA staff to update the recorded LERTA Declaration to reflect the November 21, 2019 letter agreement that permits PAR to keep 50% of the value of real estate taxes generated from future Lower Hill site development (i.e. the Retained Amount) for eligible uses identified in the Retained Amount Guidelines (See Action #2).
2. Approval of the Lower Hill Local Economic Revitalization Tax Assistance District Retained Amount Guidelines.	If approved by the URA Board in June 2021, this action sets forth the eligible uses of the Retained Amount and the processes which PAR must follow to utilize the Retained Amount.
3. Approval of Optionee’s Application for Proposed Retained Amount Investments, as submitted to the URA on [DATE] for authorization to utilize the Retained Amount funds for such investments.	LERTA Board Item 2 must be approved prior to, or simultaneously with, this Board action. If approved by the URA Board in June 2021, this action will allow PAR to use Retained Amount funds to develop and construct the applied-for and URA improvements.
4. Approval of Greater Hill District Reinvestment Fund Guidelines.	If approved by the URA Board in June 2021, this action will result in the adoption of the Guidelines for utilizing LERTA-derived funds not retained by PAR for the Greater Hill District Reinvestment Fund. Fund monies shall be made available for eligible projects and investments in the Hill District Community.
5. That it is the intent of the Authority that Lower Hill Developer LLC, any other equity owners of the Block G-1 development, and the Executive Management Committee of the Community Collaboration and Implementation Plan (“CCIP”) give their best efforts to reach agreement on a Community Impact Plan and that such Community Impact Plan is consistent with the CCIP and with the Community Impact Plan put forward by the development team in April 2020. URA Staff will provide guidance and a compliance assessment to the Board to assist in assessing whether such efforts have been made in advance of future votes is hereby approved.	This authorization was presented to and adopted by the Board in May 2020.