



Erie County Gaming Revenue Authority

Minutes of the Board of Directors' Meeting

March 21, 2019

CALL TO ORDER

The Board of Directors' Meeting of the Erie County Gaming Revenue Authority was held on March 21, 2019 in the Jordan Room; 5240 Knowledge Parkway; Erie, PA 16510. Legal Notice of the meeting was given through an advertisement appearing in the Erie Times-News. The meeting was called to order by the Chair.

ROLL CALL

Mr. Bagnoni, Mr. Barney, Mr. Cleaver, Mr. DiPaolo, Mr. Paris, Mr. Peters (arrives late) and Mr. Sample. Mr. Wachter and Dr. Wood are also present.

APPROVAL OF THE AGENDA

Mr. Sample makes a motion to approve the agenda as presented. Mr. Barney seconds the motion. There is no discussion of the agenda. Motion carries 6-0.

APPROVAL OF MINUTES – February 2019

Mr. Sample makes a motion to approve the minutes as presented. Mr. Bagnoni seconds the motion. There is no discussion of the minutes. Motion carries 6-0.

DIRECTOR'S COMMENTS

Mr. Paris: Are there any comments that any of the directors would like to make? There not being any comments, I would like the record to reflect that Mr. Peters has arrived to the meeting and is in attendance.

COMMENTS BY THE CHAIR

Mr. Paris: I have several things to go over. First of all is the office rent. I would like to read a memo into record:

MEMO

Date: March 15, 2019
To: ECGRA Board of Directors
From: Mike Paris, Chairman
Subject: Recommendation for Office Space

As Chairman of the Erie County Gaming Revenue Authority Board of Directors, I have further reviewed the rental properties as requested by members of this Board. Working with the staff of ECGRA and compiling an average cost per month for the nine properties previously presented to the Board, I have come to the conclusion that the current location at 5340 Fryling Road, Knowledge Park in Erie, PA 16510 not only is an affordable office space, but also includes many conveniences at no extra charge.

Although other offices spaces were reviewed, and some found to be slightly less expensive for annual rent, they would require additional rental fees for meetings and workshops, electronic display conveniences, and parking. With these extra fees, the cost per month becomes a higher amount in comparison to what we currently pay.

There is also the cost of moving, preparation of new office space, reordering marketing items, and set up of the fiber network that we have traditionally accessed. To recoup these expenses, it would take up to five years to make a difference in the amount that is paid per month for rent.

At this time, it is my recommendation that the offices of the Erie County Gaming Revenue Authority remain where they are currently located at 5340 Fryling Road, Erie, PA 16510.

I've asked the staff to stay abreast of any possible office spaces that may come available within the County and we can reopen this discussion when the opportunity presents itself.

I would also like to approach the election of officers in April.

Mr. Sample: I'm sorry, can we have a moment for discussion of that and deal with one item at a time?

Mr. Paris: Sure.

Mr. Sample: I am in agreement with that. Part of it is selfish on my part because this is relatively easy for me to get to. I do think, to your last point, that we do need to be kept aware of anything that would possibly be a better fit or easier to use. Personally, at this time, I see no reason to change.

Mr. DiPaolo: Mr. Chairman, would that be a one-year lease?

Mr. Paris: That is what we typically do – a one-year lease and just go from year to year.

Dr. Wood: Should we, if there's consensus, should the board make a motion to . . .

Mr. Sample: I would make that motion that we would continue to occupy this space and have staff research with the . . . for one year.

Mr. Paris: Do we have a second?

Mr. Barney: I second that.

Mr. Cleaver: Let me ask you a question. Would it be advantageous to us to look at more than one year? Two or three years? When I looked at the breakdown of what was offered and asked that question, I don't know who can answer it. Would it be to our advantage to take it for two years or three years?

Mr. Sample: Potentially, the advantage would be getting away from a potential increase in a year or two from now.

Mr. Cleaver: That's why I'm curious; I don't know if whomever you're dealing with, if that's an option.

Mr. Sample: Personally, I would rather see it at least a two year, then you know we're not going to get bumped out.

Mr. Cleaver: I don't think they're going to bump us out but if we can save a few bucks, I'm all for it. I don't know where we're at. Can we look into it before we make a . . . the second was up for discussion, so that's why I threw it out on the table.

Dr. Wood: Tammi, when is the lease up?

Ms. Michali: I believe it's May.

Dr. Wood: So, we have another month to do what Mr. Cleaver is asking.

Mr. Wachter: Do you have another month to do that, because before there's an automatic renewal, don't you have to give a certain number of days' notice? I don't have the lease.

Mr. Sample: I'm going to ask a question. Could we agree to go for a one-year lease and negotiate for a two-year if it's advantageous, then bring that up at the next meeting?

Mr. Peters: I might be able to short circuit this. Obviously, I'm going to abstain from this vote. Most all of you know that my company manages Knowledge Park on behalf of Penn State so from an ECGRA perspective, I'm not going to comment in any way. From a landlord perspective, Penn State

would typically require longer-term leases. For the same reason, most commercial landlords want to stabilize their rent-flow as much as possible. I can speak on behalf of Penn State and say they're not going to have a problem if you want a two-year lease.

The one thing that does change every year is the Common Area Maintenance; that typically increases with the consumer price index. When you look at the monthly rent, is yours all one number?

Dr. Wood: It is.

Mr. Peters: Alright then, never mind. Penn State wouldn't be opposed to a two-year lease.

Mr. Wachter: Can I just add something? Mr. Cleaver, you were not here when Mr. Peters' company began management of these facilities. Is it still correct to say, that because of your participation on this board, your company does not charge your management fee for the ECGRA lease?

Mr. Peters: That's correct.

Mr. Wachter: So, his company does not make money as a result of ECGRA being in this facility. This is just so you know; so everybody's aware. We want to avoid any conflicts.

Mr. Peters: That was to avoid any potential or appearance of conflict. The fee that would be generated to my company was in the neighborhood of like \$30/month from Penn State. The tenants don't pay that directly; it comes from Penn State. But we have forgone that payment.

In addition, our company when we manage real estate, out of the nine you looked at, our company was involved with well over half of them. We also collect commissions when a deal like this happens. We have agreed to forego any commission so there is no money that will come to Altair as a result of this.

Mr. Cleaver: Like I say, if we can take two, I think we're foolish not to take it. That's just my say so. I don't know if you want to take it a step further. What do we have, 60 days? 30 days?

Mr. Wachter: I was looking; I don't have a copy of the lease here.

Dr. Wood: Mr. Cleaver, in the past the board has made a motion to allow the Executive Director and the Solicitor to negotiate the renewal of any kind of legal document like that. That's one way to potentially handle it. If you want to have some caveats on that, like trying to control the rent for two years, we could.

Mr. Sample: We could just say that we're willing to sign on to the two-year lease and let the Executive Director and the Solicitor do it if it's advantageous for stability and economics, they could go up to "X" number of years.

Dr. Wood: That's one possibility.

Mr. Barney: Personally, I would like to hear Dom, because Dom brought up the thing about us looking into other properties. I would like to hear his feelings to whether it's one year, two years, how would he feel?

Mr. DiPaolo: The only thing that I would say, if you feel that you want to stay here, that's fine. But I would limit it to one year. What if the County, six months from now, buys a building and wants to house us there for nothing and then we're going to be stuck here with a two- or three-year lease? I would think that maybe we should just go with the year and see what happens.

Mr. Cleaver: Good point.

Mr. DiPaolo: Unless we're paying the \$1,500 or whatever it is and they're going to give it to us for \$1,200. I don't think that's going to happen for three years.

Dr. Wood: I like where your head's at on that. I can tell you though, that we're never going to get free rent from the County.

Mr. DiPaolo: You never know. You never know what's going to happen. That Pleasant Ridge, who knows what they're going to do with that place. They may try to turn it around and fix it, who knows.

Mr. Sample: I believe it was Fiore that pointed out at one point, even if the County bought something, it would be at least a year by the time you did the developing and anything else.

Mr. DiPaolo: Right. So, here we are in a situation where we have a two- or three- year lease and we're stuck then. That's just my opinion on that.

Mr. Sample: I say we go for at least a year. The staff can contact the County and see if there's anything going forward. Even if the County bought something, by the time it went through everything, it's going to be two years before anything gets done. Regardless, we can move forward.

Mr. Wachter: So, just for clarity purposes, Mr. Sample made a motion to renew on a one-year lease and Mr. Barney seconded that motion. It appears that there are a significant number of members who are pushing towards a two-year lease. Are you amending your motion?

Mr. Sample: I amend my motion to two years.

Mr. Wachter: Ok. And then, Mr. Barney, are you amending your second?

Mr. Barney: Yes, I will but nothing longer than two because I think that would give us flexibility.

Dr. Wood: Can we clarify what the motion is?

Mr. Wachter: The motion was to renew the lease with Penn State for one year and it was just amended to renew it for two.

Mr. Cleaver: Is there an advantage? Are we talking about changing the rent? I just want to get it clear in my mind. Is the rent going to stay the same for the remaining two years? That's where I'm at.

Mr. Peters: Penn State doesn't do this deal for financial benefit; they do it because it's kind of cool to have the Authority here. So, I think it's safe to say that they will accept that; that they will hold the rent for the two-year period.

Dr. Wood: Hold it at its current rate?

Mr. Peters: Hold it at its current rate.

Dr. Wood: If that drastically changes, obviously I'll come back, and we'll have that discussion.

Mr. Peters: That's what I would suggest. The way it works when you're a company like Altair, is that you don't get to make these decisions unilaterally. I go back to the Penn State real estate department and say, "Hey, this is a good tenant. They've been around. I'm on the board. They're nice folks. Why don't you do this deal for them?" If they say no, then I would recommend a different discussion happens. If they come back and say they're doubling the rent, . . .

Mr. Wachter: Mr. Cleaver, if Mr. Wood and I are going to take a look at this lease and have these conversations, we assure you that if the rent is going to change anything other than a nominal CPI level or something to that degree, we won't do the deal and we'll bring it back to the Board. Would that be . . .?

Mr. Cleaver: That's fine with me. If we can get two – but on the other hand, like Dom says, nobody knows what's going to happen to Pleasant Ridge Manor, but I don't see anything coming there for a year or two. I think it's an advantage to take it for two years here.

Mr. Wachter: The benefit of doing it for more than one year, Mr. Bagnoni, is really just locking in that rent for budgeting purposes so that you know what you're going to pay.

Mr. Bagnoni: Do they increase the rent?

Mr. Peters: It's typically the Consumer Price Index which is usually under 3%, like 2.8%.

Mr. Bagnoni: So, it goes up every year?

Mr. Peters: Yeah, it goes up because of gas, electric, water, sewer – all those things have gone up.

Mr. Bagnoni: So, if we go for a two-year lease, are they going to lock us in at the same rate for two years?

Mr. Peters: That's what I would ask them to do. I don't run this property personally; it would be the guy that sits in that office, Richard Luke. Perry or Tammi would work with him and ask for that and then I would advocate for it. I don't see Penn State having an issue with it, but again, I genuinely don't know.

Mr. Bagnoni: If they keep the rent the same then I would say go with it. But if they won't then I say just do it for one year.

Mr. Sample: I want to be fair to Penn State too because they are cutting us a break; just the amenities we get here. I don't think, like Whitey said, if anything were to happen at the County level it would take two years to get us in there. I say let's just go ahead for two years and then it will give us time to research anything going forward. But we've contacted the County. My amended motion still stands at two years.

Mr. Paris: Let's do a role call vote on the two-year lease.

Mr. Peters: My company works for Penn Sate therefore I recuse myself from this vote.

Dr. Wood: Tim, we already have a memo on this topic, don't we?

Mr. Wachter: I am going to make sure that we do, and we will reissue the abstention memo that has been previously provided.

There is no further discussion. Motion carries 5-1-1, with Mr. DiPaolo voting in the negative and Mr. Peters abstaining.

Mr. Paris: Next month will be our yearly meeting and we'll have the election of officers. I would like to recommend that we keep the officers as they are; that would be Dave Sample as Secretary, Dale Barney as Treasurer, David Bagnoni as Vice-Chair, and myself as Chairman. After next year we can mix things up again.

Mr. Bagnoni: I got your email, Mike, and basically, I'm against it. I don't see us having a problem with cohesiveness, but I do like the fact that we rotate the presidentship through everybody here. I don't think anybody here is not qualified to be the president and I think everybody should have a shot at it. I think we should rotate it every year to a different person.

Mr. Cleaver: My comment is I wholeheartedly agree. I think it's good for the organization that you change at least the Chairmanship; I don't have a problem with the Secretary, Treasurer. But I think the Chairmanship should . . .

Mr. Paris: I think one of the things we were looking at was that the organization being relatively new, to walk into becoming a Chairman of the organization, it's a learning process. The second year the learning curve is over, and the Chairman can handle the meetings a little bit easier and the processes that go with it.

Mr. Bagnoni: I don't think anyone here is unqualified to sit there. Bottom line is, even if someone new is sitting there, they can still go to the past president and ask for input. That's not a problem. I just think that it's fair to rotate it through to everybody, so everybody gets a fair chance at it.

Mr. DiPaolo: Mr. Chairman, I agree with Bags and Whitey in regards to that. You've got the school district, you've got the City Council, you've got County Council; everybody's the Chairman for one year and then the Vice-Chair takes over. I understand that there's a lot of things that go into leading an organization like this like yourself, but I have to agree with David that someone else on this board could probably do the same thing. Not to take away from what you're doing, but I would agree it should be changed every year. That's my opinion.

Mr. Paris: One other thing to make note of, since we've been an organization, we've always done a two-year Chairman; we've never done one year. Sometimes the other board members and officers had changed but I think for the most part, everything remained the same for two years. The Chair, Vice-Chair, Secretary, and Treasurer all remained the same for two years. That's the road we were going down.

Mr. Peters: Ultimately, doesn't it come down to procedure Counselor? This is good discussion, but next month, the way we've always done it is that at a meeting, there are nominations made and they get voted either up or down, right?

Mr. Wachter: That is correct. Our by-laws are from when this Authority was originally formed prior to most of us being here. The by-laws do not speak to a process; there is no specific nominating committee included. Every year, it's always a question as to what that process is. So, what this board has traditionally done is make a proposal a month before the annual meeting suggesting a process and figuring out whether or not there was enough agreement on the board that that was how it would be handled at the annual meeting. Traditionally, it has been that at the annual meeting that we had discussed it prior to, and then the annual meeting comes along, and motions are made in accordance with the understanding of the board.

Mr. Peters: Have we typically done it as a slate? Theoretically, Mr. Bagnoni can come in and say, "I nominate the following slate" and there's a second or there isn't, or Mr. Barney could come in and say, "I want to make a motion that we make so-and-so the Chair" and do them individually, right?

Mr. Wachter: Traditionally, we've done it as a slate. From a Roberts Rules of Order perspective, we can go in either direction, whether you do on individual motions or as a slate. It's really up to how the board wants to handle that.

Mr. Sample: In other organizations that I've been involved in, if there's a proposed slate, before there's a vote, there would be a question of is there anyone who wants to put up another slate. And then you can vote yay or nay.

Mr. Wachter: The way it happens from a procedure, if you agree to go with a slate, say Mr. Peters makes a motion to appoint slate A, B, and C, there would be a second, are there any other slates, Mr. Bagnoni can do the slate of X, Y, Z, there's a second, are there any other slates. If there are none, then you vote on the first slate that was offered. If it fails to achieve a majority, then you get to the second slate. That's the way that it's handled if you agree to go with the slate.

If you want to go with it individually, then you would follow that same process for each individual board member. So, if Mr. Paris was to nominate Mr. DiPaolo, there would be a second, and Mr. Barney was to nominate Mr. Sample, then there would be a second, we would take Mr. DiPaolo's nomination first and should it achieve a majority, we would never get to a vote on Mr. Sample.

Mr. Sample: I do have another question. I don't believe at the end of last year that we ended up changing officers until June or July. There was a hiccup because we didn't know what our stance was.

Dr. Wood: That's true.

Mr. Wachter: There was a board member fluctuation, we didn't know which . . .

Mr. Peters: Specifically, because we had two newly appointed members, that we found out during that period of time might not be legitimate.

Mr. Wachter: . . . were not appointed correctly.

Mr. Sample: Because of the shorter term last year, I would agree with Mike's recommendation.

Mr. Paris: This is something we'll be voting on next month anyway.

Mr. Sample: So, anybody who didn't agree could bring another slate.

Mr. Cleaver: You keep using the word slate – what's wrong with nominating an individual instead of bringing a whole slate?

Mr. Paris: That's what Tim was saying; we could do it that way.

Mr. Cleaver: Can I ask, how long have you served as Chairman?

Mr. Paris: Eight or nine months.

Mr. Sample: He didn't get a full year because last year we had those other appointees.

Mr. Paris: Same thing goes with Dale being the Treasurer.

Mr. Bagnoni: Who's the Secretary?

Mr. Paris: Sample.

Mr. Peters: If it helps, and I'm not saying this facetiously but, I'm not willing to serve in an officer role again. I did it for too long in too many positions. If that helps, just know that I'm not going to accept a nomination.

Mr. Paris: Is there any other discussion? I would like to move on to the next thing, which is we've been talking about the by-laws. I would like to create a committee to amend and update our by-laws. Perry, is that something we can do today?

Dr. Wood: I suppose you could ask for volunteers.

Mr. Paris: Are there any volunteers who would like to sit on this committee?

Mr. Peters: Are there some specific areas that need addressed?

Dr. Wood: The by-laws have not been updated since 2011, so there's just some historical things. They still have the former Executive Director's name on them as the presiding secretary.

Mr. Wachter: At one point I had compiled a list of issues we could address in the by-laws, but it's probably been six or seven years since we looked at it. The by-laws committee could make a recommendation to address this issue of nomination of officers, so we don't have to have this question every year and lay this process out directly. I would suggest that a nominating committee be established or a governance committee, whichever language you wanted to use whose job it would be every year to come up with that slate and make a recommendation. Additionally, the by-laws prohibit an employee of the Authority from serving as the Secretary. The Secretary is often an administrative role that has to sign a lot of documents and things of that nature. It would be more commonplace for an employee to serve as the Secretary in order to handle those issues. Those are the two things that are coming to me off the top of my mind. I do believe also that the by-laws may reference the official

place of meeting as the old office. There are just some clean-up issues that need to be addressed and if there are any other structural issues, I can't remember them of the top of my head.

Mr. Cleaver: I'll volunteer to serve.

Mr. Peters: I think our current by-laws, by the way, from my time as Chairman, allow the Chairman to call an ad-hoc committee, I believe.

Mr. Paris: They do, yes.

Mr. Wachter: That would be standard.

Mr. Peters: I think that's what you're doing, Mike. You're calling an ad-hoc committee, you're getting volunteers to serve. It makes sense to update the documents.

Mr. Paris: Should we keep it to two or three?

Mr. Peters: I think anyone can.

Mr. Paris: I was just worried about having too many.

Dr. Wood: Just take the volunteers; whoever wants to. I have Mr. Cleaver down here. Just me and Mr. Cleaver?

Mr. Barney: How much time and what dates? What time frame are you looking at?

Dr. Wood: One, probably two meetings, I would guess.

Mr. Bagnoni: I'll volunteer.

Mr. Barney: I will but it depends on my schedule. You don't know your schedule so how can I say if I'm available?

Mr. Paris: We have three. If anybody else would like to join, you can let Perry know. Thank you for that. The other thing that will be coming up next month is the draft budget. Does anyone have any additional feedback on that draft budget?

One of the things I had been thinking about and I had asked Perry and the staff to look into was to research the Pennsylvania Municipal Retirement System just to look into to see what products are out there for retirement plans. They will be researching that. I would also like to thank everybody for attending last week's Strategic Planning Committee meeting. I think Dom, Whitey, and Dave Sample were there, and Dave Bagnoni was on the phone. I'd like to thank you all for being there for the grant review process that occurred. Dale and I were sick.

One last thing, I want to offer condolences to Gary Lee, you'll see he's not here today, on the passing of his brother this past Monday. I just wanted everybody to be aware of that.

Mr. Barney: The calling hours will be Saturday from 10 – 12 and there will be a service after that.

Mr. Paris: This is what it says, "An "Expressions of Love in Celebration Concert" will be held on Friday, March 22, 2019, from 6 – 8 p.m. at Abundant Life Ministries International, 806 Parade St.,

where friends may visit with the family on Saturday, March 23, 2019 from 10 a.m. to 12 p.m., with a home going celebration immediately following.

Mr. Barney: I want you to know that the body is not going to be at Abundant Life on Friday. They are just having a jam session because he was a drummer at the church and a lot of other musicians will be there from 6 – 8pm.

Mr. Sample: Not to belabor this meeting any longer, because the Chairman has done that on his own, but was Gary from Erie that his brother is in Erie?

Mr. Barney: Yes.

Mr. Sample: I was not aware that he was from Erie.

Mr. Paris: That's all I have. Sorry it took so long. Let's move on.

PUBLIC COMMENT

There is no public comment.

PRESENTATIONS

There are no presentations.

COMMITTEE REPORTS

- a. Treasurer's Report: Mr. Barney: Good morning, everybody. Did everyone have an opportunity to look over the Treasurer's Report? The first page is the Profit & Loss. I want you to make note that we did receive our quarterly gaming revenue funds of \$1.3, so the year-to-date has increased. We also got the Savings interest as additional income. As we look down at the expenses, you'll notice that under Multi-Municipal we got a refund of \$8,000 – that was the tree planting. Mission Main Street – you'll see we disbursed the funds to the Borough of North East, Union City, Erie, and the Downtown Partnership. That will be one of three payments.

The next page is the Balance Sheet and you'll notice Committed Funds, Restricted Funds, and what we have in our savings. Each of them are approximately \$3 million. Going down the page you'll notice the Reserve for Uncollectable Notes. That is always in the negative because we never not collected. I want to also let you know that that number is going to increase, due to additional revenue that has been disbursed such as to Blue Highway; so that's going to go up to approximately \$1.2 due to the additional loans. Are there any questions on that?

There is nothing out of the ordinary on the next page, which is the Statement of Cash Flow. Budget vs. Actual on the following page, everything is standard. I would like to note that Books, Subscriptions, and Dues – that's the Times News. Under Copier Lease and Copier Printing Costs, there's nothing under the printing costs because it's all included in the copier lease. Under Advertising, it's large - \$1,576.70 – but it should be noted that \$1,500 of that funded the Innovation Collaborative Showcase. It would've been only \$76.60 for advertising otherwise, which would be our basic amount. Is there any discussion on Budget vs. Actual?

Mr. Peters: Perry, is that Innovation Collaborative, is that the Co-Starters that they've got?

Dr. Wood: That's the Collegiate Showcase, the innovation competition with the university students and entrepreneurs.

Mr. Peters: Thank you.

Mr. Sample: We took an ad in their brochure?

Dr. Wood: We sponsored the event.

Mr. Peters: They're doing interesting things with that Co-Starters. It's one of the more interesting things that they've done.

Dr. Wood: We're just learning about that now; it's based on the book The Ice House. We're doing our homework on that. The other thing to mention is that we just renewed our insurance, so you're going to see a spike there.

Mr. Wachter: The Co-Starters, just while you're on the subject, they recently had a launch of a thing called Polar Popcorn, which is a candy made by the inventor of Jelly Belly™, the jelly beans. He actually reached out to them because of their success ratio in order to launch this new line. It's not just a local success story, but it has now become a national success story.

Mr. Barney: Under Schedule of Grant Reserve . . .

Mr. DiPaolo: Mr. Chairman, I have a question. Under the Schedule of Grants, Shaping Tomorrow, Empower Erie – Community College. According to this, they have \$370,000 remaining that we have to give them? Is that how that works?

Dr. Wood: We have awarded them a total of \$400,000; they have drawn down \$30,000 of it so far, so there is another \$370,000 sitting there waiting for the Community College to get up and running.

Mr. DiPaolo: The reason I ask that is because I see in the paper the last couple days, that they are going to City Council and County Council asking for money. Can't they use this money, or not?

Mr. Barney: They could. This is something Mr. Wood and I discussed recently as to why they choose to approach County council for the additional \$15,000 rather than draw down on what's there. We don't know.

Dr. Wood: I don't know the answer to that. The answer could be that we initially awarded them these funds to them to go toward the Community College with some of the funds in the pre-planning process, they may have exhausted those funds already. I don't actually know the answer to that. The grant was split between us and the Foundation.

Mr. Sample: If I remember correctly, it was proportional that so much was drawn to be used to do the study and then once they got further along, they could draw down more. Maybe like Perry said, they have exhausted what we allocated for the initial.

Mr. DiPaolo: If the State rejects this, we get that \$370,000 back?

Mr. Barney: We still have it; it's just sitting there.

Mr. Sample: We take their name off of it and it's not restricted anymore.

Dr. Wood: Mr. DiPaolo, if the State were to reject it, someone would make a motion to remove it from Grant Reserve and put it back into the General Fund.

Mr. DiPaolo: Okay. That is, if in fact, they get rejected from that State.

Mr. Barney: Right, otherwise, it stays in the Restricted.

Mr. DiPaolo: That's all I wanted to know. Thank you.

Mr. Barney: On the Schedule of Grant Reserve under Mission Main Street – Round 1 – I would like to note that the Borough of North East, Union City, City of Erie, Erie Downtown Partnership which I indicated on the first page, you can see where they drew down for \$245,000. The Committed Funds shows the same draw down from those four entities. And that's one of three draw downs, they still have some to go.

Mr. Sample: That's based over three years, right?

Mr. Barney: Correct. Check Detail Report shows nothing out of the ordinary. Are there any questions? Now I'll review the credit cards. Mr. Wood only has the AT&T bill payment for Phone/IT. Tammi has everything itemized – office supplies, phone/IT, postage, Country Fair (that's for the creamer. I just wanted to let everyone what she's running to Country Fair for). And no credit card from Tom. Are there any other questions? I would request that you approve the Treasurer's Report.

Mr. Sample makes a motion to accept the Treasurer's Report. Mr. DiPaolo seconds the motion. There is no further discussion. Motion carries 7-0.

- b. Strategic Planning Committee: Mr. Sample: We met as was pointed out before; Dom, myself, Gary Lee, Whitey, and David via the phone. We reviewed them and found some questions in a couple of them, so we pushed those back for a month and we're going to have another round. Special Events were reviewed; there were 46 applications that came up to about \$278,000. I believe the committee – Dom, did we resolve at 3.5% as opposed to the 5%? Everybody was qualified so what we tried to do was to make the amount that was allocated fit. That was the committee's recommendation.

Again, we started Mission Main Street, Round 2 review. It was suggested that Union City Borough, as everybody is aware we don't always approve the amount that's asked for, it was suggested that they receive \$200,000 instead of the \$250,000. Edinboro was suggested approval at \$250,000. Further results are waiting on the other five applications and then there was a no for Union City Pride. We are referring Bike Erie to Community Assets because it's a better fit. I appreciated the ones who were able to come.

- c. Update from County Council: Mr. Leone is not present to give a report.
- d. Update from County Executive's Office: Mr. Lee is not present to give a report.

REPORT OF THE EXECUTIVE DIRECTOR

Dr. Wood: You'll find an Executive Director's Report on your SharePoint site. It's going to have some information there about some public communications that we had this past month, two of which were to announce Round 1 Mission Main Street funding – one was to the City of Erie to move forward with their streetscaping plan. That was a \$250,000 grant in Round 1 of Mission Main Street; there's some press on that that I attached here. Also, the Erie Downtown Partnership - \$250,000 mostly for façade improvements for the central business district of downtown Erie; there's some press attached to that.

There are some other things that we received some press on like the Independence Hill planning process which we had awarded to the Sisters of St. Joseph to do in the last Round of Mission Main Street funding to move that corridor forward. You'll see documents pertaining to the Strategic Planning Committee meeting including the recommendations of the committee, which Mr. Sample had said for Special Events to go at a pro-rated amount of 3.5%; you'll find those on today's agenda in Resolution Number 3.

There were several Mission Main Street applications reviewed, however they are not all ready for a vote at this time. The committee recommended for two of them to move forward today in Resolution Number 2 and those are the two that Mr. Sample mentioned. We did have a brief review of the summaries of the Mission Main Street grants. This Round, Tom and I have gone back to the ones that have been put on hold and we have asked them for additional information. So, we will be having a grant review committee meeting next month before the Board meeting in order to review those who have submitted additional information to us.

You'll also see the Ridge Policy Group report that is in there; the report on the activities of the last 30 days, a cumulative report on the grants that have been achieved through the Ridge Policy Group, and letters of support from some entities in the community that have taken advantage of the services of Ridge Policy Group strategically through us.

And finally, you'll see a letter from the County Executive talking about Blue Zones. I did participate in a meeting with the national consultants of Blue Zones; we did see a presentation from Melissa Lyon from the County Health Department asking us to participate. The County Executive is asking us to participate financially. It sounds like a pilot project that we can move forward with. We'll ask them to submit some paperwork to us and if they can get it in, it will be part of the grant review next month. Without objection, we'll move forward with that.

Mr. Sample: I know at the last meeting when they were here, there was no ask at that time. What is the amount they're asking for?

Dr. Wood: We haven't got to the point of the ask yet. We do know that they have a budget deficit and I know she discussed it here, but I don't recall what that was.

Mr. Sample: I think it was \$50,000.

Dr. Wood: That's probably a reasonable assumption.

Mr. Sample: I certainly just don't want to blanket say that whatever they come up short that we'll give them.

Dr. Wood: A process still has to take place where they submit a pilot, the Board reviews that pilot project just as they would any other grant and then we'll have a formal discussion at a Board meeting. That's still all ahead of us; this is very preliminary.

Just to briefly review where we're at on the grant schedule - Special Events of course was opened in December, it was closed in February, and it will be awarded today. Mission Main Street Round 2, also opened last year, due in February, and Round 2A will be awarded today. Round 2B, which we had to create based on the fact that some of these applications weren't ready, we're anticipating closing next month and awarding that in May, so we can take April to review the pilot project.

Renaissance Block – we had talked about we weren't sure if there would be another Round of Renaissance Block based on interest from the community. We had aggressively done about a dozen in the first Round. However, there has been some interest so we're going to recommend opening that up. It's technically open right now, but it will be closed in June, and then we'll be able to see those. Tom is kicking around the idea of doing another workshop based upon interest from the community, but we have had some interest.

Multi-Municipal Collaboration opened in February, Round 1 closes April 1st. You'll be able to review those in the grant review next month. Round 2 closes in July. We are spreading those out based upon the initial interest that we've seen. We opened that up early to give these municipalities more time to apply. We don't know if we'll do a third Round of Mission Main Street; let's see what happens in Round 2B but if we do, it will close in July and we'll review and potentially award it in August.

Anchor Building is another one – so, these are the historic structures that we've helped. We think that there is more demand out there although we're still trying to quantify it through some entities. But you can see the activity of some preservation groups are kicking up, especially in the springtime, they start to get more active as the construction season starts. So, we'll see what they say.

Of course, the second half of the year we'll deal with three levels of Community Asset funding – Arts, Culture, & Heritage is one, Parks, Fields, & Trails is the second, and Community Centers is the third. That concludes my report, Mr. Chairman.

Mr. Paris: Thanks, Perry. Does anybody have any questions?

SOLICITOR'S REPORT

Mr. Wachter: Other than preparing for a by-laws committee meeting, not much is happening.

OLD BUSINESS

Mr. DiPaolo: I just have one question. I know I had brought up in one of the meetings in regards to the Bridgeway Capital, the amount of money that we give them and they decide who gets it and they go out and give it to small businesses. Do we ever check back with them to find out if these businesses are still in operation, or don't we do that?

Dr. Wood: On a quarterly basis they submit a report to us on who they're funding. The idea of how many of these businesses have been successful, that's a more long-term thing. We do measure that; we just did an interim report on that exact issue, which went before the Board, it went to County Council, it went to the County Controller, and there was only, I'm going off memory, but there was only one business on that list that failed, but they did pay their loan back even though they failed.

Mr. DiPaolo: Was that the French Maids?

Dr. Wood: I don't recall.

Mr. DiPaolo: Because they went out. The only reason I'm bringing this up is I know the guy that rented to them at a strip plaza on 38th Street and I just happened to run into him. We were talking about how he was trying to get some other people to go in and he told me that these people evidently went out of business. Then I see here that they were given \$115,000 for their business. I just wondered if anybody checks up to find out, if in fact, they're still in business. Just remember that name and maybe that's the one that went out. I don't know; I just thought I'd bring it up.

Mr. Bagnoni: It doesn't affect our money though.

Dr. Wood: It does not. We have no risk in that portfolio.

Mr. DiPaolo: Right. But it's money that we give to them that they could . . .

Mr. Sample: Bridgeway is responsible to us, other than the grants we gave them.

Mr. Wachter: Right. It's a loan.

Mr. DiPaolo: Okay. Thank you, that's all I wanted.

NEW BUSINESS

- a. Resolution Number 2, 2019 – Resolution to enter into agreements with two Mission Main Street applicants in Round 2.

Dr. Wood reads the resolution.

Mr. Sample makes a motion to approve the resolution. Mr. DiPaolo seconds the motion. There is no further discussion. Motion carries 7 – 0.

- b. Resolution Number 3, 2019 – Resolution to enter into agreements with 45 Erie County Special Events applicants.

Dr. Wood reads the resolution.

Mr. Cleaver makes a motion to approve the resolution. Mr. Bagnoni seconds the motion. There is no further discussion. Motion carries 7 – 0.

ADJOURNMENT

Mr. Sample moves to adjourn.