Erie County Gaming Revenue Authority

Minutes of the Board of Directors' Meeting
January 17, 2019

CALL TO ORDER

The Board of Directors' Meeting of the Erie County Gaming Revenue Authority was held on January 17, 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, and Mr. Sample. Mr. Lee, Mr. Leone, Mr. Wachter, and Dr. Wood are also present.

APPROVAL OF THE AGENDA

Mr. Sample makes a motion to approve the agenda as presented. Mr. Cleaver seconds the motion. Motion carries 6-0.

APPROVAL OF MINUTES – December 2018

Mr. Barney makes a motion to approve the minutes as presented. Mr. Bagnoni seconds the motion. Motion carries 6-0.

DIRECTOR'S COMMENTS

Mr. Cleaver: I think we're all aware that there wouldn't be an ECGRA if it wasn't for the casino and you're all aware that Churchill Downs is now the new owner. I would suggest that Mr. Wood send a letter of some type welcoming these people to the community and just let them know that we're interested, just as they are. I think it's a matter of common courtesy to welcome them to the community; they are an asset, and this wouldn't be here if we didn't have them. That's the only comment I had.

Mr. Sample: I'm going to make a motion to appoint Whitey as our liaison to the casino so that he can become a little more familiar with the facility.

Mr. Cleaver: I'm familiar with it, believe me. Anyhow, Mr. Chairman, I thought that it's in the best interest just to let them know that we know they took over and we're here because of them.

Mr. Bagnoni: So, you have a personal interest in how we spend your money.

Mr. Sample: Well, we know we have a watchdog there, so you can tell us . . .

Mr. Cleaver: You've got a watch dog for sure, but I'm watching my own.

Mr. Paris: Perry, have we had any contact with them thus far?

Dr. Wood: Yes, we do have intermittent contact with the manager, as well as the Director of Marketing of Presque Isle Downs. Will that change under Churchill Downs? I guess we'll find out. I can send the letter to the same people that we already know up there, but the question is whether or not there will be changes; we don't know that yet.

Mr. Cleaver: I'm pretty close personal with most of those people up there, the General Manager and Jennifer, and in my findings, they are pretty much going to retain what they have up there in the front office. I'm sort of involved a little bit, but I won't get into that. I stay on top of things up there as best I can, not just for ECGRA but my own personal friendship with these people over the years and the previous owners.

Dr. Wood: So, your involvement with Churchill Downs is on a friendship level or is it on a business level?

Mr. Cleaver: Friendship. I don't want to say business. It's friendship. I just felt that it be well that we welcome them, that's all.

COMMENTS BY THE CHAIR

Mr. Paris: I just wanted to start off by saying good morning and Happy New Year. I want to welcome everybody and say thanks to Mr. Leone for being here and welcoming you as our new liaison to the Board.

PUBLIC COMMENT

There is no public comment.

PRESENTATIONS

a. Melissa Lyon, Director of the Erie County Health Department

    Dr. Wood: Good morning, Melissa. Just a quick note to the Board; I asked Melissa, who is the head of the Erie County Health Department to come in and give us a presentation on this exciting project that's going on. It's called Blue Zones, and even though right now there is a pilot in Corry, but the intent is to go County-wide so we want to hear more about it. Thanks for being here with us.

    Ms. Lyon: Thank you. Thanks for having me here today. I really hope today when I'm talking about this project, that we think about human capital investment. There is a lot of investment that's happening in Erie County right now, a lot of it is bricks and mortar, some of it is around a community college, but what I really want to talk to you today about human capital investment.

It's a little different but it's really important that we do these things congruently or collectively; we can't neglect one without paying attention to the other.

I feel really passionate about the idea. We're putting a lot of investment into our bricks and mortar; we're building it and hoping they will come type of strategy, which I think is honorable. However, if we don't invest in the human capital component, I am very concerned that the build it and they will come strategy is not going to be as successful as we would like as a community. Meaning, any business we are trying to recruit here or is looking to come here is going to want to know the health of your human capital or the health of the workforce; not just their skillset – how can they show up every day and be productive and what are their health outcomes? What do they suffer from; mental health issues, diabetes, obesity, hypertension, COPD, what are your smoking rates?

Any business that is self-insured or their health insurance benefits need to know that information and they clearly need to understand the health of it. Our data right now, unfortunately, is not very competitive. Our health outcomes are, I hate to use the word but abysmal in many areas. I fear this is more anecdotal that we are being redlined as a community in bringing in businesses because our human capital is not as healthy as it should be as far as workforce recruitment; and a company is not going to want to take on those burdens. Fixing our health outcomes is not really their business. They usually have a business or are producing something or making something – a widget or service.

I'm launching it that way so that as I'm talking to you about Blue Zones, we can all be thinking about the impact.

Dr. Wood: Can I just drive that point home for a second and maybe repeat it back to you, so I make sure I understand? There is a possibility that site selectors, which are the folks that determine where businesses go here in the US when they are relocating or expanding, might look at our health statistics and say, "Health costs being what they are, that's not a community we want to invest in."

Ms. Lyon: That's correct. I said I have not heard of a business not coming because of that but . . .

Dr. Wood: How would get proof of that, right? That would be a difficult thing.

Ms. Lyon: Our health statistics are available in many different methods and many different areas. They are available through our Health Needs Assessment, which I will reference a little bit, they are available through Claims Data, Healthy People 20/20, Pennsylvania Data; even older data is being used in making decisions. I feel confident in saying that.

The role of the Public Health Department is to take care of populations; rarely are we worried about the individual; we look at populations. Populations can be everything from an age group to an ethnic group to a neighborhood, it can be a zip code, it can be a borough, it can be a school district, it just depends as long as it deals with a population. Ultimately, our job is to make sure that our population is meeting its optimal health and wellness and we spend a lot of time on prevention. The adage, an ounce of prevention is worth a pound of cure, is very much the work we do in public health.

For many years, Public Health 1.0 was around infrastructure meaning sanitation, clean water, hygiene. Public Health 2.0 was when vaccinations and antibiotics became available, so we were really fighting disease knowing more about prevention disease from a vaccination perspective. We're now rolling into what we call Public Health 3.0, and this is a lot more complex than 1.0 and 2.0 per say because our public health outcomes are very complex.

Meaning, obesity and diabetes, COPD, asthma, mental health issues, opioid use, alcohol use/misuse/abuse. These things are very complex because we cannot give a vaccination to cure it, we cannot use hygiene and wash our hands of it, and we certainly can't quarantine ourselves from it. It's our environment and our behaviors that are driving our health outcomes. From a public health perspective, I can't create clinics to change what's happening. This needs to be a very comprehensive, wide-reaching, nontraditional partnership mobilization to get after the reasons this is happening to our communities.

Our recent statistic, and this is an estimate, approaching 60% of our population is overweight or obese. That's more than half, meaning that it is the new normal in our communities. Many of our health outcomes are worse than the State and worse than the National, and even worse than other cities that we compare ourselves to. We have great access to health care; we have four fantastic health systems, so our life expectancy is on target with other areas because we are able to provide appropriate care for those who are sick. So, our life expectancy doesn't look all that different but our burdens from our chronic diseases are significant.

Blue Zones, which is why I'm here to talk to you today, is a transformational project that you received information around how communities can change how they live. In the public health department, we're required to do community health improvement strategies and I'll be honest, lots of communities are doing really great work around community health improvement by leveraging other resources to get things done. However, it has not been sustainable; it's not been permanent or semi-permanent either. For example, we throw a lot of money at programs that we want sustained over time. My example here in Erie County, and it's a fantastic program, is our Healthy Corner Stores Initiative. It was funded through a CBC block grant through the State here to Erie County and we work with our neighborhood corner stores that sell typically high-fat, high-sodium, high-sugar products and help them reconfigure their stores and promote healthier options like low-fat, low-sugar, more fresh fruits and vegetables to help them have better buying power. The CBC block grant goes away, the State Health Department changes their priorities, and now the corner stores are left to try to continue to do their best without appropriate support.

This is a very common strategy that we use to do community health improvement; it's not really lasting work to be honest. It has some impact, but it is not moving the needle on our outcomes meaning, we don't have more people reporting that they're eating healthier because of the corner store initiative.

Blue Zones traveled all around the world and found communities that have the highest concentration of ?; places like Sardinia, Italy; Okinawa, Japan; Loma Linda, California which is a Seventh Day Adventist community; Nios, Costa Rica; and Albert Lea, Minnesota. They were doing research for National Geographic and they just wanted to find the commonalities around them and I'm just going to summarize them. It's a primarily plant-based diets, connectedness or purpose, moving naturally, being active, family first, and right-tribing which is surrounding yourself with people who support your habits or your behaviors and the things that you value. And believe it or not, other than the Seventh Day Adventist community, they all had some sort of wine of some high antioxidants each day as they wind down.

That was really all the research that this Buettner family wanted to do. It was AARP who came to them and asked if they could replicate the study in the United States, which makes sense because AARP would like its membership to age gracefully and long in their own homes as opposed to having to go into long-term care facilities. The Buettner family agreed to see what they could do to replicate that. Albert Lea, Minnesota became their first community primarily because the Buettner family is from Minnesota and then they leveraged Blue Cross Blue Shield Foundations to help launch that, along with AARP.

The Albert Lea, Minnesota program is in its tenth year. You also have a hand out that talks about some of the values that they're seeing in Albert Lea and the comprehensive community transformation.

Dr. Wood: Could you talk for a second about the incentive for the health care providers to participate in the program?

Ms. Lyon: The ones I have leveraged their dollars for?

Dr. Wood: Yes.

Ms. Lyon: How we're leveraging our dollars with the three health systems in Erie, which are UPMC Hamot, Allegheny Health Network, and LECOM, they each have given $1 million for the three-year project. The reason that I was able to really convince the leadership to participate in this is through the Affordable Care Act. The Affordable Care Act requires non-profit hospitals to reinvest in their communities to address health and health outcomes. Typically, hospitals invest back into their communities and this is, by no fault of their own, good business sense that they invest to help improve their market share, not necessarily to do the greater good for the community.

So, I've worked really hard with the leadership of the hospital systems to say, "In the spirit of the Affordable Care Act, it really is to leverage our resources collectively and have large impact that is widespread, global, more than just your market share, regardless of if they're in your service area or if they're on your insurance plan. It's for the betterment of all." That's the reasoning behind it and that's how we have leveraged those resources. Does that answer your question?

Dr. Wood: Yes, thank you.

Ms. Lyon: Now I'm going to talk a little bit about the comprehensive portions of Blue Zones; it's basically three things – people, places, and policies. Engaging people: we know that social isolation is a very significant issue that public health is now having to talk about and face; either people self-selecting to isolate or having issues that prevent them from being able to socialize, whether it's health or mental health or substance use/abuse/misuse. So, we have a socialized isolation issue and we have a connectiveness problem and we have an engagement problem for people. There is research out there that shows we're all alone together; although we're all together, many times we are all alone. You will see it with people who are connected to their devices. They might be having dinner together but they're all connected somewhere else. So, engagement is the people piece. There is a handout of measurements that are used to become Blue Zone certified. There is a percentage of the population that has to have been engaged in activities and/or know about, participated in, or took advantage of Blue Zones opportunities in order to become certified. It's a very significant number; critical mass is what we call it. Without looking at the number, it's probably between 60-80% of the people will have to report that the knew about, participated in, and/or took advantage of something Blue Zones related.

The other piece is policy: working on policy that supports healthy behaviors and health choices. Policies can be as broad reaching as communities going completely smoke-free for all of their public places; it can also be policies within a workplace that say that, "We are now only doing catered lunches that are healthy and primarily plant-based and not doing pizza and wings and donuts." Policies, meaning that you set these, and you follow them. Policies, we know, stay in place and are often like law and are enforced at some level.

The third piece is places: it's the most expensive part of Blue Zones. Transforming your communities so that you have green spaces, walkability is very accessible. Complete Streets is a prime example of a policy plus the places piece; meaning that as each street is either rebuilt or reconstructed, you make nice inviting spaces so that people can walk. Walking school buses is a nice example of students and parents getting engaged as they walk to and from school on safe walking spaces.

It's really comprehensive; it's really transformational. Blue Zones does not come in and do this to your community. Blue Zones comes in and works with your community. Basically, they come in and do a foundation finding phase, which we're in right now in Corry. The 4th and 5th will be their two-day site visit, the 6th is the built environment evaluation, and the 12th and 13th is around food policy and food environment. They will come in and look at what you have been doing. I have been reassuring Corry that if they have things going on right now that are really good, we will augment that and leverage the resources that we receive from the health systems and the expertise which is national. We are the 47th community in the country to launch Blue Zones and we're going to do more of what you're already doing that's good. Then we're going to find the gaps that you're struggling with and what you can't get accomplished and then work with that.

There's a gigantic blueprint that comes out and it's like your work plan for 3 years and we follow that, and we measure that. The exciting part of this for me, as a public health practitioner, is we use really old data most of the time to make decisions; data that's 3-5 years old to make decisions for tomorrow which makes very little sense; if I'm using data from 3-5 years ago to talk about what I'm going to do tomorrow. Blue Zones uses the gold standard of the Well-Being Index; it measures every metropolitan statistical area in the country and we're going to oversample the Corry community and we're going to look at that data. I was under the impression that we would look at it every 6 months in evaluating where we are, but we can actually look at that dashboard on a day-to-day basis if we like. We will be making adjustments as close to real time as we have ever done before. That's so exciting for me as a practitioner because I have never had that opportunity before.

The other piece to this that I think is important is that Corry gets to choose between 8-16 additional parameters that they want to measure that may realistically have nothing to do with – it would have connection to – but you're not measuring obesity related to it. It could be, and this is an example, they have a blight issue that they're very much focused on. Maybe they want to tear down 10 buildings and take three of those and turn them into green space; that would be something that we would measure with them and help them accomplish. Blue Zones would help them leverage grant dollars.

<u>Dr. Wood</u>: Why Corry?

<u>Ms. Lyon</u>: We originally started the idea 3 ½ years ago, Corry was one of the areas we looked at originally because it is a community that's small enough that we thought the impact would be fairly robust and noticeable. As people got excited, it kind of got highjacked to the Erie Metropolitan Area of the highest population, but when the price tag came out for the Erie project it was about $15 million over 5-years. I wasn't able to leverage the hospital systems at that amount. So, then we went back to negotiations with the health systems and they said, "We believe in what's happening. We're just not ready to commit that large of a contribution. How about $1 million?" Then I went back to Blue Zones and asked if we could do Corry for about $3 million.

Dr. Wood: So, if the Corry budget is $3 million, how much of that . . .

Ms. Lyon: The Corry budget is $3.5 million, so I'm still missing $500,000. I guess I'm not sweating it yet.

Dr. Wood: Is that the Blue Zone fee or is there implementation fees included as well?

Ms. Lyon: I always forget to bring that with me because I am so passionate about the programmatic stuff, so I apologize for not having the exact numbers of what it looks like. But 40-60%, depending on how that blue print happens, stays in the community. I know that 40-60% is a pretty gigantic range. An example can be, a lot of this goes to overhead such as leasing a space and it hires three people. We did what is called the Managed Model which is Sharecare who owns the Blue Zones implementation, hires and takes care of all of the benefits of those employees. So, they are handling all the HR, all the paychecks, and the space and the leasing.

A portion of that goes to Intellectual Property and another piece that is really important, and I'm going off of memory, but the media impressions that the community gets locally and nationally is about a billion media impressions over that time period which is also recruiting individuals to come to Corry and learn more about the project and promoting what Corry is doing. That's about 25-35% that goes into media which is pretty impressive.

We will end up having a large showcase document at the end of this. They will be a Blue Zones community, they can promote themselves as a Blue Zones community certified for three years. The interesting piece behind this is they can continue to do more of the work either going deeper or spreading out, or they can just stop and say, "We're happy with the results, the work was plenty. We're good." Then they become what is called a Blue Zones Legacy project and then they can only promote themselves as a legacy – that they did the work but are no longer continuing to do the work.

Mr. Wachter: So, 40-60% stays in the community. On the other side, 60-40% goes where?

Ms. Lyon: All the overhead fees, owning of the Intellectual Property, leveraging the national experts, and the staffing fees for three full time people for 3 ½ years.

Mr. Wachter: So, that's about $1.5 million.

Ms. Lyon: You're about right. When I did my numbers with Bill McCarthy, he's my numbers guy and I wish he were with me, but I think we got it to about $750,000 for their overall management of things.

Now, I want to talk a little bit about how it is a for profit company because we waste a lot of money as nonprofits, I'm just going to be honest, because we don't have that accountability piece and the resources. So, they have performance metrics that they have to meet, and their performance metrics are pretty laid out. Right now, in our foundation period, they report to me each time they hit a performance measure; and they get paid based on those performance measures on the time frame that we've agreed to. This happens all three years and if they don't hit the performance measures, then they don't get their payments. I talked to two communities and actually had performance measures that got met just past the time frame, and they didn't receive their payment for it.

I'm excited about the idea that the accountability is performance based; it's going to drive this project. We're probably going to find some pains along the way because, I don't know, but the intensity of this could be fairly significant.

Dr. Wood: I would just like to comment that Melissa has included us on planning meetings for Blue Zones, so I have attended meetings with the Blue Zones national team, including many members of the community. It's a who's who of the health and wellness community that is in the room, at the table, and actively engaged. We have this great list of collaborations that we have had with Erie County government, starting with the Summer Jobs program which is now in it's fifth year. That got extended recently to the Blasco Idea Lab in the Library that became part of the Beehive process. Today there is a big announcement for Choose Erie which goes back to that site selector question because we helped fund the research of that on behalf of the County Executive. Could Blue Zones be the fourth major collaboration as far as ECGRA funding? I think we're really here to initially begin to explore that.

Is there a financial ask of ECGRA or are you all set with the pilot project in Corry?

Ms. Lyon: We still have $500,000 that is unaccounted for. In all honesty, I didn't actually make any movements to ask for additional dollars from other contributors until I had that $3 million secured, which happened not all that long ago. Since I've had that $3 million, my time has been limited and I have not gone out and done some of that fundraising or asks. Aetna is on my list, United Health is on my list, some of the foundations like the Smith Foundation, the Community Foundation and the Corry Foundation. We're meeting with them later. We are just now approaching the actual ask to fill the hole of the $500,000 that is lacking from the project.

Mr. Paris: Melissa, we're almost running out of time, but I'd like to see if any of the Board members have any questions for you.

Mr. Leone: Melissa, you seem to have a lot on your plate, substantially more than what you had last year. Do you know, what percentage of increase did you get this past year?

Ms. Lyon: I don't even know; I don't pay much attention.

Mr. Leone: Three percent.

Ms. Lyon: Three percent. Thanks.

Mr. Leone: I just wanted to make that as a little note here.

Ms. Lyon: I want to add on one more piece to this and that's that all the school districts have the opportunity to be Blue Zone certified in Erie County; that is a $900,000 ask. If we're going to do it, I have to come up with that money within the first six months of this project to keep the startup fees at $0 for that so there are no additional startup fees added to that project. I have that ask in at the Community Foundation right now.

Dr. Wood: So, you have a $500,000 gap in the Corry project and you're currently on the cycle for the . . .

Ms. Lyon: . . . with that almost $1 million for the schools.

Dr. Wood: And you're meeting with other funders, so we will keep in touch with you on how that goes.

Ms. Lyon: I hope this is what you were expecting today. I appreciate the time.

Mr. Paris: Melissa, I have a couple questions. Who gave you the $3 million? Where did that come from?

Ms. Lyon: LECOM's came from Corry Memorial Hospital, that's my understanding, from their budgeting process. Highmark Health, I believe, is the other but I feel that that is coming through AHN – I haven't got their check yet. Then UPMC Hamot is the third. So, LECOM and Hamot have paid their third.

Mr. Paris: Would Blue Zones ever provide maintenance to an area, like plowing sidewalks or something like that? Is that something that they would get into?

Ms. Lyon: That's an interesting question; how do you maintain the infrastructure that's already been put into place? Is that kind of what you're saying?

Mr. Paris: Yes.

Ms. Lyon: From a maintenance perspective, they have a step-down opportunity for a community and they call that the Enabled Model where the community takes on the responsibility of how they want to continue. In that model, I think they've had some conversation around that but then the community takes on the cost of the employees and space and so on. We're staying true to the design of what Blue Zones is and using it as a branding tool and then driving the work more locally than nationally. Is that helpful?

Mr. Paris: It does. The reason I bring it up is because I live in Millcreek and I don't know if you've driven around Millcreek or how much you know about it, but there are areas where there are no sidewalks. People just cannot walk so they are walking on the street. I was just curious if something like that would provide money for sidewalks. Then to take care of those sidewalks would be an issue because there would be so many of them.

Ms. Lyon: It will be interesting to hear what they have to say because for the 47 communities, I'm pretty sure that we're not going to throw anything at them new and I'm pretty sure that they have had that question asked of them in other places. "Now we have all these sidewalks, but we don't have money to maintain them. How do we do both?" I'm assuming that we're not the only ones because Minnesota gets snow.

Mr. Paris: Are there any other questions? Thank you, Melissa, for coming.

Dr. Wood: Thank you.

Ms. Lyon: Thank you. Enjoy your day.

Mr. Paris: We will move on to the Treasurer's Report; we did hear from Dale earlier (in the finance meeting).

COMMITTEE REPORTS

a. Treasurer's Report: Mr. Barney: I don't have anything additional, but I would like to, for the record, state that you do have a draft copy of the budget in front of you for you to review. I believe it is reasonable; it allows the operations of the Authority to function efficiently and rewards the staff for their hard work over the last year.

   Like I indicated, several of the categories have been decreased based on past performances. They include website design, office equipment, professional development, meeting expenses, outreach, and advertising. Two categories have been increased – the first is the copier lease which reflects a shift in how the copier company handles billings and the second is the salary line item which reflects raises for the three employees. I am recommending 3% for living increases for the Executive Director and the Executive Director would like for you to consider 6% increase for Tammi and Tom based on cost of living, excellent performance over that last year, and increased responsibilities. As we mentioned, those increased responsibilities include five new grant programs to assess and monitor, in addition to a large volume of information requested most of which requires extensive research.

   Also, just to point out to you that the total budget is increasing from last years $469,975 to a proposed $473,150; that's a 1% increase. I believe this is more than reasonable. Consider it and we will revisit it again in February and look to make a decision at the April meeting. That's all I have.

Mr. DiPaolo: Dale, I just have one question for you and I don't want to belabor this. Perry said that the raise is 3%, six and six. He would go from $94,000 to $97,000, Tom would go from $42,000 to $45,000, and Tammi would go from $32,000 to $34,000. That's $8,000 and the increase we're looking at is $21,000; so, where's the other $15,000?

Mr. Barney: When you said that before, as we were adding that up I'm not certain about that.

Dr. Wood: This is a draft budget, so we will take a look at that and get that answer back to you in February.

Mr. DiPaolo: And the $94,000 that you presently make now, isn't money given to you for not taking insurance?

Dr. Wood: Yes. All of the employees have a benefit offset.

Mr. DiPaolo: How much is that on top of your salary?

Dr. Wood: $12,700.

Mr. DiPaolo: So, if in fact this were to go through, you'd be making about $110,000?

Dr. Wood: $113,000.

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

Mr. Paris: We had Dale give us his report during our finance meeting. Do we have a motion to accept his report?

Mr. Sample makes a motion to accept the Treasurer's Report. Mr. Cleaver seconds the motion. Motion carries 6-0.

b. Strategic Planning Committee: Mr. Paris: I know that they have not met because of the holidays so there is nothing to report there. I know we're going to be approving a Resolution for Mission Main Street and Perry will talk more about that during his report.

c. Update from County Council: Mr. Leone: Thank you. First of all, constantly, every couple of weeks, we have Randy Barnes come forward to talk about information related to the ECGRA Board. He asked many questions as far as Bridgeway is concerned and I have a few of my own. I see the County Controller is involved in that now; she's probably going to do some type of audit here of ECGRA. Some of the questions that I have I will save for Perry because I have some questions to ask of him; I don't have them all with me right now, so I will send an email because I do need some answers that even Randy Barnes has.

We talked today about the 6% increase in salary. As I mentioned, Melissa didn't have half of what she's doing this year, but she got 3% even though she has additional responsibilities. Nobody in here, I believe, is digging ditches or anything; I think it's a decent job that they have and it's difficult for me to understand a 6% increase, even 3%, because as it is right now, senior citizens that I represent quite a few of, got 2.3% in their Social Security. And retirees ask for an increase and they haven't had an increase of any kind in the last two years, so they didn't get any increase even from their retirement fund.

I'm just saying that there are some tough times and if we're talking about budgets of any kind, I think you have to be reasonable in what you're doing, and I believe in some cases because it isn't your money directly it doesn't make too much of a difference, but I think it does as far as I'm concerned.

I don't have anything else to report from Council. I will be here at most of the meetings when I can make them; I have my own problems that I have to care for at home and I will do what I have to do here. That's about the end of my report.

d. Update from County Executive's Office: Mr. Lee: Thank you, Mr. Chairman. I'm going to be brief; I'm just going to talk about the Choose Erie project and the press conference that we have today at 11:00am down at the planning department. As many of you are aware, this started nearly two years; it does take some time to get all the i's dotted and the t's crossed.

It started with members of the Local 506 from GE coming down to meet with the County Executive and myself to talk about the workforce they have – and this was right after the major lay-off that they had – and they were concerned as far as what was going to happen not only to their workers but some of the other manufacturer workers in the region. They asked us if we would consider coming up with some type of strategy that would market the current workforce.

We pulled together representatives from the Governor's office, we pulled together the Erie Community Foundation, and ECGRA. We also pulled together Job Connect, Janet Anderson's group and the Erie Redevelopment Authority; initially United Way was a part of those discussions. In those discussions, we really determined that not only did we not have a good marketing strategy for the workforce, but we were missing an infrastructure tool to help us in assisting Erie County in marketing Erie County from an economic development perspective.

Out of that, Up For the Job developed into Choose Erie and this is where we are today where we will have an online portal that will assist us in marketing Erie. A big foundation of that particular portal will be the Erie County Data Center which is a new initiative that we are very excited about. It's going to be a website-based tool that will help not only new companies consider coming to Erie, but existing companies.

If I can spend a moment on that. Many times, we're attempting to chase and try to attract business in coming to Erie and I have no issues with that because we want to grow. But I think in doing that we miss trying to help the existing businesses. If we are going to grow, studies have shown that small business in the key. Very rarely do you bring in someone like Amazon or someone of that sort; that's just not going to happen. So, you really have to have the infrastructure to allow the companies that you currently have to not only survive, but to thrive. This tool will help the existing companies from a marketing perspective, from a competitor analysis, from industrial trends that are going on in particular areas.

This is a really robust program and we're excited. The Data Center is going to be the foundation of this Choose Erie project. That announcement will be coming at 11:00. The goal is to, although the County played a part in getting this going, we're going to hand the baton to the Chamber, which is where it should be housed. We're excited that Mr. Grunke and his team have taken it and are running with it.

As Mr. Wood stated earlier, his role and the ECGRA role in this was approving the money for the research portion which was about $39,500 if I recall correctly. That helped out greatly, because without those funds we would not have been able to get this project completed. We're excited to bring this project to fruition; we're excited about the Chamber taking this particular initiative and moving it to the next level. Thank you.

REPORT OF THE EXECUTIVE DIRECTOR

Dr. Wood: I just want to review a few things with you; I'd like to hit these five bullet points with you this morning. First, the draft budget, which I think we've talked about enough at this point, but I want to talk to you a little about what the timeline looks like for the budget. Then there's the four Mission Main Street applications that are on Foundant right now for your review and any questions that you might have. Also, the Pilot Project proposal which has recently been put in front of us, Ridge Policy Group and the Consensus Agenda that they have come up with for 2019, and finally the Bridgeway Capital memo that you all have in front of you.

Quickly for the budget timeline, Mr. Barney as the Treasurer reviewed the line items and gave you justification for what we're doing there but I want to go over the timeline with you. Today is January 17th and this is your first draft, you're first chance to see it because it's brand new out of the gate. Take your time to look at it and formulate questions. We will talk about it again on February 21st and if we need to, we will discuss it again in March. Officially, it is approved at the April 11th Board meeting. That's our reorganization meeting where we approve the budget at that time. So, we have time to discuss it.

Next on the agenda is Mission Main Street. I just want to remind you of how we got to where we are with Mission Main Street grants. We introduced new guidelines to you in 2018, the Board approved those guidelines in August, and we immediately opened them up to take applications. Tom and I did a workshop September 6th for all those who were interested in this type of funding. There are two paths of funding which is a significant change in the guidelines. In the past, there was one application and they were eligible for up to $15,000 per applicant. The new path says you can either go for a planning grant or an implementation grant. The planning grant is up to $10,000 for a one-year period and the implementation grants are up to $250,000 over a three-year period with the staff's ability to extend that contract for another year. So that's $250,000 over three to four years; that's a significant change. I just wanted to remind of that and that it was approved by the Board.

The second thing that was approved were the dates of submission. The first date of submission was November 1, 2018; Tom and I have scrubbed the details of these four initial applications, they are on the Foundant site for your review, and we have a recommendation here for you today in the form of a resolution. The second round of submissions will come in February. We only had four applications in Round 1, which is kind of interesting. We think there will be a bigger influx in the round in February and we're already talking to folks who are planning on coming back in July; not the same folks that we're talking about here today but other Main Streets.

Overall, we've budgeted about $2.5 million dollars for this spread out over the next three years from a cash flow standpoint. Today's requests are $750,000 on the implementation side and one $10,000 planning grant. Let's get into the details of those.

Applicant #1: North East Borough – They're asking for a $250,000 implementation grant. They call it the Clinton Street Business District Improvement; this is not the Main Street in North East but a secondary commercial district that they said they need to start making investments in. It's mostly façade improvements, although there is some streetscape and what they call a gateway concept.

Applicant #2: Union City – This is a $10,000 Planning grant for historic preservation and storefront designs. What it really is is preconstruction work on what they call a mini-façade improvement program. I think it's really innovative because the Borough Manager has recognized the need for historic preservation and has said, "We will do facades, but we will not be doing massive façade improvement. We'll be doing mini-façade improvement projects and if we can hire someone who can come in and work with these business owners on historic preservation pre-construction, then we can get everybody lined up to go after the individual mini-façade grant available."

Applicant #3: City of Erie – The City of Erie for a long time has had a downtown streetscape plan. It's about ten years old, but they haven't implemented it. This is their first chance in implementing it – not because of our funds necessarily; we're one source in the capital stack of funding, but a big one at the rate of about $250,000. Tom, was it a couple million dollars they're going after in that first phase?

Mr. Maggio: $1.5 million.

Dr. Wood: We're $250,000 of a $1.5 million-dollar Phase I project, which is basically going to focus on State Street improvements from 3rd to 14th; things like sidewalks, pavers, street furniture, bike lanes, green spaces, and trees. It's the kind of placemaking elements that the Mission Main Street grant is intended to fund.

Applicant #4: Erie Downtown Partnership – They have a comprehensive implementation plan. Their concept includes things like gateways, facades, streetscapes, business attraction, security cameras, and maintenance equipment; it's their strategic plan that they're putting in place. They're going to focus most of the $250,000 on façade improvements over the next three years. That's typically what we have done for them in the past.

There is nothing really out of the ordinary here. The staff has reviewed the applications and done interviews with each of these applicants and asked clarifying questions. We made this available to the Board awhile ago and we haven't had any questions from the Board yet as far as these applications go, so we're going to recommend in Resolution Number 1, 2019 that we go ahead and fund these four projects in Round I of Mission Main Street.

The second thing I want to bring up with you is a Pilot Project. We're about half-way through our Pilot Project budget. The Erie Regional Chamber has come to us with a project called "Erie Forward." We just funded Choose Erie which went through the Chamber; they're tweaking it and calling it "Erie Forward". It's not crystal clear yet, but the Board will get some type of proposal and we'll have them come here and present and talk about the concept if you're interested. It fits in with what Melissa talked about here today; Melissa talked about improving your community's health statistics because those health statistics reflect your workforce and engages your economic development asset when you're trying to attract business to your community, which is why I mentioned site selectors. This Erie Forward concept is all about the Chamber reaching out to site selectors from around the country and pitching Erie as a location to relocate.

It's interesting, it's going to involve intense travel on behalf of the Chamber officials, it's going to extensive marketing outreach to these site selectors. What that entails, let's find out when the proposal comes in writing. James Grunke, we have him scheduled to present at the February 21st Board meeting, but I think we're going to revisit that; it might be March.

Next is the Ridge Policy Group Consensus Agenda. Working with the County Executive's office, we really identified four key areas that we want to focus on in 2019. I'm really excited about it because we have specific grants that we want to go for in each of these categories. The first, and this is already on the ground running, is the youth workforce piece which we've worked Summer Jobs with the County on. We've been talking to Labor & Industry and with WIB and GECAC is going to run the point on this grant program. There has been a grant identified at the State level, so Ben Wilson and I will be meeting with Gary Lee and Ridge Policy Group and talk about moving that grant forward.

The next focus area is Entrepreneurship & Innovation. We have until the spring to do this, but the Ignite Erie partners are working on an ARC grant; that's through the Appalachian Regional Commission and it's called a POWER grant. Basically, this is for communities that have been negatively impacted by coal and we have had that because of the GE layoffs so that is the justification going after this grant. To my knowledge, we have never been successful as a region in getting this grant, at least Erie County, so this could be a heavy lift, but the partners want to go after this.

The third focus area is Blue Zones Corry. In working with Melissa Lyon and the Ridge Policy Group, we have identified the Healthy Partnership grant. That grant can help with the Corry initiative, but it could also help expand the concept through the school districts, as Melissa mentioned, so the concept can go county-wide.

The fourth focus area of focus is Transportation & Infrastructure. Remember that this was set up last year when we started engaging Ridge on this. The City of Erie, Millcreek, the County Planning office, Presque Isle Park, DCNR, they are all working on this. It doesn't have a name yet but it's basically a bayfront infrastructure concept that will get Erie into a Federal Infrastructure Law. Timing is really of the essence on this; it's being led by municipalities and the departments I just mentioned, but the idea is to get a concept paper into the House of Representatives sometime in the March timeframe because this is the year they are contemplating infrastructure bills. Fingers crossed.

Other activities – Unified Erie has a Re-entry Program. I am not sure how familiar you are with this one piece of the Unified Erie Program, but the Re-entry piece is most interesting to us, I believe, because it's about workforce; it's about folks coming back from their prison stay and we want to reduce the recidivism rates, so we get them connected to the workforce. The Re-entry Program is a piece of that strategy and they've talked to us about it. We have made some connection with the Ridge Policy Group, so they can find out about funding sources at the State level, and we're talking about having them come in and talk about and explain their re-entry strategy as well as their workforce development strategy.

Finally, the STEM Academy and some other programs. The Governor has a new program based on priorities of the STEM field based on Science, Technology, Engineering, and Mathematics. We have made some introductions there and some introductions, but I don't believe it has gone any further than that.

You have both an electronic copy and a hard copy of the Bridgeway Capital letter. I just want to go through this memo briefly with you that was sent to the County Controller and point out a couple of highlights. First of all, all of ECGRA's funding that went into Bridgeway Capital stays in Erie County; it's invested in Erie County businesses. It does not go anywhere else in Northwest Pennsylvania. The second is the matching requirements, which are a minimum of 1:1 match. Bridgeway told us they thought they could do 4:1 on the Erie Growth Fund; they have actually 9:1 for the Erie Growth Fund. Those matching funds are also in businesses that stay right here in Erie County. If you look at the numbers, they have invested about $600,000 of the initial $1 million; remember they have a ten-year window to invest that initial million. They have invested $600,000 and they have matched it with about $6 million. It's an incredible return on our funds. They have never missed a payment to us on a quarterly basis for interest (coughing covers what is being said). It's a secure risk investment.

There have been four tranches of investment and I think this is important to discuss since some of you were not here when these decisions were made because this data goes back to 2015. Bridgeway comes to Erie in 2012; it's not until 2015 that we finally engage them at a financial level. During that time, we've been watching them, we've been having conversations with them, and we're seeing the types of investments they make. They open an Erie office and a gentleman by the name of TJ King ran it. The first investment the Board decides to make is called the Erie Entrepreneur Fund; this initial investment looks at inner-city entrepreneurs that are higher risk and it mirrors a program that they put together in Pittsburgh. The program in Pittsburgh was showing good results and so we said, "Let's bring it here" and this Board approved a $100,000 MRI grant to them in order for them to grow it. That was in March 2015.

Tranche #2, after seeing success with the Entrepreneur Program, the Board says, "Ok, let's make a loan to Bridgeway for something they're calling the Erie Growth Fund that they were just getting up and running. We see a proposal, they come in and present to us, the Board recommends a $1 million loan at the rate of 3%. That $1 million was guaranteed to be matched with $1 million, but they said they could go 4:1; it ended up being 9:1 and we're only three years into a 10-year runway on that concept. So, they have met and exceeded their goals on Erie Growth.

The Board was so pleased by those results that we then took another application from them in the next round of MRIs and made two new investments. The first one was, "The Erie Entrepreneur Fund was successful – how do we take it to the next level?" Bridgeway says, "Let's do an all-out business accelerator program for the minority community. We'll need a grant for that." They asked for $300,000; maybe they asked for more if memory serves me, but we cut it down to $300,000. They also said, "Let's do a sister loan fun with that accelerator with half of it going to minority businesses and the other half being unrestricted for other businesses in Erie County." They called it the Erie Inclusive Fund. They came and presented to our Board, the staff scrubbed the details of it, we have a great track record with them, and the Board voted to make the $300,000 grant and the $2.5 loan investment.

<u>Mr. Sample</u>: Perry, was there a match required for that one?

<u>Dr. Wood</u>: There absolutely was a match requirement. The Business Accelerator requires a 1:1 match, so they'll actually spend $600,000 for the Business Accelerator. The Erie Inclusive Fund, just like the Erie Growth Fund, requires a 1:1 match which they agreed to as well. They immediately said, "If you put in $2.5 million, we'll put in $2.5 million." Once again, they can maybe take that further. We'll see when the results come in. It's higher risk; it's a lower interest rate that we get in return because it is a higher risk.

<u>Mr. Paris</u>: Perry, explain to me the first two – North East Dairy Queen and Erie Ale Works (referring to the list of businesses invested in by BWC). When you see North East Dairy Queen and it says $182,600 and it says, "MATCH." Tell us exactly what that means.

<u>Dr. Wood</u>: So, our Chairman is referring to the last document in the handout which details every investment made. I can sit here and talk about the investments and match all day long and not the companies the investments were made in so, here they are. If you look at the column that says "Source", you'll see the word MATCH or ECGRA. The way that they're tracking this is that it is a fund; there are different sources of revenue in their fund and ECGRA is just one of those sources. There are other banks in that fund, the Federal government is in

that fund, there's philanthropic institutions from Pittsburgh in that fund. When you see ECGRA under the Source, it means they used ECGRA dollars to invest in that company.

Mr. Paris: Solely ECGRA dollars?

Dr. Wood: Unless you see the word SPLIT. When you see the word MATCH, it means, "Before we spend ECGRA dollars, we need to spend the MATCH dollars." So, they'll spend $100,000 before they spend $100,000 of our funds on an Erie County-based company.

Mr. Paris: And the loan amount, that's the full amount of the loan?

Dr. Wood: Under the column "Loan Amount", that's the full amount of the loan. If there were multiple loans, you'll see them listed twice.

Mr. Paris: So, for North East Dairy Queen, $182,600, half of that is coming from Bridgeway?

Dr. Wood: No. That entire amount is coming from Bridgeway.

Mr. Paris: Ok. So, the match is another $182,600?

Dr. Wood: If you add all these up, you'll find that ECGRA funds have been spent to the tune of about $600,000 and they have been matched to the tune of about $6 million. This is one way, from an accounting standpoint, to show us, "We spent your money and we got the match." If you want to see the data in a different way, certainly we can ask for it, but this seems to make the most sense from a process standpoint.

Mr. Bagnoni: Do these people that borrow the money have to come up with a match also?

Dr. Wood: No, it doesn't work that way. We're requiring Bridgeway to come up with the match. The businesses are getting a loan from this fund. They don't know that it's ECGRA funds, they don't know that it's USDA funds or US Treasury funds, or some other institution. They're just getting a loan from Bridgeway for whatever amount they are requesting or whatever has been negotiated through the due diligence process.

Mr. Sample: Typically, Bridgeway would ask them to have skin in the game.

Dr. Wood: If you're asking, "Does the owner normally have equity?" That's a question for Bridgeway, but I believe the answer is absolutely. Keep in mind that Bridgeway is a bank. We talk about it like it's a nonprofit because it's technically a Community Development Financing Institution; but a CDFI is a bank.

Mr. Sample: This is confusing. To Dom's point earlier, Dominick's received $300,000. But Bridgeway has only put out $600,000 of ECGRA money so they don't have $300,000 of ECGRA.

Dr. Wood: If you look here, they both say MATCH.

Mr. Sample: So, they don't have any ECGRA money. It was confused over that. But we've got $600,000 out and they've loaned $6.6 million out.

Mr. Bagnoni: How do they determine which ones they're going to use ECGRA funds for?

Dr. Wood: They have a process internally. It's a good question for them. But listen, from a staff standpoint, we have a 10-year agreement with Bridgeway Capital.

Mr. Sample: So, our risk is with Bridgeway.

Dr. Wood: Our risk is with Bridgeway and every quarter, Bridgeway sends us a check for the interest on our investment and they send us a report showing what they did with the funds. We never ask them, "Why did you invest in this company and not the others?" That's really not our place as an investor of the funds.

But I will say this, based on the questions we got today, based upon the ongoing questions that you have right now, I think it absolutely makes sense to invite Bridgeway back up for some type of educational briefing for our Board members. If you're comfortable with that, I will put that together and bring them back up here.

Mr. Sample: Typically, the question that Mary Schaaf had of asking who they were, that would normally wouldn't be our business. That's not bad information to have, but was it or was it not readily accessible to us? I don't know why it wouldn't be.

Dr. Wood: It is readily accessible on a quarterly basis.

Mr. Lee: I think that's a great recommendation to bring them back up. I'm familiar with Bridgeway Capital from Allegheny County because that's where they're headquartered, and they do a lot larger work there because it's a lot larger County. I think that when you're unfamiliar with the reputation of a group, and it's about relationship and trust, to your point bring them back up because it is very, very valuable.

It's really important to note their default rate; when you look at 99.88% of the loans are being repaid that is very remarkable. I mentioned this to Bridgeway at another meeting, the model they have in place – not just the one they use in Erie County – but around the western part of the State – it is a very good model, it's a very solid model. It works. It definitely works.

It is about transparency and getting information, but I think the more individuals become comfortable with what they do and how they do things, I think that we have an opportunity to grow; I really do. They are filling a need that has never been met in Erie County and I'm going back 25 years as it pertains to small businesses and in particular to minority-owned companies.

Dr. Wood: I had a meeting with Bill DeLuca from ErieBank because he sits on their Erie Advisory Board. He is a huge fan of Bridgeway Capital because of what they bring to the table; the resources leveraged has helped them leverage investments in local businesses. He pondered the same question, "What would happen with investments without Bridgeway Capital?" In many cases they brought deals to them and invited them to participate with them. That shows you the confidence of the traditional banking community in Bridgeway and it also shows you that they are all connected to this mission. They are both positives for our investment.

Mr. Sample: With that default rate, I know from things we had done previously and negotiated with some banks, looking at that default rate, sometimes you might question if they are too conservative and are they not taking enough risk. Obviously if it were our dollars at risk, we might think they're not conservative enough but are they missing some stuff because there are risks they don't want to take? I want to ask them that.

Mr. Lee: In reference to the Mission Main Street, were there only four applications submitted?

Dr. Wood: Yes. Thanks, I forgot to mention that. Yes, these are the only four that came in. The staff has recommended full funding for all four but it's because these are the bread-and-butter projects of Main Street.

Mr. Sample: That's 30% of your projected budget. So, he who comes in June may be lost, depending on how the second round goes.

Dr. Wood: We'll try to help everyone.

Mr. Lee: The next question I have is, historically, has west county been represented – Girard, Fairview? Have they done anything in previous projects?

Dr. Wood: Absolutely. Waterford, Girard, Edinboro (if you consider Edinboro west county). Edinboro is one of the most aggressive.

Mr. Lee: I was just asking because when I think about the County, and you guys can appreciate this, we just want to make sure that other parts – west county, south county, north county, east county – that everyone is involved. The projects we have up there, from my prespective, are very good projects; I just was wanting to know if other applications were expected. Thank you.

Mr. Bagnoni: I hate to be like a dog with a bone, but can we go back to the Ridge Group? We've spent a lot of money and I know Gary said last time that they were instrumental in getting them some additional cash. We're still paying so much money a month to this group and I don't see us getting a return on our investment; I really don't. I try to get my hands around this and I still can't do it. What I would like to propose is have the Ridge Group, monthly, submit grant applications that they find that are worthwhile for our community, who they gave them to, and then I want each one of those organizations, if they get a grant, to give us a letter stating that it was due to the Ridge Group that they got it.

How much have we spent on the Ridge Group already?

Dr. Wood: What's the monthly amount?

Ms. Michali: Monthly is $4,000.

Dr. Wood: Keep in mind that the majority of the time we had them was to save gaming revenue.

Mr. Bagnoni: I understand that.

Dr. Wood: This activity report that we get monthly from Ridge and it's in your Director's Report, details some of that but certainly we can add what you're asking to the report.

Mr. Bagnoni: We're paying the money, so I want to see what we're getting. And I don't see it.

Mr. Sample: Some of this was done in conjunction with the Erie County Executive. Those are referrals that we're working with Erie County government on.

Dr. Wood: The forming of these priorities, these focus areas, are in conjunction with Erie County government.

Mr. DiPaolo: Mr. Lee, the Healthy Partnership for Children Program, did you receive that in Erie County?

Mr. Lee: Let me quantify this – although the Health Department reports to me, I can't speak without having them . . .

Mr. DiPaolo: Ok, but the deadline was October 1st.

Dr. Wood: We just explored it for the first time last year.

Mr. Lee: I don't have a problem checking with Mellissa Lyon and finding out where they are in the process. I will have to go back and find out.

Mr. DiPaolo: The last report I have from the Ridge Policy Group, 35 or 36 grants they applied for – how many did they get?

Dr. Wood: That is not a reflection of grants that were applied for; that's a reflection of the number of grants identified and that were brought to identities. The question is, how many of those entities applied for those grants? That's the real question. Not all of them fit. They are in the process of identifying them and giving them to us.

So, last year there was a great opportunity to look through many grants to see which ones fit. These are the four main focus areas that we're looking at.

Mr. DiPaolo: So, the 35 that they looked out, how many of those did they bring to you? Four.

Dr. Wood: No. This is what we've decided to focus in on based upon the county priorities.

Mr. Sample: So, they brought the 35 to them and then spread them out and offered them as an opportunity.

Dr. Wood: And not all of them fit.

Mr. Bagnoni: Who did they take them to? That's my question. Which entities did they contact?

Dr. Wood: There's a whole list of community partners that they can contact.

Mr. Bagnoni: But how do they? Do they get on the phone with the Mayor of Corry and say, "Hey, we've got something here that we want you to apply for it." What do they do? That's my question. I mean these are out there in space but are they getting to the people that are needing them? And if they are, are we getting those monies?

That's my problem with them. And that's been my problem with them all along. I just can't see the connect. There seems to be some type of disconnect in there somewhere that we're paying them for that we're not getting. It's like ordering a meal and not getting it.

I personally would like to see them be more responsive to what we want to know, and it shouldn't be up to us to go out and find these people. If Ridge Group is being paid to do it, they should be doing, not our staff.

Mr. Sample: Maybe I'm confused; correct me if I'm wrong. The last time we asked Ridge Policy Group to go out and find grant opportunities and if what Perry is saying is true, they brought 35 opportunities back. Not all fit because they had to qualify them with the different programs.

Mr. DiPaolo: Evidently none of them fit. So, they did 35; what good is it to bring 35 and they don't fit? We're back to square one. Give them another $4,000 for next month.

Mr. Sample: I don't know that they didn't fit, and I don't know the timeline on it.

Mr. Bagnoni: I would just like to have a little more information and a little more direction as to how this is going down and why they're getting paid and what they're getting paid for. Is it benefiting the community for us to spend $4,000/month and receive nothing for it? That's basically what I see because I don't see any funds coming in; I only see them going out.

Mr. DiPaolo: There's not a person on this Board that would pay something out of your own pocket every month that you don't get anything for. I mean, that's crazy. And you keep prolonging it and prolonging it, and it still doesn't happen. I know I wouldn't, and I'm sure everybody here wouldn't do it either.

SOLICITOR'S REPORT

Mr. Wachter: I have nothing to report.

OLD BUSINESS

There is no old business to report on.

NEW BUSINESS

a. Resolution Number 1, 2019 – Resolution to enter into agreements with four (4) applicants to the Mission Main Street Program – Round 1.

Dr. Wood reads the resolution.

Mr. Sample makes a motion to approve the resolution. Mr. Cleaver seconds the motion. There is no further discussion. Motion carries 5 – 1, with Mr. DiPaolo voting in the negative.

Mr. DiPaolo: Mr. Chair, I would just like to clarify my vote.

Mr. Paris: Sure. I would like to know why.

Mr. DiPaolo: First of all, I don't even know why we have an ECGRA Board. That's number one. If in fact the staff, three people, are to determine who gets what money and how much they get, well then why are we even here? I would think that if there's $760,000 available, I think the Board should say, "The City gets X amount, Union City gets X amount." I mean, we're leaving it up to the Board to make the decision, or the staff rather, excuse me. So, why are we even needed here? They're just going to do what they want.

Mr. Paris: We did have the opportunity. We all got sent the links to review these.

Mr. DiPaolo: But that was their recommendation.

Mr. Paris: But did any of us review that? That's the question I have for you – did you do that?

Mr. DiPaolo: Oh, I looked at them, yeah.

Mr. Paris: But did you go online and do the review?

Mr. DiPaolo: No.

Mr. Paris: Why?

Mr. DiPaolo: Because of the fact that that's what the staff recommended so it wouldn't do any good.

Mr. Paris: No. That's our job. None of us did it because it was a time frame where we were going through the holidays and I think a lot of us just let that one go.

Mr. DiPaolo: It fell through.

Mr. Paris: But all of the other projects and all the other grants we have done, we – the Board – have all taken part in all those grants and we all have made the decision as a Board and Board members to do that. The staff has not done that. This is maybe only the first time that they've done it and it was done because it was something that came in at a bad timing for all of us because of the holidays. We, as a Board, neglected to go and review those.

Mr. DiPaolo: Ok.

Mr. Paris: It was that.

Mr. Sample: But they met the parameters of the guidelines.

Mr. Paris: They did and if we had sat down as a Board and gone through this, we would have done the same thing.

Mr. DiPaolo: Ok. Fine.

Mr. Sample: And I don't agree with one thing that Erie should get X, and Union City should get X. It should be the quality of the project. Not all areas have the same need at the same time.

Mr. Paris: I want to say one more thing, I guess. I take offense to you saying, "Why are we here? Why are we a Board?" Dom, I put in a hell of a lot of time on this Board; so does Dave Sample, so does Dale Barney. We show up to these meetings, we show up to Strategic Planning meetings, we show up to grant reviews. I don't see you there. Dave Bagnoni does come to some of them. Now that Whitey is on the Board, I'm sure he's going to be there. Now, if you want to take part in this, then you come to those and take part in them. If you're going to sit there and tell us, "Why are we here?" then I don't need to hear that.

Mr. DiPaolo: First of all, I have an opportunity to speak just like you do . . .

Mr. Paris: Right.

Mr. DiPaolo: . . . and I was appointed to this Board just like you were . . .

Mr. Paris: Exactly.

Mr. DiPaolo: . . . so if I have questions, I'm going to ask them. And then you can answer them the way you just did.

Mr. Paris: Yeah.

Mr. DiPaolo: That's fine.

Mr. Paris: Take part in these discussions with us, come to these meetings. That's what I'm asking you to do.

Mr. DiPaolo: Ok. Fine. If I can make it, I'll be there.

Mr. Paris: You've been on this Board how long, and you have not taken part in any of these.

Mr. DiPaolo: Ok.

Mr. Paris: If you're going to sit there and tell us that we're not doing our job . . .

Mr. DiPaolo: I'm not telling you you're not doing your job.

Mr. Paris: Ok, but what you're saying, I take offense to that.

Mr. DiPaolo: I didn't say that.

Mr. Paris: Well, you said we're not needed.

Mr. DiPaolo: Exactly.

Mr. Paris: Well, we are needed, and we do a very good job at it.

Mr. DiPaolo: Very good.

Mr. Cleaver: When you say these meetings, maybe I'm missing something. What are talking about, meetings?

Dr. Wood: There hasn't been one since you've been appointed.

Mr. Paris: What we usually do is have a Strategic Planning meeting where we sit down, we discuss . . .

Mr. Cleaver: . . . but there hasn't been one yet.

Mr. Paris: Right.

Mr. Cleaver: I rest my case.

Mr. Paris: Again, that was due to the holidays.

Mr. Cleaver: I just wanted to check because I can see where Dom is coming from.

Mr. Paris: Again, it was just one of those things. We all had the opportunity to review those.

Mr. Cleaver: Ok. That's fine. We'll move on.

ADJOURNMENT

Mr. Sample moves to adjourn.