



Erie County Gaming Revenue Authority

Minutes of the Board of Directors' Meeting

April 23, 2020

This meeting is held via Zoom due to Governor Wolf's orders to stay at home during the time of this COVID-19 crisis.

CALL TO ORDER

The Board of Directors' Meeting of the Erie County Gaming Revenue Authority was held on April 23, 2020 via Zoom with a link that was provided to all Board members by the Executive Director. An agenda containing the Zoom link to this meeting was posted both on the ECGRA website and at 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. Barney, Mr. Bagnoni, Mr. Cleaver, Mr. DiPaolo, Ms. Hess, Mr. Paris, and Mr. Sample. Mr. Lee, Council Chairperson Andre Horton, Mr. Wachter and Dr. Wood are also present.

ELECTION OF OFFICERS

Mr. Paris: I did send emails out to people explaining that with the situation we're in right now, I was hoping to keep the slate of officers the same except to hopefully have Dom be nominated as Secretary; the slate would then be myself as Chair, David Bagnoni as Vice Chair, Dale Barney as Treasurer, and Dom DiPaolo as Secretary. If there would be someone that would be willing to make that motion.

Mr. DiPaolo: I have a little problem with that. The problem that I have is that Bags has been the Vice Chair for a couple of years now and I don't know what the situation has to do with this, but I feel that he has been on long enough that he can probably take this over as the Chairman and I don't understand why everything has to stay the same. In addition, nobody has ever asked me if I wanted to be the Secretary, which I don't want to be the Secretary.

At this time, I would like to nominate David (Bagnoni) as Chairman and we can go from there with it. I don't agree with keeping the same slate; that's my opinion.

Mr. Paris: The only reason we would be doing that, and we've done it before in year's past, is during times when things are a little rough, it prevents there from being a transition period and the staff has

to take time to go through the logistics of training a new Chairman and Treasurer. That was the main reason for it, Dom.

Mr. DiPaolo: I don't understand what type of training you need to be a Chairman or a Treasurer; that's my opinion.

Mr. Paris: There are things that we sit down and go over, especially for the Treasurer.

Mr. DiPaolo: I'm not talking about Dale, I'm talking about David as the Chairman. That's my motion.

Ms. Hess: To me, it makes sense to keep Mike as the Chair right now. I would propose that we keep Mike as the Chair. I know from working with a Board President, there is training that goes along with that and lots more discussion so I think it would (Ms. Hess's audio cuts out briefly).

Mr. Wachter: If I can comment here, Mike. You have a motion on the floor . . .

Mr. Cleaver: I second it.

Mr. Wachter: . . . and Mr. Cleaver has seconded it for David. At this point Mike, you should ask if there are any other nominations.

Mr. Paris: Are there any other nominations then?

Mr. Cleaver: If I may, Counsel, David, do you want the position? I mean, we could resolve this very quickly.

Mr. Bagnoni: Here's my philosophy and I reiterated this last time. I think each year, it should rotate between each member of our Board; it shouldn't be one person all the time. If we need a difference of opinions, then we're better off moving on and the coronavirus has nothing to do with how this Board operates other than we are approving more things than we ever have before. So, there is no transition; we've all been here for a while. I think that we should move on, whether it's me or another member of the Board, I don't particularly care. But I do think that the Chair position should be moved from member to member.

Ms. Hess nominates Mike Paris as Chairman. Mr. Sample seconds that motion.

Mr. Wachter: Are there any other nominations?

Mr. Paris: Let's address this now as well – do you want to do this as a slate, or do you want to do this individually?

Mr. Sample: At this point, I think you have to do them individually.

Mr. Cleaver: It's only going to take a minute.

Mr. Wachter: The process now with two nominations for Chair and both have been seconded; the next motion would be to close the nominations.

Mr. Paris: If we could have a motion to close nominations.

Mr. Cleaver makes a motion to close nominations for Chair. Mr. Sample seconds the motion. There is no further discussion. Motion carries 7-0.

Mr. Wachter: You have two nominations on the floor; the first one was for Mr. Bagnoni to serve as Chair and the second was for Mr. Paris. You need to take those motions in the order that you had received them.

Mr. Paris: Let's take a role call vote for the motion to nominate David Bagnoni as Chair.

The motion for Mr. Bagnoni as Chair fails with a vote of 3-4, with Mr. Sample, Mr. Barney, Ms. Hess, and Mr. Paris voting in the negative.

Mr. Paris: Let's take a role call vote for the motion of Mr. Paris as Chair.

The motion for Mr. Paris as Chair carries with a vote of 4-3, with Mr. Bagnoni, Mr. DiPaolo, and Mr. Cleaver voting in the negative.

Mr. Paris: Now we need to nominate the rest of the positions. Mr. Wachter, is that something we can do as a slate, or should we do them individually?

Mr. Wachter: That's up to the Board.

Mr. Sample: Let's do them individually.

Mr. Sample nominates Mr. Bagnoni as Vice Chair. Mr. Cleaver seconds the motion. There are no other nominations.

Mr. Sample make a motion to close the nominations for Vice Chair. Mr. DiPaolo seconds the motion. Motion carries 7-0.

The motion for Mr. Bagnoni to be appointed as Vice Chair carries 7-0.

Mr. Paris: A vote for the position of Treasurer.

Mr. Cleaver nominates Mr. Barney as Treasurer. Mr. Sample seconds the motion. There are no other nominations.

Mr. Cleaver makes a motion to close the nomination for Treasurer. Mr. Sample seconds the motion. Motion carries 7-0.

The motion for Mr. Barney to be appointed Treasurer carries 7-0.

Mr. Paris: A vote for the position of Secretary.

Mr. Cleaver nominates Mr. Sample as Secretary. Mr. Bagnoni seconds the motion. There are no other nominations.

Mr. DiPaolo makes a motion to close the nomination for Secretary. Mr. Sample seconds the motion. Motion carries 7-0.

The motion for Mr. Sample to be appointed Secretary carries 7-0.

APPROVAL OF THE AGENDA

Mr. Sample makes a motion to approve the agenda as presented. Mr. Cleaver seconds the motion. There is no discussion of the agenda. Motion carries 7-0.

Mr. DiPaolo: I have a question. Under New Business, in regards to the Erie County Special Events Grants, I had brought up that I thought I may have had a conflict but it was basically explained by the Solicitor in regards to Sacred Heart which was my parish but he had advised that there wasn't any problem, but in looking at the Special Events in the Treasurer's Report, Sacred Heart isn't listed under the Special Events. I was just wondering if it was just a mistake that they weren't added in or didn't they get it? That's my question.

Mr. Barney: Sacred Heart didn't get anything.

Mr. DiPaolo: Well, they were on the list. That what I had brought up. I'm sure the Solicitor remembers that.

Mr. Paris: I do remember that we talked about that and I do remember seeing that on the list at one point.

Mr. DiPaolo: It's on the original list, but it's not on the Special Events list from this particular Treasurer's Report.

Mr. Paris: Would that be a prior year or a prior grant that we had given?

Mr. DiPaolo: No. This was the one that we voted on at the last meeting for the Special Events.

Ms. Michali: Can I explain?

Mr. Paris: Go ahead.

Ms. Michali: You are seeing the March Treasurer's Report and that is for Fiscal Year April 1, 2019 through March 31, 2020. We just awarded the Special Events Grants at last month's meeting, therefore we have cut no checks for the Special Events for 2020. The list you are seeing on the Treasurer's Report is last year's Special Events Grants. The Special Events grants that we just awarded won't appear until this fiscal year, which began on April 1.

Mr. DiPaolo: Let me understand, Resolution 2, 2020, would that have been for this year then?

Ms. Michali: Resolution 2 of this year was to approve the grants, but we have not written the checks, therefore they are not showing up on our financials yet.

Mr. DiPaolo: That rectifies that then. But the question is, in the minutes, it has nothing about me bringing up a potential conflict of interest.

Ms. Michali: I will rectify that in the minutes. If you will notice at the beginning of the minutes, the recording of the meeting did not take, and I apparently forgot to add that when I was taking notes. I will make the adjustment to the minutes accordingly.

Mr. DiPaolo: Ok, that's fine. The only reason I brought it up was because I thought Sacred Heart got left out of the Special Events.

APPROVAL OF MINUTES – March 2020

Mr. Cleaver makes a motion to approve the minutes as to be amended. Mr. Barney seconds the motion. There is no further discussion on the minutes. Motion carries 7-0.

Mr. Sample: Mike, there are also the minutes of the Special Meeting that need approved.

Mr. Sample makes a motion to approve the minutes of the Special meeting March 2020. Mr. Barney seconds the motion. Motion carries 7-0.

DIRECTOR'S COMMENTS

Mr. Cleaver: Mr. Chairman, I would like to make a comment. First of all, I would like to tip my hat to Mr. Wood and his staff for the outstanding job they did in this virus situation. But I noticed when one of his thank-you's came out, there was two names that I know of, but he was thanking a Kate Philips. Do we have a new employee, or who is Kate Philips? In your comments, Perry, you said thank you to Tammi and to so-and-so, and then you said thank you to Kate Philips.

Dr. Wood: That's correct. Kate Philips has been working as our communications professional for a little over a year now at ECGRA.

Mr. Cleaver: So, she was involved in the distribution and reviewing and so on?

Dr. Wood: No. She was involved in the communications piece of it, she wrote the press releases for it, she communicated with the media on our behalf; she is our communications group known as Parker Philips.

Mr. Cleaver: Ok. I'll tell you what I'd like. Being kind of new here, Perry, would you email me her duties and what this is all about? I know I asked this question at the last meeting, but when I seen you thanked her, I didn't realize that she was a part of this distribution set up you had. Would you email me basically what her duties are and if we have a contract or are we paying her hourly? I just don't have any idea what that's all about.

Dr. Wood: I will do so.

Mr. Cleaver: Thank you.

Mr. Paris: Are there any other directors who have a comment?

COMMENTS BY THE CHAIR

Mr. Paris: I would like to reiterate what Whitey just said – I would like to commend the staff for the time that they have put in during the last month and I know it's been a bit of a struggle. I would just like to say thank you.

PUBLIC COMMENT

There is no public present on Zoom to comment.

PRESENTATIONS

There are no presentations.

COMMITTEE REPORTS

- a. Treasurer's Report: Mr. Barney: Good morning everyone. Hopefully you have all had the opportunity to look over the Treasurer's Report and I would like to thank you for the opportunity to be of service for this past year and I'm looking forward to this upcoming year.

We will start with the Profit & Loss and we should note that this report reflects the last fiscal month of the year; we are going into a new fiscal year starting April 1. There is nothing out of the ordinary when we look at the expenses. Also, if at any time you have any questions, feel free to stop me and we'll try and get some clarity. When we move to the bottom under Expenses, you'll see the Summer Jobs Program at \$11,875.19, which brings us over the \$150,000 that we allocated; that \$11,875 is the final payment of 2019 and the remaining \$3,633.07 is the final payment of 2018 that didn't post until the 2019-2020 fiscal year. A little farther down you will see the action that was taken in response to the crisis situation of COVID-19. Keep in mind, this is for the month of March and this line does not show a total, but rather just about one week of the crisis, which totals \$125,025. Later in the report, you will see the actual breakdowns of where the payment went.

The Balance Sheet shows the Restricted Funds at \$3,329,112, Committed Funds at \$4,167,776, and then what is available at Erie Bank in the Savings. If you go down farther, you'll see the Notes Receivable and that we prepaid our insurance.

The next page is the Statement of Cash Flow, which shows nothing out of the ordinary, so we will move onto Budget vs. Actual. The payment to the Ridge Group is shown and it should be noted that this is the second to last payment because we agreed to sever ties with them; there will be one more bill from them and we'll see how things work out after that.

Whitey, per your observation, Parker Philips, that's where you see this Professional Service line, and that's the work this young lady does be it in the paper, press releases, and various things like that. Then you see the legal for the Knox Law Firm.

Mr. Cleaver: Dale, I just questioned the fact because I didn't know what she did or . . .

Dr. Wood: I don't mean to interrupt, but Kate Philips is on the call with us right now; she is the one who actually organized this Zoom meeting on behalf of the Board. Kate, do you just want to chime in with your microphone and tell the Board a little bit about what you do for our organization. I can still get you this in writing as well.

Ms. Philips: Good morning. Zoom isn't necessarily the ideal way to meet a group! Good morning. I do marketing and communications for all my clients. Hi Tim – Tim is one of my colleagues in the Erie County professional services world. I have been doing the press for ECGRA for over a year now; you may recall, at least the Board members who have been here for a little while, that Amanda Burlingham did the work before I did.

What I do is create press releases to keep a public record of all of the grants that are awarded by ECGRA, I communicate with the media to let them know when media releases are coming and what's happening at ECGRA. When you see the press conferences where we do check presentations, I know I have met you Mr. Cleaver and Mr. Barney at a couple of press conferences, I organize those with Tammi and invite the press to those. I do a lot of writing and social media for the Board and make sure I make posts when ECGRA is featured in the newspaper. I try to make sure that people in the community know what's happening.

I really serve as a public information officer under this contract. I have many clients and I have been doing this work for about 20 years.

Dr. Wood: I think it's important to note that Kate helps write our Annual Reports; she does the verbiage in the Annual Reports. She is also involved in our Economic Impact Studies that we have done in the past as well.

Ms. Philips: My firm has two sides – my business partner, Nichole Parker who is the Parker in Parker Philips, she is an economic analyst and she has been doing economic impact studies for 20 years as well. Most recently, we did an Economic Impact Analysis for the University of Washington, we're currently doing one for the Pennsylvania Newspaper Association and the Pennsylvania Association of Broadcasters, and the Maryland Heritage areas. We're a nationally recognized firm when it comes to economic impact.

Most of my public relations and marketing work is based in Pennsylvania, across the state though. I have done work here in Erie County; I worked for the County of Erie three years ago when we created the Choose Erie Initiative, which is the precursor to the Erie Forward campaign happening at the Chamber right now.

I am happy to answer any questions, if you have them.

Mr. Cleaver: I have a couple of questions. Are you on a retainer with us?

Ms. Philips: It's not really a retainer. It's more like a contract that says what I do every month and Perry is my direct contact.

Mr. Cleaver: Is there a dollar amount attached to that contract or is it hourly?

Ms. Philips: It's a dollar amount that is issued monthly and I believe it's \$2,490.

Mr. Cleaver: I'm looking at the \$2,490; you get that whether you do anything or not, so it's basically an agreement.

Ms. Philips: I'm happy to provide the Board with all the work that I have performed for ECGRA over the last year or so. That is a very minimum amount; I do an extraordinary amount for that fee.

Mr. Cleaver: It's a new year and that's why I'm questioning it. As I look at this thing, we overspent pretty close to \$5,000 under that Professional Services; that's a pretty big lump sum

when we're trying to save pennies, and nickels, and dimes. That was my concern. Now, I know who you are, I guess I know now what you do, but I would like to somewhere sit down with you or I'd like to see something in writing so I know what we get from you for your services.

Ms. Philips: You and I have met at a couple of press events, Mr. Cleaver.

Mr. Cleaver: I do recognize you now, I do, but I was never aware of what you did. No one ever told me and I've been on this Board a little over a year. Then it was brought up under Professional Services. I just thought that you were part of the fixture there at these things.

Ms. Philips: Sometimes it feels like that. But I will say that I am definitely proud of the work that we've done on behalf of ECGRA. It's an extraordinary amount of work but I am very proud of the effort that I've put forth for the Board.

Mr. DiPaolo: I have a question for you. What would you say, ballpark figure, is the average amount of hours you would put in a month for us? If you know.

Ms. Philips: I would say on average it's about 40 hours a month; 10 hours a week. Typically, at 40 hours a month, I would charge closer to \$5,000 a month but I do this as a labor of love because I feel that the work you all are doing is great and I am an Erie resident; most of my business is not based in Erie but I am an Erie County resident and I'm proud to help out the Board.

Mr. DiPaolo: Ok. Very good. Thank you very much.

Mr. Cleaver: I am fine now myself, but I would just like to see something in writing what she provides for us, Perry. You and I can get together on that.

Dr. Wood: Sounds good.

Mr. Cleaver: Thanks for explaining a part of your duties. It's a new year, so we'll move on. Thank you.

Ms. Philips: Thank you.

Mr. Barney: We are still on the Budget vs. Actual and if you move down to Subscriptions and Dues, which show on Tammi's Visa, there is one book purchased and the Times subscription. When we go down to Bank Fees, you may wonder why that is such a large amount, but that is from three wire transfer fees for the COVID grants, as well as an activation fee for automatic transfers and one other fee that will be explained late in the report.

You will see farther down that there was advertisement for an extra meeting, and that was for the personnel issues. There is nothing else out of the ordinary on the Budget vs. Actual.

Mr. Sample: Before we move on, Tim, did I see something from your firm that said because of the COVID-19 we don't necessarily have to advertise?

Mr. Wachter: No, that's not necessarily true. Act 15 was signed on Monday or Tuesday by the Governor. What that allows, and I was going to get into that in the Solicitor's Report, . . .

Mr. Sample: That's fine. Let's just wait for that.

Mr. Barney: The next page is the Schedule of Grant Reserve and at the top of the page it indicates once again the Uncommitted and Committed Funds and Restricted Funds for March at 75%, which is after the Settlement payments. Moving down to the Disbursement Details, there has been none for the month of March until you get down to Summer Jobs.

Mr. Cleaver: You passed over the Municipalities and I have a question. Perry, does the casino pay us quarterly, semiannually, or yearly? They pay the County and the County distributes to us, but . . .

Dr. Wood: The casino makes a quarterly payment to the Commonwealth of Pennsylvania and then the Commonwealth wires the money to Erie County government, then they wire the money to us.

Mr. Cleaver: You are probably aware that they have extended that because of the closing.

Dr. Wood: The only thing that I am aware of is in talking with Kevin Sullivan, is that they are discussing how to make the quarterly payment with the Commonwealth right now. Did they make a final decision on it?

Mr. Cleaver: I understood that the payment was extended until the end of May.

Dr. Wood: That was one possibility; I didn't get a definitive answer on that. I think it's important to note that the quarterly distribution of funds from the casino to the Commonwealth is a matter of function between the Commonwealth and the casino. However, the overall payment that the casino has to make for local share gaming revenue is a matter of legislation. So, how it's distributed is a matter of the Commonwealth deciding through the bureaucracy, but overall, the \$10 million a year that Erie County gets from local share is through legislation.

Mr. Cleaver: From what I understand, it was due and they gave them an extension. Thanks a lot; I appreciate that.

Mr. Barney: We'll let you know when we receive it.

Mr. Cleaver: I'll probably know before you do.

Mr. Barney: Back to the report where we left off at the Summer Jobs, which we earlier indicated that the final drawdown is done; that took it to the \$150,000. There is also the last drawdown from 2018 that occurred.

Dr. Wood: Dale, did you want to point out the COVID grants that are on this report?

Mr. Barney: You can see the amount I spoke of earlier, the \$125,025. This shows the payments we made out and every Board member had a chance to respond before this occurred. Remember, this amount reflects one week in the month of March; these were the

initial grants. As Whitey had indicated, this was due to the ECGRA staff jumping right in and being able to make things happen.

Mr. Cleaver: Dale, can I open my mouth again? Perry, I know that some of these are going to get re-funded again, especially now that they passed some more dollars. Is there any possibility of us getting repaid for this?

Dr. Wood: There is a possibility. Mike, do you want to talk on that?

Mr. Paris: You mean where the money would be coming from?

Dr. Wood: The issue of reimbursement that we had discussed with County government.

Mr. Paris: Perry, I guess I'm not sure exactly what you're talking about.

Dr. Wood: I'm sorry. Let me be more direct. Basically, what happened was I have been in regular contact with members of County Council about these COVID grants; they are very happy with the work that we have been doing and they are very excited about the fact that it's been fast and it's been expedient. They have an interest in seeing us reimbursed. As Federal and State funding continues to flow and we keep learning more about these funds, the County has set up basically a finance bureau for all COVID-related expenses. That finance bureau would be the place that we would go to and show them the grants we have made and then ask which ones are reimbursable by the funds coming from the state and the feds. That includes two things: the CARES Act Part 2 which is going to be coming out soon; CARES Act Part 1 only reimbursed municipalities that are over 500,000 for funding for this type of crisis – CARES Act Part 2 is going to be for small and mid-size communities and we believe that will include us. There are also concepts of CBDG that are coming down; if you don't know, Erie County receives CBDG funds as well and there will be some restrictions there but some of the things we are doing with small business for example, might be reimbursable through that.

Then there is a third concept coming through the Senate right now that is being debated called the Local Relief Package Fund and that would also go to groups like ours that are on the front lines of providing the upfront costs of dealing with this crisis.

Mr. Cleaver: I guess I'm concerned, and I'll just take these for example, say North East Community or Second Harvest Food Bank gets reimbursed for the amount of money we gave them, would we have to go to this particular fund and lay out what we want or what we gave and is it covered, am I right?

Dr. Wood: I think that's an accurate description, which is we provided emergency funding within the first 30 days, and based on the fact that the money isn't flowing very quickly from either of those sources, we'll probably end up providing emergency funding for up to 60 days. At that time we would take those applications and the documentation to the bureau of COVID financing and then they would determine if we are able to be reimbursed. We wouldn't go to Second Harvest and ask them for the money back.

Mr. Cleaver: Thank you for the explanation.

Mr. Barney: Back to the report where we're talking about the COVID for Second Harvest, that \$84,000 is only the first payment of the \$168,000 that they were awarded. Let's move on to

the Check Detail; you'll see a one-time payment to Diligent for the Board Effect software for \$3,000. You'll also see the \$11,000 payment to GECAC for the Summer Jobs Program. Then you'll see a list of the COVID grants, and as indicated, Second Harvest is just the first payment. You will notice that we had one ask for \$12,500 and that was for homeless sheltering from the Erie County government; we were waiting to receive the invoice. The invoice has come in, so we are taking care of that.

Next is the VISA, and that indicates things like office supplies, phone, book, and newspaper subscription. There is nothing else that is out of the ordinary. If there are no questions, that concludes my report.

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

- b. Strategic Planning Committee: Mr. Paris: We did not have a Strategic Planning meeting, so there is nothing to report.
- c. Update from County Council: Chairperson Horton: Good morning, everyone. Thank you for the opportunity to speak. I just really wanted to thank ECGRA and this Board of Directors and all the affiliates on behalf of myself, the County Executive although I see that Mr. Lee is on this call, and all the entirety of County Council; we are overall pleased with the COVID-19 Fund. There are some hiccups that we've been discussing offline that I personally feel haven't been addressed; but we're working on it as we speak.

ECGRA has proven to be a great partner in this endeavor, and yes, we are currently looking at what all is going to be reimbursable or not. We at County Council have yet to approve the "COVID Board" which you discussed in terms of the finances being reimbursable; there are still a lot of questions that my colleagues have, but we're working through it. I'm pleased to say that throughout this pandemic, the Administration and County Council all seem to be rolling – for the most part – in the same direction.

We do realize that there are some targets that we haven't been able to hit or address through the COVID Fund or through Bridgeway; there are some concerns being discussed amongst myself and colleagues about minority businesses and the effect on the economy there and the essential worker. I don't know if in fact we will be approaching the Executive Branch to possibly provide more stop-gap funding, particularly if we are able to recoup it. We do realize that the federal stimulus has not materialized in the way that we feel that it should have, and that people are looking not only to the County government, but to ECGRA and the City as well for solutions.

Again, on behalf of myself and my colleagues of County Council, we appreciate you and we thank you very much.

- d. Update from County Executive's Office: Mr. Lee: Thank you, Mr. Chairman. First of all, I would like to thank ECGRA, Dr. Wood and his team, and the Board for their incredible job that each and every one of you are doing during this major crisis that we are facing that none of us saw coming, but we are going to get through it.

In respect of time, I have a lot to say, but I'm just going to hit the key highlights. Let me give you an update as far as what is transpiring with County government operations. As many of you know, the County Executive has really been spending the majority of her time on the pandemic efforts and she and the Health Department and Public Safety teams are doing a

great job in making sure the information is given out daily, is accurate, is key information that each and every one of us needs to know.

As I said before, the County Executive has asked me to assume additional responsibilities. Some people may have thought that she gave up being County Executive and deferred the responsibilities to me, but that did not transpire; she is still the County Executive. I just have been asked to oversee the day-to-day operations of the County. Many of you know I am responsible for 800 employees and 10 departments anyway, this has just added a few more departments onto my duties, which I do constantly with these travels (inaudible due to speaker issues). I just wanted to clarify that.

Where are we as far as County government? It was very important to us that we adhere to what the Governor was asking as far as the stay-at-home order. So, we decided that about 35% of our workforce, which is about 420 of our employees, could come to work every day; that is the Health Department, the Department of Corrections, Public Safety, and a few other smaller departments that they cannot take off because of the nature of their work. Another 34% of our workforce, which is about 400 employees, are rotating. This means that these are essential employees that have the ability to work from home as well as come into the office. That is good for two reasons – 1) it shares the work among the team, and 2) we're maintaining social distancing, which studies have shown is the most effective way of preventing the spread of COVID-19. That leaves another 23% that is working completely remotely from home; they have the ability based upon their duties and responsibilities to work from home. That left about 10% of the workforce that is not reporting to work.

We know that being an accountable and responsible employer, we know that you can't keep that model up as far as having employees not reporting to work and compensating them. So, effective May 1st what we decided to do, and by the way let me back up a little bit. The employees that were not reporting to work, they were doing basic assignments such as training and helping out with the Census, but that by no means was accounting for a full week of work. We decided to furlough about 8% of our workforce, which is about 100 employees; most of those employees reside with the libraries and the libraries are closed. This is the responsible thing to do; we are definitely being fair to the employees. Our intention is to call them back. During this time, they have the ability to file for unemployment if they so choose to. We are covering their benefits as we transition through this process. It's the right thing to do. We believe that once we get through this crisis, they will be called back.

In addition to furloughing the employees, we have put out directives and the four main directives we have put out is: 1) we will not be hiring any new employees unless they are essential. To put parameters around that, all openings will remain open for a minimum of 60 days unless it is deemed essential by the Director for Human Resources; that's very important. 2) Travel – there is no travel other than basic business travel, like the Sheriff's filling their role, Probation and Parole filling their role that they do every day. As many of you know, the conferences and such are off the table anyway and any other additional travel will not transpire. We will have individuals that are requesting travel outside of normal business operations, to check and have it evaluated by the Director of Finance. 3) All unnecessary purchases – we will be cutting down on that and making sure that it does not happen, especially at the end of the year, they will have to give justification to the Director of Procurement. 4) The last item is there will be no unnecessary overtime; all overtime will be monitored very strictly – more so than in the past – to make sure that we are not going over budget; that is very important. Those are some of the key things that we are doing with the County. I'll pause right there for any questions or comments.

Let me move on to an update of the Summer Jobs Program. Right now in this crisis, many small businesses are really trying to determine whether they are going to be around at

all. I was just reading a survey done by Main Street America which surveyed companies around the country, and they determined that about 7.5 million companies around the country stand the risk of closing within five months due to this pandemic. Bring it closer to home, in the state of Pennsylvania, they surveyed 600 companies; 63% stated that within the next five months, there is a reality of them closing based on this pandemic. The work that ECGRA is doing with Bridgeway Capital – I just can't say enough because it's very important that we support our small businesses.

Going back to Summer Jobs, our intent is to proceed with the program, but this will be predicated on the feedback from the employers. As you can imagine, this is not the top thing on their list; they're just trying to position themselves for survival. ECAT has already started talking to their employers, they're trying to work through what this looks like since schools are not in session and they are going to have to do things virtually. AS I speak with you right now, the intent is to proceed and move forward with the Summer Jobs Program. It definitely will be modified, and I do not have the details of those modifications because everything is on a rolling scale right now. At the next meeting, I will give you an update to where we stand in reference to the Summer Jobs Program.

The National Association for Counties update – there has been a lot going on. We have been in close contact with them; the County Executive and I have been on several calls nationally just finding out what is transpiring. Dr. Wood shared with you about the CARES Act that was passed and signed by the President back in March which is a historical stimulus package at \$2.2 trillion. Of that, \$150 billion was allocated to States. Along with that would be any counties of 500,000 and above could go directly (inaudible due to background noise). The issue with that is, in the state of Pennsylvania, out of 67 counties, only 700 have 500,000 or more. So, they would be able to go directly to the Department of Treasury to get their payments, but the other counties would have to go through the State. We were trying to get clarification, and we still don't have it, of what that would look like. Our fear is that the State would take the bulk of that money and we would only get pennies on that.

What's interesting, based on the CARES Act, the City did receive money under the Community Development Block Grant (CDBG); we do receive a little bit of money for various programs, but this go around, we didn't receive anything. It went to the City at about \$2.9 million. They are working with us as far as looking to contribute to some of the programs, whether it's the Health Department, the Department of Human Services, or the Housing/Homeless Shelter; they're looking to kind of partnering with us on that. But we did not receive that directly.

What is going on now, as I speak, the Senate has passed a Bill that will be taken up and hopefully the House will pass it; this is 3.5 stimulus package and it's going to be approximately \$500 billion, but the bulk of that, \$350 billion, is allocated for small businesses. As many of you are aware, the Payroll Protection Program ran out of money. There is money allocated for hospitals in there and for testing, but that is going to be the bulk of the money. The counties were hoping that we would be a part of this particular 3.5 stimulus package; we're not. There are talks that they will be doing a fourth package, and in that based upon what we understand right now, the Congressional Democrats are requesting another \$150 billion for States. The difference with that - \$29.5 billion would be allocated for local and counties so that we could access that money directly. There is still a lot of talk that needs to be done on that.

From the County aspect, financially, we are in okay shape right now and the reason for that is based on our breakdown; the majority of our money comes from grants at the Federal and State level. About 50% of our revenue comes from grants; of that 50%, 88% is with the Department of Human Services through Healthy Choice and several other grants that they

receive. So, we feel that we are okay for now. The other 23.5% comes from what we consider charges for services; a part of that is the Revenue money that we receive each year, which is \$5.5 million. We know that that will be impacted; to what degree is still to be determined. Another 18.5% is from property taxes; that will also be impacted. Council just passed, at least until the end of the year as far as not penalizing individuals that are not able to pay their taxes by the window that we had, which is typically April – June 30.

So, as you can see, there is a lot that needs to be done. I'm going to pause and ask for any questions or concerns based upon what I have just shared with you.

Since there are no questions or comments, I will end as I started by thanking ECGRA, Dr. Wood and his team for the great work that they are doing, and thanking each and every one of you Board members. You are aware that you don't get paid for this; this is voluntary. But you are the ones who have to take the heat when things come down and I know by being under the heat many times, it's not fun and enjoyable most times. But you take it, and you take with class. On behalf of the County Executive and the entire County, we appreciate all the work that you are doing. We will get through this. This is a major, major crisis, but we will be victorious. Thank you.

REPORT OF THE EXECUTIVE DIRECTOR

Dr. Wood: Let me first say thank you to Councilman Horton and Mr. Lee. I could tell you that in this time of crisis, I have never felt that Erie County is more of a team, rowing in the same direction, trying to help save lives; and that's not hyperbole. Often in local government we talk about saving lives and it's a little bit of hyperbole; this is literal because we are on the front lines with this COVID Fund and doing our part. I'm very proud to be a part of that and I appreciate all the thank you's we have been getting from the officials of both sides of government. So, thank you very much.

Let me start off with a brief summary of what I am seeing and then I want to talk to you about the COVID-19 Response Fund. It is an unprecedented amount of crisis right now amongst nonprofits. I have been doing phone calls with small businesses, nonprofits, elected officials, and the other funders in the community. Everyone is trying to get their arms around what the Federal and State stimulus packages are going to look like; as Mr. Lee said, there is going to be PPP #2. Most nonprofits in our community that applied for PPP #1 did not get in under the timeline – at least the ones I talked to did not. Second Harvest Food Bank was one of those groups, so they will be going for PPP #2. We will be watching very closely to how we can participate in it, how we can be supportive, and how we can leverage ECGRA funds for those stimulus packages.

But we know as a result of what's going on, many organizations are going to fold. At the same time, we will be monitoring those. Special Events is one of those areas where we have had folks ask, "Even if we don't have the event, can we have the grant?" I have taken the liberty of telling them no; we have to draw a line in the sand.

The other thing to keep in mind is the most vulnerable category for small business is what is known as microbusiness, which is a business with employees under 25. That is where we are targeting with Bridgeway Capital. Bridgeway Capital has done 15 loans so far; two of them to nonprofits and 13 of them to microbusinesses. One of the things I'm going to ask you today, under Old Business, I'm going to ask the Board for somebody to make a motion to move \$400,000 of the funds for Nonprofits over to the Small Business category. There has been well over 100 applications to Bridgeway Capital and they are still in the vetting process. It is clear in conversations with them that we are going to have more requests on the Small Business side than for Nonprofits. At that time, let's discuss that under Old Business.

Other observations – personal protective equipment and cleaning services are one of the most requested items that we are seeing from the grantees; every call that I am on people are talking about PPE and cleaning services. That's why I think it's been great that we have been involved, at least so far, in funding a Face Shield project which have been distributed to many people in the community

already, and also the Face Mask project, which is currently under way. They are both Penn State-engineered projects, which is kind of fascinating. At ECGRA, we have always had an interesting integration between the universities and the private sector for the purposes of economic development with the two collaborating, and now we have it with the COVID-19 Response Fund.

Another observation is the community centers – there are community centers, the Bayfront NATO Center and the Quality of Life Learning Center, these are trusted, vital, local community response places. What is interesting about them is they get access to a vulnerable population that other agencies don't have access to. We have been in talks with them and the Health Department on what it might look like to use the community centers as an outreach vehicle. I hosted a conference call between the Health Department and the minority community on this issue and two key things came out of it: 1) putting together COVID prevention kits that could go out with a lot of our food boxes through Second Harvest or could be distributed through the community centers. That would include information from the Health Department, it might include masks, it might include instructions on how to see every morning whether or not you may have symptoms of COVID. 2) The second piece is really exciting and in the process of launching as we speak and that is to have a screening site at each of the community centers. This is not to go and get a COVID test because they are expensive and they are limited, but rather a five-step screening process where you could walk into a center to receive. Say you're a nurse, or you're coming home from manufacturing, or you're a grocery worker and you want to get a screening before you go home to your family; there is a five-step screening process developed by Hamot and all the health systems are involved in collaborating on that. We have Community Health Net, UPMC, Allegheny Health Network, and LECOM are all interested in some type of coaching process. Stay tuned. We will be entertaining an application for the community center screening process in the near future.

A final observation is the 2-1-1 calls. 2-1-1 is a United Way initiative that anyone who needs information can call this number; 29% of these phone calls are about food insecurity. I couldn't get data on whether or not that has gone up or down, but 29% is still a large number. I think we're doing a lot of good things with the food insecurity pieces that we funded.

Let's turn now to the COVID spreadsheet. This is the list of the 25 grants that you have been voting on for the past 30 days. As you can see here and as Dale had made mention to earlier, the Avalon overflow shelter hadn't been paid yet. A couple of days ago, they submitted their invoice and that is why they will soon be in the drawdown category. There is a grant book available to you that Tammi has composed of PDFs of these 25 grants; the total is \$512,283 that has been committed to these grants. We're going to ask you to vote, retroactively, yes to Resolution Number 9, 2020. This is the first time ever that we have done this; Tim and I went over this extensively to know if this is legal. We needed a process put in place that would satisfy everyone and how would be the best way to record information. This is unprecedented times and it is unprecedented what we're doing at ECGRA. So, this group that you have been voting on, and you have been so diligent; I want to thank you for your email responses. I have a ledger on how everyone has voted on all of these; you've been very supportive. It is all going to culminate in Resolution Number 9.

The last thing I want to talk about is Bridgeway Capital. Here is a spreadsheet for you to look at so you can see what has been going on there. The green ones show the small business loans; the orange ones show the two nonprofit loans. The amounts are shown to the right, along with the number of full-time and part-time jobs that have been retained comes to a total of 130 jobs. What we have done so far with this small group of loans is retained 130 jobs and we still have capacity yet to go and I want to increase that capacity today by another \$400,000. All of these are Erie County companies, all of these went through a vetting process. Please note that this is the standard Bridgeway vetting process, it was just done in a highly efficient and quick manner. Are there any questions so far?

Mr. Sample: Are you looking for us to do a grant or a loan?

Dr. Wood: Neither. I am looking for you to shift the loan funds that we put to Bridgeway Capital; we did two loan funds to them last month - \$800,000 for Nonprofits and \$800,000 for Small Business. I

want you to take \$400,000 away from the Nonprofit Fund and put it into the Small Business Fund, while leaving \$400,000 still in the Nonprofit Fund. So, it would shift from \$800,000 and \$800,000 to \$400,000 and \$1.2 million.

Mr. Sample: And we will get this money back at some point?

Dr. Wood: Yes. Let's clarify that this was a Mission-Related Investment Loan. We put the funds in there as principle with a 0% interest and long term on the funds. We did not collect any interest so that Bridgeway could be as aggressive with these funds as possible, and they have done an amazing job. They have followed the lead of most National Relief Funds by providing three months no interest, no payment, and then an entire year of interest only at 4%.

Mr. Barney: You are not asking for additional money, you're only talking about shifting it.

Dr. Wood: That is correct, Dale. I am not asking you for additional funds for Bridgeway at this time.

Mr. DiPaolo: I have a question for you, Perry. If in fact this relief package goes through, this \$484 billion, and these people all get money from that relief package, do we get that money back from them? For example, the Erie Philharmonic, \$50,000; if they're given the money or a business that you have listed here, Chido's Dry Cleaning, do we get that money back?

Dr. Wood: No, we don't get the money back. They are in a formal contract process with Bridgeway Capital. So, Bridgeway is taking our principle and lending it to them. The terms of that agreement stand.

Mr. Wachter: Dr. Wood, if I could jump in here. Mr. DiPaolo, in the loan documents with Bridgeway we wrote it such that should Bridgeway receive Federal funding in order to do the same thing with similar terms that we put together, then they are to take that Federal funding and not use Gaming Authority dollars going forward. Also, with the way that we fund it is we require Bridgeway to submit a funding request the Friday before they need it for any loans that are being closed. So, we're only sending them the money as they need it. In the event they don't need it, we have not sent it out.

Mr. DiPaolo: Thank you.

Mr. Lee: Dr. Wood, of the money we have with Bridgeway Capital, are we able to leverage our money against some of the funds that they have to contribute to the COVID-19 in Erie County?

Dr. Wood: Short answer is yes. However, I am not tracking that at this time. I'm more than happy to ask them how much of their own funds that they are putting into Erie County as well.

Mr. Lee: That would be great. I think Bridgeway Capital is an A-1 organization; I really do. We are very fortunate to have them in Erie County to be working with us on this COVID-19 effort. Thank you, Dr. Wood.

Dr. Wood: Thank you, Gary. I do have one last comment to follow up to that, Gary. CDFIs were not part of the U.S. Treasury strategy in Round 1 for the Federal stimulus, but they are clearly gaining traction and I believe they will be a central piece of Round 2. We will have more to talk about if the local relief fund legislation that I mentioned earlier goes through because CDFIs are highlighted in that.

By the way, that piece of legislation is based on writings and case studies from the Drexel University Nowak Metro-Finance Lab; three of those case studies highlight ECGRA and the Erie County Response Fund. Whether you realize it or not, we are right in the middle of helping to shape Federal policy.

Mr. Cleaver: Perry, I just want to back up a little here to get clear in my mind. In the budget breakdown, COVID-19 Response Fund – where it's blank under Amount Approved, there was a request made but you did not approve those, or they haven't been approved, or they're going to be approved? You said we had approved 24 or 25 of them and I agree, but I can count 40 here.

Dr. Wood: That's right. Not all of them were approved, very few of them were flat out rejected, and some of them are still in process.

Mr. Cleaver: Okay, as I look at the Boys Club of Erie, they requested \$10,800 and then nothing. Then there's Gertrude Barber with \$354,000, nothing. So, what you're telling me is and what I'm reading here is they requested this amount and we, or you, have not approved them as of yet, right?

Dr. Wood: That is correct. Not every application reaches the Board for a formal vote. Let me give you an example. Someone may come in and say, "You're a local relief fund, then give us \$350,000 to offset our operations costs for the next three months." Then we have to go back to them, now they have submitted a grant, so they are on the list as a submitter, but we go back to them and tell them, "You are missing the mark. This is not a subsidy program for your organization. This is a program to help with something that you are doing because you are on the front lines of being affected by COVID-19."

Mr. Cleaver: Okay.

Dr. Wood: Are there any questions for me on the Director's Report? Thank you for your time.

Mr. Cleaver: Are you looking for a motion for your request for the transfer?

Dr. Wood: That is a question for the Solicitor. Tim, would we make the motion under my report or under Old Business?

Mr. Wachter: We would do that under Old Business.

Dr. Wood: Thank you.

SOLICITOR'S REPORT

Mr. Wachter: There is a Memo that we included in the documents that went out that we prepared for our clients that was based on Act 15, 2020 which the Governor had signed Monday or Tuesday. Essentially, it's applicable to the Gaming Authority in that it gives temporary authority for entities to hold these virtual meetings to ensure that certain procedural methods had been met. This Act happened on Tuesday and this meeting is on Thursday, so we didn't have a significant amount of time to make sure that we were fully in compliance. However, I believe the Gaming Authority did a sufficient and legally compliant job.

We are required under the law to provide prior public notice to the extent practical either in the newspaper or on our website of the technology that is going to be used in order to hold a meeting. We are to provide the date, time, and technology to be used and the method for public participation. If you look at the Gaming Authority website this morning, you will see that there is a link that is on there for members of the public to use to be able to participate in and view this meeting here today.

Additionally, Mr. Sample had asked the question whether this gave us the power to avoid the need for advertising; no, it does not. All the meetings must still be advertised in order to comply with the Sunshine Law. What this new Act 15 does is it gives us the requirement to have an additional

level of notice after the meeting has been advertised indicating what level of technology we are using in order to have that meeting. We are also encouraged, to the extent practical, to allow for public comment. That is required to be either through participation through the meeting which we have tried to make available but it appears no one has taken us up on that, or also allowing members of the public to submit written comments to us in advance either through the mail or via an email address.

Those are our Sunshine Law allowances during this period of the COVID-19 Emergency pandemic and they are only effective during the time that the Governor's Emergency Declaration is in place.

Mr. Cleaver: Can you say that again? It's only effective until when?

Mr. Wachter: Until the Governor cancels or terminates his Emergency Declaration.

Mr. Cleaver: Okay. Thank you.

OLD BUSINESS

Dr. Wood: I am going to request that a Board member make a motion to transfer \$400,000 of the funds we have given to Bridgeway Capital from the Nonprofit Loan Fund to the Small Business Loan Fund.

Mr. Sample makes a motion to transfer the funds as directed. Mr. Barney seconds the motion.

Mr. DiPaolo: I have a question so I understand this correctly. A business asks for \$10,000 and they receive the full amount from Bridgeway. They don't pay that back, or they pay Bridgeway? How does that work? Explain this so I understand this.

Dr. Wood: Bridgeway Capital, for all intents and purposes, is a bank. We gave them the \$1.6 million and originally asked them to loan \$800,000 of it to small businesses and loan \$800,000 of it to nonprofits. The loan that is then generated is a legal document between that business or nonprofit and Bridgeway Capital. They pay Bridgeway Capital back; Bridgeway Capital then owes us back the principle on those funds based on the terms that Tim mentioned earlier. These documents are standard that we do with all the entities that we loan to. The one difference, Dom, is with this case in this emergency, we did not require any interest rate. This is the first time we have ever done no interest rate.

Mr. DiPaolo: I understand. Thank you.

Dr. Wood: You're welcome.

There is no further discussion on the motion. Motion carries 6-0, due to the fact that Mr. Bagnoni had to leave the meeting early.

Mr. Sample: I just want to make a comment. You mentioned that this is the first time that we did not charge any interest to Bridgeway Capital. Did they adjust their interest rate accordingly?

Dr. Wood: Yes, they did. Their interest rate is based on some type of fluctuating scale based on the risk of the loan they are taking on. However, they threw that out the window and they created a standard interest rate of 4% for small businesses and I believe it was 3.75% for nonprofits.

Mr. Sample: Thank you.

NEW BUSINESS

- a. Resolution Number 9, 2020 – Resolution to fund applicants selected through the Immediate Human Relief Fund as part of the Erie County COVID-19 Response Fund.

Dr. Wood reads the resolution.

Mr. Sample makes a motion to adopt the resolution. Mr. DiPaolo seconds the motion. There is no further discussion of the resolution. Motion carries 6-0. (Mr. Bagnoni is no longer present).

Mr. Paris: I want to thank everyone for their time this morning.

Mr. Sample moves to adjourn.