

HILL DISTRICT COMMUNITY BENEFITS AGREEMENT

This Hill District Community Benefits Agreement ("Agreement") is entered into and dated as of this 14 day of August, 2008 between the One Hill Neighborhood Coalition, on behalf of itself and its member organizations, shareholders, officers and directors (collectively, the "Coalition"), the Sports and Exhibition Authority of Pittsburgh and Allegheny County ("SEA"), the County of Allegheny ("County"), the City of Pittsburgh ("City") the Urban Redevelopment Authority of Pittsburgh ("URA"), Pittsburgh Arena Real Estate Redevelopment LP ("Penguins Redevelopment"), Pittsburgh Arena Development LP ("Penguins Arena") and Pittsburgh Arena Operating LP ("Penguins Operating"; collectively with Penguins Redevelopment and Penguins Arena, the "Penguins Entities") (the Coalition, SEA, County, City, URA and Penguin Entities, collectively, the "Parties").

Introduction.

Whereas, the member organizations of the Coalition consist of a broad coalition of organizations, businesses, and residents in the Hill District of the City of Pittsburgh, a complete list of which is set forth on *Exhibit 1* attached hereto;

Whereas, the City, through its Planning Commission, (i) has approved a master plan for the development of the New Arena and a proposed parking garage, surface parking and staging areas on the New Arena Site ("New Arena Master Plan") and (ii) will consider for approval one or more master plans for the development/ redevelopment of the 28-acre site of the existing Mellon Arena and future development parcel adjacent to the New Arena (collectively, the "Additional Redevelopment Master Plans"), in conjunction with the SEA, the URA and the Penguins Entities;

Whereas, the New Arena Development and future developments contemplated by the Additional Redevelopment Master Plans present an opportunity to leverage investments to improve the economic and social vitality of the Hill District and to further what was intended by the Lower Hill Redevelopment Area Plan developed in connection with the construction of the existing Mellon Arena;

Whereas, the parties agree that the best way to leverage past, current and future investments, and maximize the opportunity for the revitalization of the Hill District is with the development of a comprehensive, market-rate, stakeholder-driven strategic planning document for the entire Hill District (as described in Section 1 below, the "Hill District Master Plan");

Whereas, the Coalition and certain of its constituent member groups have filed a Notice of Appeal from Decision of the City Planning Commission captioned "One Hill Neighborhood Coalition, Hill District Consensus Group, Preservation Pittsburgh, Black Empowerment Project, Pittsburgh United, Appellants vs. Planning Commission of the City of Pittsburgh and the City of Pittsburgh, Appellees" in the Court of Common Pleas

of Allegheny County, Pennsylvania on February 14, 2008, at Docket Number S.A. 08-173 (the "Notice of Appeal"), and has expressed other legal and policy concerns concerning the development of the New Arena Master Plan and Additional Redevelopment Master Plans;

Whereas, the Coalition and the other parties to this Agreement have agreed that it is in their mutual interests to resolve the concerns of the Coalition through cooperation and settlement, rather than through litigation;

Whereas, the Parties desire to enter into this Agreement as a means of resolving their legal and policy concerns pertaining to the New Arena Development and establishing a framework for resolving their potential legal and policy concerns relating to the redevelopment of the Additional Redevelopment Area;

Whereas, the Public Entities, the URA and the Coalition desire to establish guidelines for the development of the Hill District pursuant to the creation of the Hill District Master Plan, which will result in the adoption of policies designed to provide concrete benefits to the residents of the Hill District; and

Whereas, by entering into this Agreement, the Parties desire to ensure that (i) the Notice of Appeal is settled and discontinued with prejudice by the Coalition and all other Appellants, (ii) the development and construction of the New Arena and the Additional Redevelopment Area proceed with the avoidance of any further litigation and challenge by the Coalition and (iii) the development and construction of the New Arena and the Additional Redevelopment Area provide concrete benefits to the residents of the Hill District.

Definitions.

As used in this Agreement, the following terms shall have the following meanings. All definitions include both the singular and plural form. The Parties acknowledge that all capitalized terms defined in this Agreement shall solely apply to this Agreement, and shall not be construed as definitions with respect to any other agreement.

"Additional Redevelopment Area" means, collectively, the property located proximate to the New Arena Site in the Third Ward of the City of Pittsburgh, consisting of the approximately 28 acre site of the existing Mellon Arena and the future development parcel adjacent to the New Arena, as more particularly shown on the site plan attached as *Exhibit 3*.

"Coalition representative" shall be the individual(s) designated by the Coalition, in the manner set forth in its membership rules, as the Coalition representative(s) authorized to speak or act on behalf of the Coalition for all purposes under this Agreement. Such person shall be the person designated in a writing, delivered to the Mayor of the City, the Chief Executive of the County, the Executive Director of the SEA and the Executive Director of the URA.

"Hill District" means the greater Hill District generally bounded by Bigelow Boulevard, the Boulevard of the Allies, Forbes Avenue, and Sixth Avenue. This area encompasses the Upper Hill (Schenley Heights/Sugartop and the Herron Ave Business Corridor), the Middle Hill (Oak Hill, Whiteside Road, and the Centre Avenue Business Corridor) and the Lower Hill (Reed and Roberts, Crawford Square, Bedford Dwellings, Uptown and the Mellon Arena/Melody Tent associated lots and sites).

"New Arena" means an enclosed sports and entertainment facility, together with an adjoining multi-story parking garage and associated surface parking and staging areas, to be located on the New Arena Site in accordance with the New Arena Master Plan.

"New Arena Development" refers to the development of the New Arena on the New Arena Site.

"New Arena Hotel" means the hotel proposed to be built on the future development parcel adjacent to the New Arena.

"New Arena Site" means the property located proximate to Washington Place, Centre Avenue and Fifth Avenue in the Third Ward of the City of Pittsburgh, as more particularly shown on the site plan attached as *Exhibit 2*.

"Released Claims" shall mean any and all local, state and federal law based suits, petitions, claims, causes of action, or actions that may arise or relate to the acts or obligations of the Parties prior to the date of this Agreement, challenging the sufficiency or legal validity of the New Arena Master Plan or the Additional Redevelopment Master Plans (including, without limitation, initial approval and all related and subsequent zoning, land use, permitting and other approvals and/or associated environmental documents, or any other action of any public official or unit of government, related in any way to the new arena development or the matters contemplated by this Agreement). Released Claims shall include, without limitation, the Notice of Appeal. Released Claims shall not include any claim seeking enforcement or interpretation of this Agreement.

"Steering Committee" shall mean, collectively, one or more nine member committees which shall be established by the Parties to implement various matters as set forth in this Agreement and to support the development and implementation of the Hill District Master Plan. Its members shall be appointed as follows: one member appointed by each of the Mayor, the County Executive, the State Senators representing the Hill District, the State Representative representing the Hill District, the City Councilperson representing the Hill District, and four (4) members appointed by the Coalition. All decisions of the Steering Committee shall be made by consensus to the extent reasonably possible, and otherwise by vote. Each member of the Steering Committee shall serve at the will of the appointing official/entity. With respect to any matter that comes to a vote, no decision of the Steering Committee shall be effective if there are more than two (2) dissenting votes.

The Penguins Entities shall have the right to appoint a representative to sit as an ex officio member of the Steering Committee, without voting rights.

"Waived Claims" shall mean any and all local, state and federal law based suits, petitions, claims, causes of action, or actions that may arise or relate to the acts or obligations of the Parties after the date of this Agreement, challenging the sufficiency or legal validity of the New Arena Master Plan or Additional Redevelopment Master Plans (including, without limitation, initial approval and all related and subsequent zoning, land use, permitting and other approvals and/or associated environmental documents, or any other action of any public official or unit of government, related in any way to the new arena development or the matters contemplated by this Agreement). Waived Claims shall not include any claim seeking enforcement or interpretation of this Agreement.

Agreement Overview: General Terms

A. Recitals True and Correct. The recitals contained herein are true and correct.

B. Mutual Consideration. The respective parties' commitments to abide by the terms of the Agreement constitute the required mutual consideration.

C. Agreement Lawful and Legally Enforceable. All Parties to this Agreement understand and agree that it is lawful, enforceable, and binding on all Parties; agree to waive any potential challenges to the enforceability of the Agreement; and agree not to affirmatively or by way of defense seek to invalidate or otherwise avoid application of the terms of this Agreement in any judicial action, or other proceeding such as arbitration or mediation. The Coalition expressly represents that it enters into this Agreement on its own behalf, and on behalf of each of its constituent entities and persons, and that they are bound by the terms of this Agreement.

D. Headings Not Limiting. Section and subsection headings herein are included for convenience only and shall not be deemed to govern, limit, modify, or in any manner affect the scope, meaning or intent of the provisions of any section or subsection herein.

E. Term of Agreement. The Agreement shall be operative from the date of its approval by the parties for the period ending ten (10) years after the first anniversary of the later of (i) the opening of the New Arena and (ii) the demolition of Mellon Arena and preparation of the land thereunder for use as a parking lot; provided, however, that in any event this Agreement shall expire not later than March 18, 2028. This Agreement does not create any rights or obligations in any person or entity not a party to this Agreement, except as otherwise expressly provided in this Agreement, and is not intended to create third-party beneficiary rights in any person or entity.

F. Applicable Law. The terms of this Agreement shall be construed under Pennsylvania law.

G. Severability; Entire Agreement. Should a Court declare any term of this Agreement illegal or unenforceable, it shall have no legal effect on the validity of any other term or the balance of this Agreement. This Agreement contains the sole and entire agreement among the Parties with respect to this subject matter and supersedes any and all other prior written or oral agreements among them with respect to such subject matter.

H. No Third Party Rights. Nothing in this Agreement shall be construed to create any third party rights or benefits under any existing or presently contemplated agreement between the SEA, the URA, the Penguins Entities or any of their respective affiliates, and the Commonwealth of Pennsylvania related to the New Arena Site, the New Arena Development, the New Arena Master Plan, the New Arena Hotel, the Additional Redevelopment Area or the Additional Redevelopment Master Plans (collectively, the "Penguins Agreements"), which include but are not limited to (i) the Sublease Agreement dated September 18, 2007 between the SEA and Lemieux Group LP (as assigned to Penguins Operating) (the "New Arena Sublease"), (ii) the New Arena Development Agreement dated May 20, 2008, effective as of September 30, 2007 between the SEA and Penguins Arena (the "New Arena Development Agreement") and (iii) the Related Agreements (as defined in the New Arena Sublease). In addition, nothing in this Agreement shall be construed to limit, modify, alter, amend or create any rights or obligations under any existing or presently contemplated Penguins Agreements. The intent of this paragraph is not to alter any rights created between the Parties pursuant to this Agreement.

SECTION I. HILL DISTRICT MASTER PLAN.

1. The SEA, the City and the County (the "Public Entities") and the URA shall secure funding for the development of a strategic planning document and conditions report for the Hill District (the "Hill District Master Plan"). The Hill District Master Plan will be a comprehensive neighborhood plan and will serve as a conceptual framework to guide future development in the Hill District. The Hill District Master Plan shall not preempt the authority of the City Planning Commission or any applicable governmental entity to review and approve any master plan, any land development, subdivision or other related plans submitted in connection therewith from time to time; provided, however, that the Hill District Master Plan shall serve as a statement of guiding principles for any such plan.
2. The Hill District Master Plan shall be developed with extensive community input, including but not limited to the use of focus groups. The URA will contract with a planning professional to facilitate the development of the Hill Master Plan. The URA shall select the planning professional pursuant to a request for proposals ("RFP"), subject to the reasonable approval of the Steering Committee.

The Steering Committee shall come to consensus of various matters so that key decisions can be made (not including those committed by law to some other body,

agency or official) with respect to the Hill District Master Plan. Provided, however, a vote will be required for the Steering Committee's reasonable approval of: (1) selection of the planning professional, (2) the community input process, and (3) the final Hill District Master Plan. The Steering Committee will determine what other matters will require a vote.

Each official or entity appointing a member or members to the Steering Committee shall have the right to remove its appointee(s), in its sole discretion, for any reason, including but not limited to if such member is not working cooperatively to come to consensus with other members of the Steering Committee.

3. The Hill District Master Plan shall be developed from August 2008 to February 19, 2010, or such other period as the Steering Committee shall set. The Steering Committee shall meet with the planning professional during this period at least monthly and more often if requested by the planning professional. The scope, process and final approval of the Hill District Master Plan shall be subject to reasonable approval of the Steering Committee. The Penguins Entities agree not to submit a master plan for the Additional Redevelopment Area to the City Planning Commission until the Hill District Master Plan has been approved by the Steering Committee on or before February 19, 2010. If the Hill District Master Plan has not been approved by the Steering Committee on or before February 19, 2010, the Penguins Entities may submit the master plan for the Additional Redevelopment Area to the City Planning Commission without Steering Committee having approved the Hill District Master Plan. Notwithstanding the foregoing, the Parties acknowledge that plans for the development of the New Arena Hotel as presently contemplated may be submitted to the City Planning Commission or other appropriate governmental agencies at any time.
4. The Hill District Master Plan shall represent the community's vision of the Hill District, and shall address many elements, including but not limited to the following:
 - a. Land use;
 - b. Community facilities and services;
 - c. Parks and recreation;
 - d. Open green space;
 - e. Capital improvements;
 - f. Conservation of housing;
 - g. Sociological and environmental impacts;
 - h. Urban design;
 - i. Educational facilities;
 - j. Commercial development;
 - k. Traffic and transportation;
 - l. Infrastructure;
 - m. Arts and culture;

- n. Improvement of physical elements and geographic attributes of the community;
- o. Historic preservation;
- p. Vacant property review; and
- q. Economic development.

Without limitation of the foregoing, the Hill District Master Plan may recommend that certain proposed developments and uses (including commercial, recreational, community center and residential uses) should be located within certain designated portions of the Hill District in preference to certain other portions of the Hill District, with the understanding that the Hill District Master Plan will be a broad, flexible template, not an immutable planning document.

- 5. The Hill District Master Plan is intended to seek balanced growth and encourage new investment and development in the Hill District without displacing existing Hill residents. It is the intention that current Hill District residents shall have the opportunity to benefit from the expected growth and development in their neighborhood.
- 6. Upon development and completion of the Hill District Master Plan, specific proposals for funding of projects (including historic preservation projects) will be reviewed on a project by project basis, in accordance with the then existing programs of the City, County, Commonwealth, Federal government and other financing and funding programs and sources. The Public Entities and the URA will use the Hill District Master Plan to guide their decisions regarding project selection and development activities in the Hill District. Nothing, however, in this Agreement will preclude the submission of the projects by Hill District organizations and/or funding of projects by the Public Entities and the URA prior to completion of the Hill District Master Plan, so long as the Public Entities and the URA comply with the City planning process and provide for a public comment period with respect to any proposed development projects.

SECTION II. HILL DISTRICT COMMUNITY SERVICES REVIEW PROCESS.

- 1. In order to identify gaps or deficiencies or to identify ways to better provide for human services, recreational opportunities, employment and training services and other support services, a review (the "Review") will be conducted, with current resources and staff, by the Public Entities, with the input of the Steering Committee throughout the process, of the services currently being provided to and in the Hill District community.
- 2. The Public Entities will provide the Steering Committee and the public with a review of neighborhood needs, strengths and services. The Review will be conducted, in part, through a presentation by the Public Entities to the community describing the services (such as drug, alcohol, mental health, recreational,

educational and youth) currently provided and/ or available to Hill District residents during the past 12 to 18 months. A list of providers, services, locations, number of persons served and collaborations with other partners will be provided. The Public Entities will receive comments from the Steering Committee and from one or more focus group presentations about services provided relative to quality of service, numbers served, gaps in service, access to service. The Public Entities will respond to comments by preparing a written Review addressing what can be done, what will be researched, what needs additional funding, and what cannot be done.

3. The Review will be undertaken for two years and subsequently reviewed to determine if there is a positive benefit to continuing.
4. Through this Review process, gaps or deficiencies in the needed services will be identified and prioritized.

SECTION III. HILL DISTRICT GROCERY STORE.

1. The Public Entities and the URA will use diligent good faith efforts to establish within the Hill District a grocery store, pursuant to the Hill District Master Plan and/or a public participation process. Toward that end, (i) the URA will commit up to \$1,000,000, in needed financial assistance for the development of the grocery store and; (ii) Penguins Redevelopment will make available up to \$1,000,000 for such grocery store or an alternative economic anchor as described in subparagraph (3) below. The URA will evaluate and determine the need and form of the financial assistance. The URA will assist with land acquisition for the grocery store and will assist the grocery store operator in obtaining financing.
2. The principles governing the opening and operation of a grocery store in the Hill District shall include good faith efforts to ensure that:
 - a. The grocery store operator shall use the CareerLink/ the Hill District Resource Center, or such other referral agency as may be agreed to by the Parties, to secure referrals of applicants that are Hill District residents for jobs created at the grocery store,
 - b. The grocery store operator shall provide a range of healthful and affordable food and a full service pharmacy for Hill District residents; and
 - c. The grocery store is a full service grocery store that contains a minimum size of 25,000 square feet.
3. If efforts to establish a grocery store are not successful by December 31, 2009, the Public Entities and the URA will use diligent, good faith efforts to establish a suitable alternative economic anchor to help stabilize and drive business development in the Hill District in accordance with the Hill District Master Plan. In such event, or in the event the full amount of the financial assistance described in paragraph 1 above is not needed

for the grocery store, the URA (subject to the approval of the URA Board, in its sole discretion) and Penguins Redevelopment, after agreement on the alternative use or alternative economic anchor, will redirect the financial assistance to the development of the alternative use or alternative economic anchor. Such agreement of an alternative or additional economic anchor to be so funded must be reached by the URA, the Penguins Entities and the Coalition on or before the date that is three years after the dated date of the Agreement, and any failure to reach such agreement on or before such date shall release the URA and the Penguins Entities from any further obligations with respect to the funding of a grocery store or alternative use or alternative economic anchor, as contemplated by this Section III.

SECTION IV. HILL DISTRICT RESOURCE CENTER; EMPLOYMENT AND CONTRACTING

a. The Coalition and the Public Entities will work cooperatively to establish a model first source referral center to provide or coordinate job preparation, counseling, training and supportive services, and to serve as a first source referral of qualified Hill District residents to employers connected with the New Arena, the New Arena Hotel and the Additional Redevelopment Area, and to other employers and jobs as appropriate. Efforts are currently underway to exploring the possibility of a labor-management clearinghouse modeled after the BIG STEP program in Milwaukee, Wisconsin that would better provide and expand the services of the One Hill First Source Center. The City and the County will keep the Coalition advised of the progress of those efforts.

b. The One Hill First Source Center will, working with existing resources to the greatest extent practical, and subject to the availability of funds, provide or coordinate the following services:

- Outreach and Assessment, including an evaluation of each applicant's employment interests, career goals, educational attainment, work experience, training needs, and ability to meet apprenticeship qualifications.
- Counseling and Support, including career counseling, job readiness, supportive services if needed (e.g., driver's license restoration, child support issues, etc.), job coaching, pre-apprenticeship tutoring if needed, and employment support if needed (e.g., work clothes, equipment, tools, etc.).
- Apprenticeship and Training, including referral to pre-apprenticeship programs, apprenticeship programs and other appropriate training programs, as appropriate.
- Data Base and Referral Services, including maintaining a database of qualified applicants and promptly referring Hill District residents to employers.
- Follow-Up and Monitoring, including tracking each applicant's progress, troubleshooting issues that could jeopardize continued employment, and monitoring the success of hiring and contracting efforts as outlined in this Agreement.

- Project Support, which will provide referrals for assistance with the development and funding of community development and social services projects.
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c. The Center will be funded in part by the Public Entities and in part by other sources. The Public Entities will provide \$150,000 per year for a minimum of two (2) years, through funding procedures of the County Department of Human Services and the City's Pittsburgh Partnership. The scope of services covered by the contract(s) with the Public Entities may be limited to referral services, at the option of the Public Entities. The Coalition will raise any additional funds needed to operate the Center. All funds received will be invested, pending their use, with a financial institution based or located in the Hill District.

The Center will be located in a central, easily accessible and visible location in the Hill District. The Center will be operated by Hill House Association, which will hire and manage the staff and be responsible for contract compliance and maximizing outcomes. The Center will be overseen by an advisory committee to be established jointly by the Coalition and Hill House Association, which will assist with program design, fundraising and monitoring outcomes. In the event of a change in the organization that operates the Center, the Steering Committee will recommend a replacement entity.

The Public Entities will provide training for Center employees of the availability and operations of existing programs and services. The Public Entities will secure the cooperation of the Allegheny County Department of Human Services, City of Pittsburgh's Pittsburgh Partnership and PA CareerLink Pittsburgh Allegheny County to work closely with the advisory committee in relation to referral services. After two (2) years, the effectiveness of the Center will be reassessed and reviewed, and continued funding will be considered.

d. The One Hill First Source Center will use existing resources to the greatest extent practical, but the Center will also be responsible for identifying gaps in the existing job training delivery model and filling those gaps to the extent possible. The Public Entity review at the end of the first two (2) years of operation will include a review of identified training gaps.

e. The Penguins Entities will fill, and will advise the employers for the New Arena Development, the New Arena Hotel and the redevelopment of the Additional Redevelopment Area that it is the Parties' intention and a principle under this Agreement to fill, all new jobs by first considering and interviewing for employment candidates that are Hill District residents, as referred by the One Hill First Source Center, CareerLink or, alternatively, applicants secured through independent means that would identify eligible Hill District candidates, with appropriate background, qualifications and experience for the position offered. The applicable Penguins Entity or other employer will notify the Center of the job opening and provide a job description including special requirements.

The Center will refer qualified Hill District residents from its data base or otherwise. While the Penguins Entities or other employers may consider job applicants from any source, for the first week following the notification of the Center of the job opening, hiring will only be of applicants that are Hill District residents. This procedure will not apply to jobs that are specialized or executive level positions (e.g., scouts, players, coaches, senior executives). In addition, this effort is not intended to alter any provision of any collective bargaining agreement.

f. The Parties acknowledge that the option agreement to be entered into between Penguins Redevelopment and the SEA with respect to the Additional Redevelopment Area will require Penguins Redevelopment to implement or to cause to be implemented an M/WBE business enterprise participation plan(s) with respect to the development and construction Additional Redevelopment Area.

SECTION V. NEIGHBORHOOD PARTNERSHIP PROGRAM

The Coalition and the Penguins Entities will work cooperatively to build a Neighborhood Partnership Program (NPP), to be funded at the maximum tax credit eligible amount¹ for the maximum period permitted² by the Pennsylvania Neighborhood Assistance Act, subject to the availability of Pennsylvania Neighborhood Assistance Act tax credits. The purpose of the NPP will be to strategically address critical needs in the Hill District. The Coalition will work cooperatively to build a fundable program. The Penguins Entities will work cooperatively to secure one or more corporate partners.

The Coalition, the Public Entities and the Penguins Entities agree that NPP contributions and the Penguins Entities commitment of \$1 million for a grocery store (see Section III above) be structured so as to leverage additional resources to the extent possible.

SECTION VI. COMMUNITY MULTI-PURPOSE CENTER.

1. The Public Entities, the URA and the Coalition shall use diligent, good faith efforts to assist the Pittsburgh YMCA to develop and sustain a multi-purpose center for youth, family and seniors in the Hill District community. It is recognized that a Hill District YMCA will assist in the stabilization of the community by countering factors that put youth and families at risk. The Public Entities and the URA will assist with land acquisition and will assist in obtaining funding.

¹ At the time of the signing of this Agreement, the Coalition, the Public Entities and the Penguins Entities understand that the maximum amount an entity could contribute and receive tax credits under the NPP is \$500,000/year.

² At the time of the signing of this Agreement, the Coalition, the Public Entities and the Penguins Entities understand that the maximum period an entity can commit under NPP is six (6) years with the option to renew for a second six (6) year term.

2. Principles governing the operation of the Hill District YMCA facility shall include good faith efforts to ensure that:
 - a. reduced fee memberships/fee memberships are provided to low income youth who would otherwise be unable to afford memberships; and
 - b. working with the One Hill First Source Center, or such other referral agency as may be agreed to by the Parties and the YMCA, to secure referrals of applicants that are community residents for jobs that become available at the Hill District YMCA.

SECTION VII. ARENA MATTERS.

1. The Public Entities, the Penguins Entities and the Coalition hereby acknowledge that, in accordance with the requirements of the New Arena Development Agreement, representatives of the SEA and the Penguins Entities have met, and that representatives of the SEA and the Penguins Entities will continue to meet, with members of the Hill District community quarterly to update and discuss the development and construction of the New Arena including:
 - a. Design schedule and progress;
 - b. Construction schedule and progress;
 - c. Construction staging and potential neighborhood impacts;
 - d. Schedule for bids of trade contracts;
 - e. Opportunities for local participation by MBE/WBEs;
 - f. Opportunities for employment of Hill District residents;
 - g. Progress toward meeting M/WBE business contracting goals (by dollar amount and as a percent of total contracts);
 - h. Information about Hill District residents of those members of the building trades working on the construction of the New Arena, as evidenced by certified payrolls showing number of 15219 (zip code) residents as a percentage of hours worked; Information about race and gender of those members of the building trades working on the construction of the New Arena, to the extent available, and
 - i. Business opportunities related to the operation of the New Arena.
2. The SEA and Penguins Arena will keep the Coalition advised of prebid activities, including the break-down of the bid packages, targeted outreach and the scheduling of prebid meetings with contractors, and will also invite the County, the City, the Pittsburgh Building and Construction Trade Council, the Builder's Guild of Western Pennsylvania, the National Association of Minority Contractors, and the State Office of Minority and Disadvantaged Business Development to provide advice and assistance in its efforts. Penguins Redevelopment will advise the developers working on the Additional Redevelopment Area that it is the intention of the Parties that the developers similarly meet with members of the Hill District community to update and discuss development and construction activities.

3. It is the goal of the Penguins Entities to maximize business opportunities for existing Hill District businesses in connection with operation of the New Arena by Penguins Operating sponsoring periodic business opportunity workshops related to the operation of the New Arena. The workshops will be held in a location in the Hill District and will address business opportunities for concessions, retail space, as available, and opportunities for suppliers, vendors and subcontractors, including business services. Penguins Operating agrees to use good faith efforts to encourage its vendors to aggressively pursue opportunities for minority and women owned businesses and businesses currently located in the Hill District.

SECTION VIII. ENFORCEMENT

This Agreement shall be subject to the following enforcement mechanisms:

A. Default. Failure by any Party to perform any term or provision of this Agreement, if not cured, shall constitute a default under this Agreement.

B. Right to Cure. If any Party believes that another Party(ies) is/are in default of the terms of this Agreement, the Party shall provide written notice to the defaulting Party of the alleged default; shall offer to meet and confer in a good faith effort to resolve the issue; and provide the defaulting Party sixty days, from the time of the notice, to cure the alleged default, subject to the provisions below. Any notice provided pursuant to this provision shall specify the nature of the alleged default, and the manner in which the alleged default may be satisfactorily cured.

C. Mediation. To the extent that there is any disagreement regarding the performance of obligations of the Parties under this Agreement, including circumstances when a notice of default has been given, the applicable aggrieved Parties shall first attempt to resolve such disagreements by meeting. If the parties are unable to resolve any such disagreement(s) by meeting, any party to the dispute may request mediation of the dispute, in which case, if the other party or parties to the dispute agree, such mediation shall occur within thirty (30) calendar days unless that time is extended by the agreement of the parties to the dispute. Each party shall bear any of its own fees and costs, if any, and a proportional share of the reasonable costs of a mediator.

D. Legal Remedies. In the event that the Coalition, the City, the SEA, the County, the URA and/or the Penguins Entities is/are in default of the terms of this Agreement, the party alleging the default may, in its sole discretion elect to waive the default, or may, in its sole discretion opt to pursue court action after the exhaustion of the sixty days notice and right to cure period described above and after participation in at least one meeting, and mediation if requested as set forth above. However, where the alleged default may result in irreparable injury any party, in its sole discretion, may immediately pursue court action, including immediately filing an action in Court of Common Pleas of Allegheny

County (the "Court") to require the specific performance of an express obligation of the breaching party under this Agreement. Any Party to this Agreement may file an action in the Court seeking to specifically enforce any term of this Agreement that allegedly has been breached. The Court shall have the power to order equitable/injunctive relief, on a temporary or permanent basis requiring the Parties to comply with the terms of this Agreement, which shall not include the power to enjoin or otherwise impair or interfere with the construction, development or operation of the New Arena Development or the New Arena Hotel, or any property or facility covered by the New Arena Master Plan or any Additional Redevelopment Master Plan. Each party shall bear its own fees and costs of Court enforcement, irrespective of which party instituted such proceeding, and no party hereto is entitled to money damages from any other Party, person or entity for the alleged breach of this Agreement.

E. Other Remedial Matters.

1. If the Coalition allegedly breaches the Agreement by filing in Court a claim(s) that has been released or waived; the remedy for that, if proven, is that the claim should be dismissed by the Court.
2. No monetary damages shall be available against any Party as a remedy for default of this Agreement.
3. There shall be no attorney fee shifting imposed as remedies for breach of this Agreement by any party.

F. Information. Upon request from a Party, another Party hereto shall provide records or information reasonably necessary to monitor compliance with the terms of this Agreement. No Party shall request the same or similar records or information more often than once per quarter, except to the extent that the nature of the obligation being monitored requires more frequent reporting, as reasonably agreed upon by the applicable Parties. Nothing in this subsection requires the SEA or the Penguin Entities, however, to provide more information or information more often than is required by Section VII (1).

SECTION IX. MISCELLANEOUS

A. Settlement of Appeal; Release and Waiver of Claims.

- (1) The Coalition will (i) cause the Notice of Appeal to be discontinued and dismissed with prejudice, and (ii) cause all other Appellants to the Notice of Appeal to discontinue and dismiss same with prejudice, in each instance within three (3) days after the date of this Agreement.
- (2) The Coalition and its members, officers and directors (the "Releasing Parties"), hereby fully and unconditionally forever releases and discharges the other Parties and all of their respective officers, directors, employees, members, partners, agents, affiliates, instrumentalities, successors, predecessors and assigns (the "Released Parties") from any and all Released Claims (including, without limitation, all claims set forth in the Notice of Appeal).

- (3) The Releasing Parties hereby knowingly, irrevocably and unconditionally waive, and are hereby deemed to have waived, any and all Released Claims that may arise or relate to the acts or obligations of the Released Parties prior to the date of this Agreement that do not come to the actual attention of the Releasing Parties until after the date of this Agreement, unless concealed by one or more of the Released Parties.
- (4) This Release and Waiver of Claims shall also constitute a covenant not to sue in the future by the Coalition or any of the other Releasing Parties, or anyone acting on their behalf or for their benefit, as to any matter that would come within the definition of a Released Claim. The forgoing covenant not to sue shall not be effective with respect to Released Claims relating to a Released Party or Parties' proposed redevelopment of the Additional Redevelopment Area if, and for so long as, any such Released Party or Parties is/are in continuing uncured default of its/ their respective material obligations under this Agreement.
- (5) The Coalition and each of the other Releasing Parties represents and warrants that it has not filed any Released Claim as defined herein (other than the Notice of Appeal), and each of the foregoing covenants not to do so in the future, and will not assist any other person or entity in doing so, and will not in any event participate in or recover from any proceeding by any other person or entity that would involve any matter that would be considered a "Released Claim" under this Agreement.
- (6) The Coalition and each of the Releasing Parties hereby waives the right to file any Waived Claim, and will not assist any other person or entity in doing so, and will not participate in or recover from any proceeding by any other person or entity that would involve any matter that would be considered a "Waived Claim" under this Agreement; provided however, that (1) the applicable Parties, or their designees, shall have first provided the Coalition with copies of the relevant development plan(s) relating to such Waived Claim and shall have met with the Coalition and endeavored to resolve any legal and/or policy concerns raised by the Coalition, and (2) the development or redevelopment activities relating to such Waived Claim shall be substantially consistent in their material respects with the principles contained herein and in the Hill District Master Plan.
- (7) The Parties hereby acknowledge that this Release and Waiver of Claims shall not preclude the Coalition from submitting comments to the City of Pittsburgh Planning Commission and/or Zoning Board on any future proposed development or redevelopment of the Hill District or comments on project specific draft environmental impact reports; provided, that any such comments shall be subject to the Coalition's obligations set forth in Section IX (B) below.
- (8) Nothing contained herein shall preclude any person from exercising existing legal rights to enforce (or request the enforcement of) the provisions of Section 3 of the Housing and Urban Development Act.

B. Assistance with Future Claims.

The Parties acknowledge that persons or entities within the broader Hill District community may challenge the New Arena Development or the development or redevelopment of the Additional Redevelopment Area from time to time. Accordingly, the Coalition hereby agrees that, so long as the Public Entities, the URA or the Penguins Entities are not in continuing default of their respective obligations under this Agreement, and except as provided below, the Coalition shall provide such assistance to the Public Entities and/or the Penguins Entities or any affiliate thereof as the applicable Public Entities or the Penguins Entities may reasonably request from time to time in connection with the New Arena Development or the development or redevelopment of Additional Redevelopment Area; provided however, that (1) the Public Entities or Penguins Entities, or their designees, shall have first provided the Coalition with copies of the relevant development plan(s) and shall have met with the Coalition and endeavored to resolve any legal and/or policy concerns raised by the Coalition, and (2) the development or redevelopment activities shall be substantially consistent in their material respects with the principles contained herein and in the Hill District Master Plan. Such assistance may include, without limitation, (i) testifying before governmental bodies and entities, or in public or community forums, in favor of the development or redevelopment proposed by the applicable Public Entities or the Penguins Entities with respect to the New Arena Site or the Hill District and (ii) providing on-the-record, attributed press releases and other statements to broadcast and other media in favor of such development or redevelopment.

C. Incorporation and Binding Effect. The Coalition warrants that (i) it is a corporation lawfully existing under the laws of the Commonwealth of Pennsylvania and (ii) all of its member organizations are set forth on *Exhibit 1* attached hereto. The Coalition has taken all necessary action to authorize and approve this document and when executed and delivered will constitute legal, valid and binding obligations of the Coalition and all of its member organizations.

D. Successors, Assigns and Agents. This Agreement shall bind and inure to the benefit of the agents, assigns, and successors in interest of each Party; as applicable, each Party will notify its agents, assigns and successors in interest of existence of this Agreement. Any reference in this Agreement to a Party shall be deemed to include any agents, assigns, and successors-in-interest of that Party, with respect to rights and/or responsibilities relevant to this Agreement, to the extent permitted by law.

In the event that, during the term of this Agreement, Penguins Redevelopment enters into a binding written agreement relating to the future development or redevelopment of the Additional Redevelopment Area (or any portion thereof) (a "Future Development Agreement") with any person or entity (a "Successor Developer"), pursuant to which Penguins Redevelopment proposes to assign all or

a portion of its rights to develop or redevelop the Additional Redevelopment Area (or a portion thereof) to the Successor Developer, and/or all or a portion of Penguins Redevelopment's corresponding obligations under this Agreement, then within 10 days of any assignment of rights or obligations described in this subsection IX(D) becomes effective, Penguins Redevelopment shall notify the Coalition in writing of the assignment of such rights and obligations and the name and contact information of the Successor Developer.

- E. **Board Appointments.** When making appointments, the City and the County will consult a data base developed by the Coalition of Hill District residents interested on serving on boards and commissions, especially those related to the development and social service agencies that are active in or have an impact in the Hill District.
- F. **LEED Certification.** The Parties hereby acknowledge that the New Arena Development Agreement provides that a LEED Certification Plan will be prepared in connection with the construction of the New Arena.
- G. **Diesel Fuel Emissions.** During and after the construction of the New Arena, the SEA, the County, and the City commit themselves to the enforcement of all ordinances, regulations, and laws, controlling diesel fuel emissions in order to minimize the impact of such emissions on city residents in general, and nearby residents of the Hill District in particular.
- H. **Coalition Representative.** Communications with the Coalition shall be directed as follows: President, One Hill Neighborhood Coalition, 2201 Wylie Avenue, Pittsburgh, PA 15219.
- I. **Counterparts.** This Agreement may be executed and delivered in counterparts, each shall be deemed an original and all taken together shall be deemed one Agreement, and the obligations of the City shall be subject to the approval of this Agreement by the Pittsburgh City Council.
- J. **Penguin Entities Representative.** Communications with any of the Penguins Entities shall be directed as follows: [Name of Penguins Entity], One Chatham Center, Suite 400, Pittsburgh PA 15219, Attention: President, with a copy to Pepper Hamilton LLP, One Mellon Center, 500 Grant Street, 50th Floor, Pittsburgh, PA 15219, Attention: Charles M. Greenberg, Esquire.


[The rest of this page is left intentionally blank]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their respective authorized officers.

One Hill Neighborhood Coalition

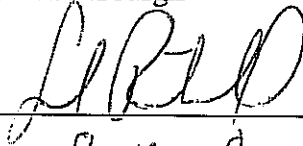
By: 

Date: 8-19-08

Witness: 

by: Paul A. Ellis, Esq.,
Atty for One Hill

City of Pittsburgh

By: 

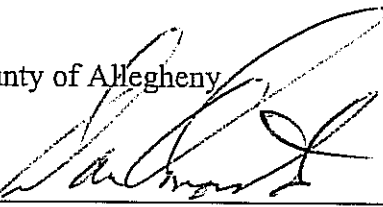
Date: 8-19-08

Witness: _____

Approved as to form: _____

by: City Solicitor

County of Allegheny

By: 

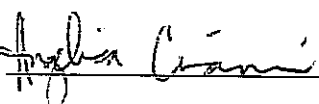
Date: 8-19-08

Witness: _____

Sports & Exhibition Authority of Pittsburgh and Allegheny County

By: 

Date: 8-19-08

Witness: 

Urban Redevelopment Authority of Pittsburgh

By: _____

Witness: _____

Date: _____

Approved as to form: _____

by: Authority Solicitor

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their respective authorized officers.

One Hill Neighborhood Coalition

By: _____

Witness: _____

Date: _____

City of Pittsburgh

By: *L. R. Patel*
MAYOR

Witness: *Richard M. Steiner*

Date: 8-13-08

Approved as to form: *Joseph K. Pate*
by: City Solicitor

County of Allegheny

By: _____

Witness: _____

Date: _____

Sports & Exhibition Authority of Pittsburgh and Allegheny County

By: _____

Witness: _____

Date: _____

Urban Redevelopment Authority of Pittsburgh

By: _____

Witness: _____

Date: _____

Approved as to form: _____
by: Authority Solicitor

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their respective authorized officers.

One Hill Neighborhood Coalition

By: _____

Witness: _____

Date: _____

City of Pittsburgh

By: _____

Witness: _____

Date: _____

Approved as to form: _____
by: City Solicitor

County of Allegheny

By: _____

Witness: _____

Date: _____

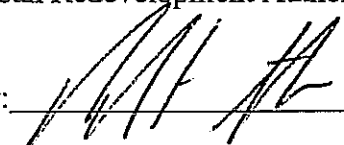
Sports & Exhibition Authority of Pittsburgh and Allegheny County

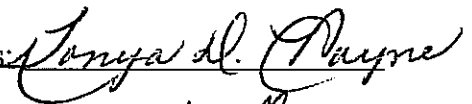
By: _____

Witness: _____

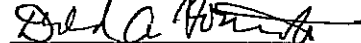
Date: _____

Urban Redevelopment Authority of Pittsburgh

By:  _____

Witness: 

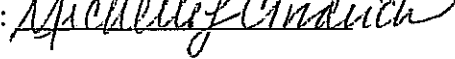
Date: _____

Approved as to form: 
by: Authority Solicitor
General Counsel

Pittsburgh Arena Real Estate Redevelopment LP

By: Pittsburgh Arena Real Estate Redevelopment LLC, its sole general partner

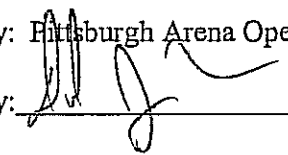
By:  _____

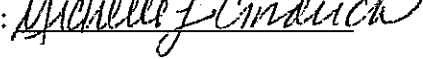
Witness:  _____

Date: _____

Pittsburgh Arena Operating LP

By: Pittsburgh Arena Operating LLC, its sole general partner

By:  _____

Witness:  _____

Date: _____

Pittsburgh Arena Development LP

By: Pittsburgh Arena Development LLC, its sole general partner

By:  _____

Witness:  _____

Date: _____

The following acknowledge and agree to be bound by the terms of this Agreement:

Hill House Association

By: _____

Witness: _____

Date: _____

Pittsburgh Arena Real Estate Redevelopment LP

By: Pittsburgh Arena Real Estate Redevelopment LLC, its sole general partner

By: [Signature]

Witness: _____

Date: 8/14/08

Pittsburgh Arena Operating LP

By: Pittsburgh Arena Operating LLC, its sole general partner

By: [Signature]

Witness: _____

Date: 8/14/08

Pittsburgh Arena Development LP

By: Pittsburgh Arena Development LLC, its sole general partner

By: [Signature]

Witness: _____

Date: 8/14/08

The following acknowledge and agree to be bound by the terms of this Agreement:

Hill House Association

By: [Signature: Edward J. Frayser]

Witness: _____

Date: 8/19/08

Hill District Consensus Group

By: Carl deWitt

Witness: _____

Date: 8-19-08

Uptown Community Partners

By: Kevin Aldrich

Witness: _____

Date: 8-19-08

Find the Rivers Coalition

By: Terri L. B. O.

Witness: _____

Date: 8/19/08

Ebony Development, LLC

By: Jamie

Witness: _____

Date: 9.5.08

Hill District Federal Credit Union

By: Robert W. Thompson

Witness: _____

Date: 8-19-08

Pittsburgh-UNITED

By: *G. H. M.*

Witness: _____

Date: 8-19-08

~~3rd Ward Democratic Committee~~

By: _____

Witness: _____

Date: _____

5th Ward Democratic Committee

By: *Paulette James*

Witness: _____

Date: 8/19/08

5th Ward Democratic Committee 1st District

By: *Paulette James*

Witness: _____

Date: 8/19/08

5th Ward Democratic Committee 2nd District

By: *Paulette James*

Witness: _____

Date: 8/19/08

5th Ward Democratic Committee 4th District

By: *Graciella James*

Witness: _____

Date: 8/19/08

5th Ward Democratic Committee 5th District

By: *Graciella James*

Witness: _____

Date: 8/19/08

Law Office of Anna A. Simms, Esq.

By: *AS*

Witness: _____

Date: 8-19-08

Black Beauty Lounge

By: *Kabrita Cole*

Witness: _____

Date: Aug 19-08

Central Outreach Center

By: *Rev Clifford Foster*

Witness: _____

Date: _____

Coalition of Black Trade Unionists

By: *Coal Cho Harvey Hillman*

Witness: _____

Date: _____

Democratic African American Ward Chairs Caucus

By: Marlene E. Gaussey Witness: _____
Date: 9/9/08

Eagle Cab Company

By: Harry Williams Witness: _____
Date: 9/4/08

Freedom Unlimited, Inc.

By: Chris Sperry Witness: _____
Date: 9/5/08

Hill/Oakland Job Links

By: _____ Witness: _____
Date: 8/29/08

~~Northside Lodge of the Elks~~

By: _____ Witness: _____
Date: _____

Uptown Residents Blockwatch

By: Fran Williams

Witness: Cheryl Williams

Date: 8-19-08

Mon Valley Unemployed Committee

By: Karl Fodico

Witness: _____

Date: 8/19/08

One Vision One Life

By: Richard Gordon Galloway

Witness: _____

Date: 8-19-08

NAACP

By: [Signature]

Witness: _____

Date: 8/19/08

Allegheny Group of the Sierra Club

By: [Signature]

Witness: _____

Date: 8/19/08

Hill District ACORN

By: William W. Belt

Witness: _____

Date: 8-19-08

Abe's Market

By: Abe Dand

Witness: _____

Date: 8-19-08

Store Front-One Stop Shop

By: Edna Casanova

Witness: _____

Date: 9/4/08

Tim's Bar

By: Sammy Myles

Witness: _____

Date: 9/4/2008

~~Ace and Deuce~~

By: _____

Witness: _____

Date: _____

Cliff Street Block Club

By: Seoatta Payne

Witness: _____

Date: August 19, 2008

Dinwiddie Community Alliance

By: Charmen D. Pace

Witness: _____

Date: 8/19/08

Ebenezer Development Corporation

By: [Signature]

Witness: _____

Date: 8/19/08

Economic

Hill House Development Corporation

By: [Signature]

Witness: _____

Date: 8/19/08

WILCOX A DESIGN SOLUTIONS/CM INC.

By: [Signature]

Witness: _____

Date: 19 AUG 2008

CTR FOR Team Excellence

By: [Signature]

Witness: _____

Date: 2/4/08

By: _____

Witness: _____

Date: _____

Hefflin's Prop -

By: Clyde Hefflin

Witness: _____

Date: 8-19-08

Hefflin's Properties

EXHIBIT 1

One Hill Coalition Member Organizations

ONE HILL MEMBERSHIP - April 29, 2008

1st Ward Democratic Committee
3rd Ward Democratic Committee 4th District
3rd Ward Democratic Committee
3rd Ward Democratic Committee 5th District
429 Robinson Court LLC
4th Ward Democratic Committee
5th Ward Democratic Committee
5th Ward Democratic Committee 1st District
5th Ward Democratic Committee 2nd District
5th Ward Democratic Committee 4th District
5th Ward Democratic Committee 5th District
5th Ward Democratic Committee 7th District
5th Ward Democratic Committee 11th District
5th Ward Democratic Committee 14th District
Abe's Market
Ace and Deuce
Addison Terrace Resident's Council
Ann A. Simms Attorney at Law
August Wilson Culture Center/Childhood Home Project
Bed Cliff Concerned Citizens
Bedford Tenant Council
Bethel AME Zion Church
Big Tom's Barber Shop
Black Beauty Lounge
Boy Scout Troop 93
Butchies Styles and Cuts
Carter's Service State
Center For Family Excellence
Central Outreach Center
Centre City Associates
Centre of Attraction
Cliff Street Block Club
Coalition of Black Trade Unionists
Concerned Citizens of Adelaide St.
Crawford Square Home Owner's Association
D&J Catering
Democratic African American Ward Chairs Caucus
Dinwiddie Community Alliance
Eagle Cab Company
East Liberty Professional
Ebenezer Development Corporation
Ebony Development

ONE HILL MEMBERSHIP - April 29, 2008

Find the Rivers
Freedom Unlimited
Gemini Quality Embroidery
Hefflin's Properties
Henry Highland Garnett Society
Hill Consensus Group
Hill District ACORN
Hill District Education committee
Hill District Federal Credit Union
Hill House Association
Hill House Economic Development Corporation
Hill/Oakland Job Links
House of the Crossroads
K. Leroy Irvis tower Tenant Council
Lavelle Real Estate
Law Offices of P. William Bercik
Ledlie & Arcena Blockwatch
Leslie Chambers Properties
Lou Mason Senior Apartments Tenant Association
Lower Dinwiddie Street Block Club
Mental Health Association
Miller African Centered Academy PTO
Milwaukee Block Watch
Most Worshipful Hiram Lodge-Masons
NAACP
Nadia Track
National Black Child Development, Pgh Affiliate
Northside Lodge of the Elks
Oak Hill Residents Association
One Hood
One Vision One Life
Pittsburgh United
Preservation Pittsburgh
Red Onion East
Reed & Roberts Tenant Council
Reed/Soho Block Watch
Reed's Tee's
Release Care LLC
Robert Street Coalition
Roberts & Rowley Block Watch
RS Supplies
Schenely Heights Collaborative

ONE HILL MEMBERSHIP - April 29, 2008

Schenley Farms Neighborhood Watch
Schenley Heights Community Development Program
Sharon Stephens Project Administration Services
StoreFront-One Stop Shop
Surface Stripe-ing Co.
Team Mozzi Barbershop
Tim's Bar
Uptown Community Partners
Uptown Hair Salon
Uptown Residents Blockwatch
Wick Lombard Coalition
Wilcox A Design Solutions & Construction Management, Inc.
Womanspace East, Inc.

EXHIBIT 2

Depiction of New Arena Site

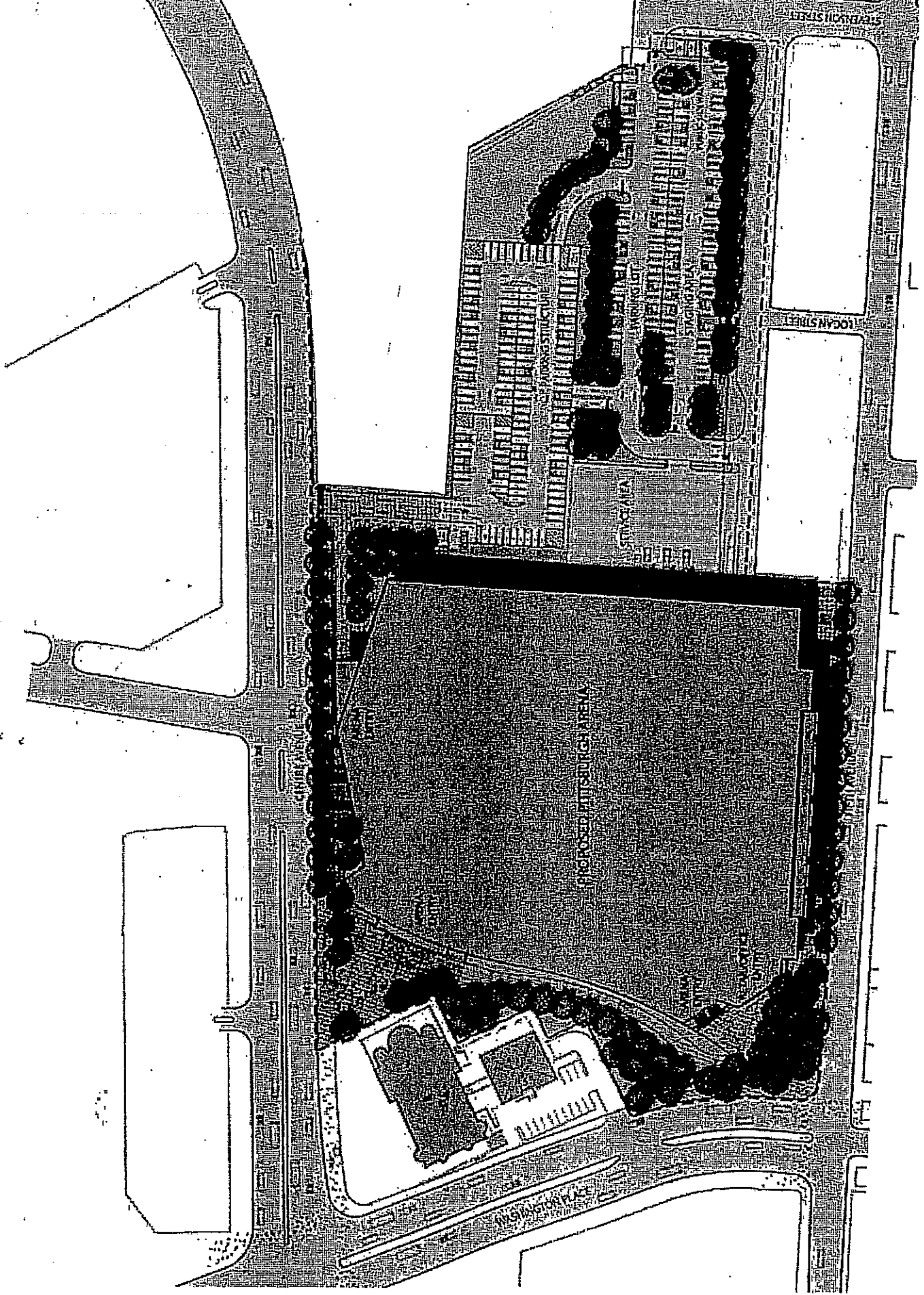
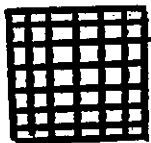
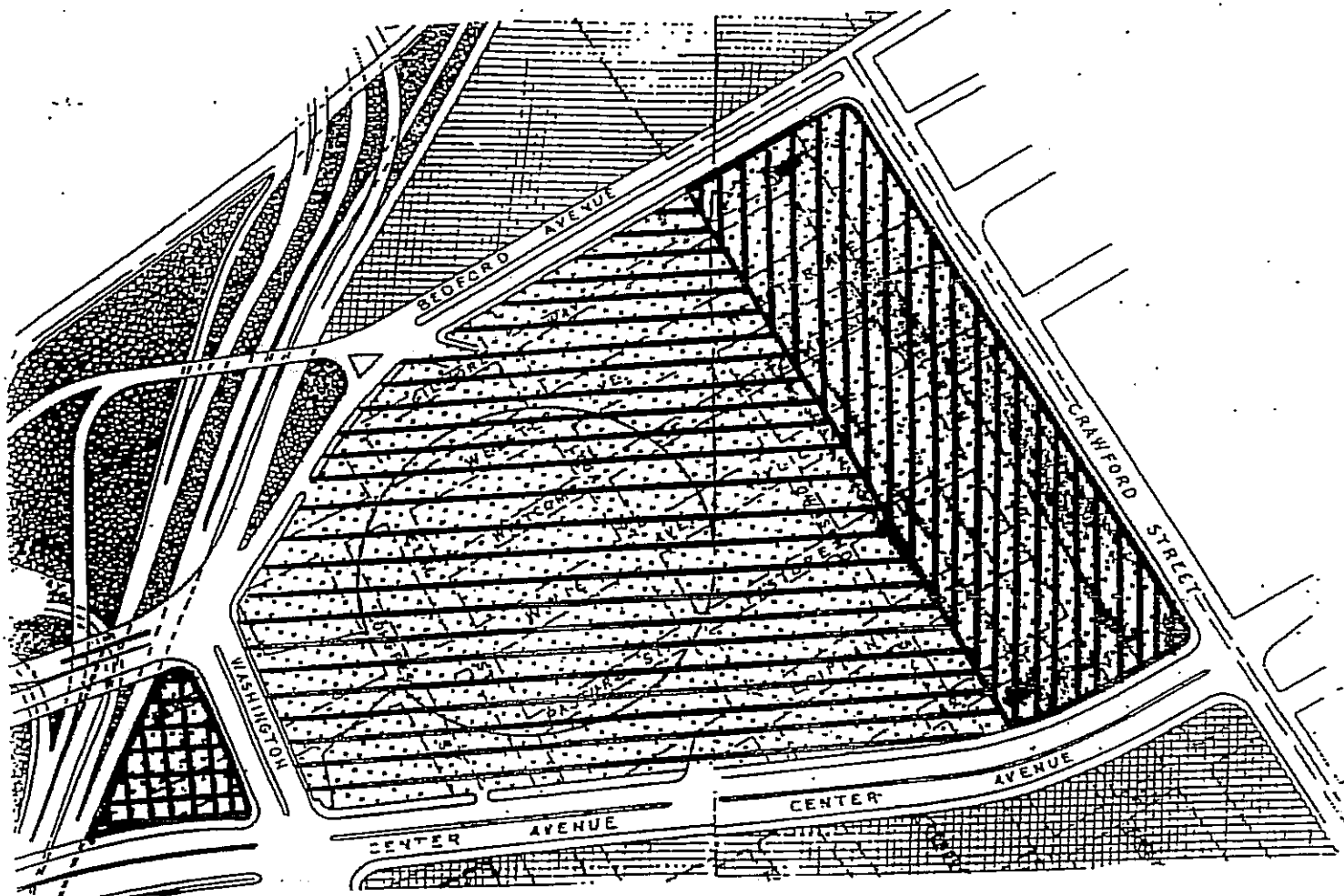


EXHIBIT 3

Depiction of Additional Redevelopment Area



Parcel #1
 Block 2-B; lot 400
 43,059 sq. ft.
 .99 acres



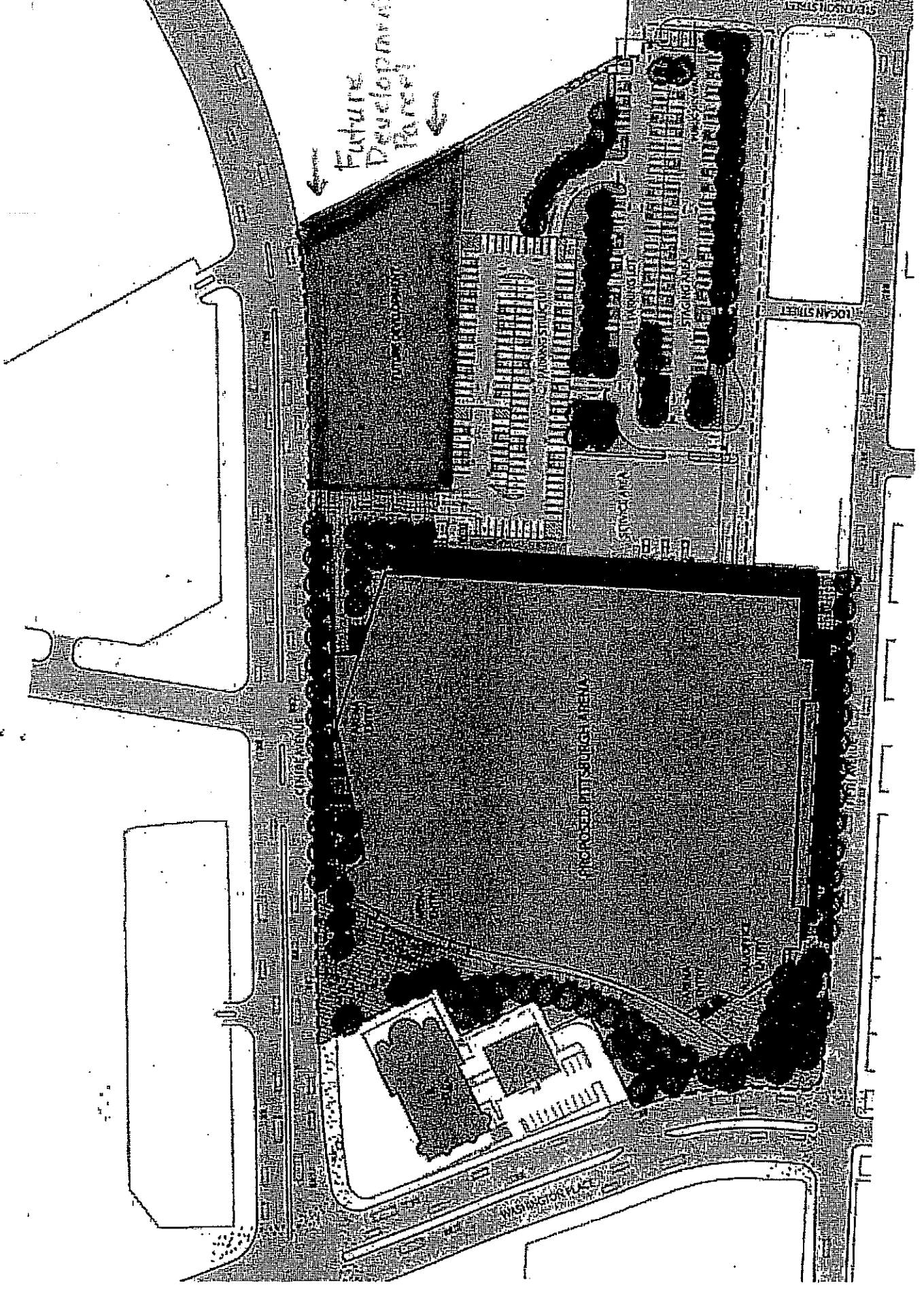
Parcel #2
 Block 2-C; lot 400
 807,441.08 sq. ft.
 18.57 acres



Parcel #3
 Block 2-C; lot 300
 399,436 sq. ft.
 9.18 acres

Uptown Parcel: Parcels 1, 2 and 3
 Civic Arena Parcel: Parcels 1 and 2
 Melody Tent Site Parcel: Parcel 3

Future
Development
Parcel



LOGAN STREET

ST. CLARA

ST. CLARA