

1001 Fifth Avenue
Pittsburgh, PA 15219

TEL 412.642.1300
FAX 412.255.1980

PITTSBURGH PENGUINS

pittsburghpenguins.com

April 16, 2014

The Honorable Anthony Foxx
Secretary
Department of Transportation
400 7th Street S.W.
Washington, DC 205900

**RE: FY2014 TIGER Discretionary Grant -
Lower Hill Urban Redevelopment Infrastructure Project**

Dear Secretary Foxx:

We are writing this letter in support of a FY2014 TIGER V Discretionary Grant application being submitted by the Sports & Exhibition Authority of the City of Pittsburgh and Allegheny County (SEA) in connection with the redevelopment of a 28 acre parcel on the former Civic Arena site adjacent to Downtown Pittsburgh. While the SEA and the Urban Redevelopment Authority of the City of Pittsburgh (URA) own the site, we have the development rights.

As outlined in its application, the SEA intends to use the grant to fund the construction of the infrastructure necessary to support our mixed use development project. This project is not only the top priority for Allegheny County and the City of Pittsburgh, but it also has the potential to be one of the most transformative development projects in the Pittsburgh region in recent years. We currently anticipate that the development project will attract at least \$380 million (and possibly as much as \$600 million) in private investment to the site and will create over 4,000 jobs during construction and almost 3,000 permanent jobs after construction. It also will reconnect and revitalize three adjacent communities and act as a catalyst for further economic development in each of them.

In addition to its economic impact, this development project will have two other unique and significant impacts on the Pittsburgh region. First, we have a strong commitment to sustainability in connection with the redevelopment of the former Civic Arena site. Following up on the LEED Gold certification for CONSOL Energy Center, we intend to pursue LEED ND certification for this project. Like CONSOL Energy Center being the first NHL arena to achieve this certification, this development would be the first large scale development in Pennsylvania to be certified LEED ND. In addition, we engaged a group of experts from the public, non-profit and academic sustainability community to advise us on “best practices” in sustainable development related to energy, water, transportation and materials. Many of these “best practices” have been incorporated into the design of the infrastructure and will be incorporated into our master plan and design for the development.

A GREAT DAY FOR HOCKEY™


Second, we have a strong commitment to the Hill District community, which is an adjacent neighborhood that has been historically economically disadvantaged due, in part, to the development of the former Civic Arena in the 1950s. As part of the development of CONSOL Energy Center, we contributed \$1 million to a much needed grocery store for the Hill District and attracted an additional \$3 million in private investment in the community. We also filled 35% of the 861 open positions with Hill District residents when we opened the new arena. Continuing this commitment, we have been working with the political and community leaders on a community collaboration plan to make sure that the Hill District community and its residents are able to take advantage of the job, economic and wealth building opportunities that will be created by the development.

We are fully supportive of the efforts of the SEA to complete the infrastructure for the former Civic Arena site. The TIGER VI funds will be used as gap funding to complete the remaining elements of the infrastructure. These improvements strongly align with US DOT's priorities and "ladders of opportunity" by creating multi-modal choices (i.e. new pedestrian connections, enhanced bus routes, shared and dedicated bike paths, connections to light-rail transit station and possible future BRT) needed to connect people from a historically distressed neighborhood to centers of employment, education and essential services. In addition, funding will provide for final design of a "cap" over the interstate highway, which will eventually reconnect the 28-acre site to Downtown when constructed. The "cap" will provide urban open space, opportunities for development, and pedestrian and bike-friendly access to the City's central business district. Both are vital to the success of our project.

To date, we have made a significant investment of over \$3 million in order to obtain the necessary entitlements for the site and to assist the SEA with securing over \$15 million in state and local infrastructure funding. We will continue to work with the SEA and the URA, as well as Allegheny County and the City of Pittsburgh, to secure the funding necessary to maintain the design and pre-construction schedule set forth in the application.

We appreciate your consideration of the application. If there is any additional information that we can provide to assist you in your review of the application, please do not hesitate to contact us. Thanks.

Sincerely,

A handwritten signature in blue ink, appearing to read 'DM', followed by a long horizontal flourish.

David Morehouse
CEO / President
Pittsburgh Arena Real Estate Redevelopment LP