



Senate of Pennsylvania

NEWS RELEASE

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ALLEGHENY COUNTY SENATE DELEGATION WINS ARENA FUNDING

HARRISBURG—July 16, 2007 — The new arena planned for Pittsburgh that will be home to the Pittsburgh Penguins for the next 30 years is a step closer to reality now that the state Senate has approved funding for the \$290 million facility.

With bipartisan support, the Senate today approved the Gaming Economic Development and Tourism Fund Capital Budget (HB 1631) setting aside \$7.5 million per year for 30 years for construction of the arena. The total state commitment for the new arena is \$225 million.

"Approval of the state funding for the new Penguins arena is critical and any significant delay could cause unnecessary hardship," state Senator Jay Costa (D-Forest Hills) said today. "That's why I was pleased that the Senate approved the measure."

"I am confident the state House will quickly pass this bill and the legislation will soon be on the governor's desk for his approval," said state Senator Jane Orié (R-McCandless). "The state is reaffirming its commitment to the Penguins and the region."

The recently awarded Majestic Star casino—slated to be constructed on the North Side—will ante up \$7.5 million per year and the Penguins will pay \$3.8 million to build the new venue. Gov. Ed Rendell, state and local officials hashed the deal out earlier this year.

State Senator Sean Logan (D-Monroeville) reiterated, "no state tax dollars will be used to fund the new arena. The state's funding share will use slots proceeds from the gaming development fund." He added that the funding for the arena would have no impact on the amount of gaming dollars available for property tax cuts next year.

"The key to the deal was in structuring the financing stream so that the Gaming Capital Fund could adequately handle the financing while providing revenues for other crucial projects in Allegheny County," state Senator John Pippy (R-Moon) said.

"The new Penguin facility will be a megaplex open 24/7 and 365 days of the year contributing greatly to the economy and promotion of Pittsburgh and our region," said Sen. Jim Ferlo, who represents the lower Hill District community. "This will provide an opportunity to rebuild the lower Hill with something more useful than surface parking lots."

Brookline Democratic state Senator Wayne Fontana said the new arena, coupled with the city's future gaming parlor, would spark "greater interest and tourism in Pittsburgh. While winning passage of this measure was difficult, this arena project will pay great dividends for Pittsburgh."

The legislation also targets other key projects in Allegheny County including debt service and development at the Pittsburgh International Airport as well as funds for the David Lawrence Convention Center, the Urban Redevelopment Authority and a countywide development fund.

The gaming development fund was created by Act 71 and is fueled by a 5 percent set aside of gross gambling revenue for projects in Allegheny County and Philadelphia.

The planned new facility is set to replace the 46-year-old Mellon Arena.

The Senate approved the measure 31 to 17.

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