

RESOLUTION NUMBER 16, 2019

Resolution to authorize the executive director and solicitor to enter into negotiations and execute an agreement with the Erie Center for Arts & Technology (eCAT) for a \$500,000 mission-related investment (MRI) loan for the purpose of rehabilitating the Wayne School building in support of workforce development, educational, and healthcare programming anchoring a distressed neighborhood.

Whereas, ECGRA established the Neighborhoods and Communities focus as a funding stream to make both grants and MRIs within Erie County to support distressed neighborhoods, historic structures, and commercial corridors; and

Whereas, ECGRA's mission of economic and community development recognizes:

- A. the importance of supporting projects that lead to the employment of targeted groups such as the economically disadvantaged, and
- B. the importance of preservation and adaptive reuse of historic structures for community benefit, and
- C. the importance of healthcare delivery to ensure a healthy workforce

Whereas, the PA Economic Development Financing Law finds that the unavailability of private credit sources for redevelopment areas of distress has a detrimental effect on the ability of residents to access employment, cultural, and business opportunities, and

Whereas, entities such as the authority have as its purpose the ability to promote the establishment and development of health care and educational facilities through grant and loan financing, and

Whereas, ECGRA's approach to Neighborhoods and Communities recognizes that entities such as the eCAT acting as a community development corporation are revitalizing anchor buildings such as the Wayne School through the New Market Tax Credit Program (NMTC) in order to provide new and importance services to the residents of that neighborhood; and

Whereas, the eCAT has demonstrated and agrees to the following:

1. that it qualifies to apply for an MRI in the asset class known as community facility per ECGRA's impact investment policy, and
2. that it has experience in this asset class due to its affiliation with the Manchester Bidwell Corporation, and
3. that the rehabilitation project under consideration will be in the boundaries of Erie County, under the supervision of a nonprofit in good standing with the IRS and local government entities, and based in Erie County, and

4. that it requires a \$500,000 MRI for a term of 7 years because of a critical gap in available financing to make Erie County's first NMTC project a reality, and
5. that the MRI is available upon the contingency that the project's fundraising goals are met before the release of funds, and that the executive director and solicitor will be satisfied that fundraising milestones have been met before funds are released, and

Whereas, in accordance with ECGRA's impact investment policy and by the recommendation of the strategic planning committee, ECGRA seeks to enter into an MRI with the eCAT by authorizing the executive director and solicitor to negotiate and execute on terms and conditions in order to effectuate the MRI;

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Erie County Gaming Revenue Authority, pursuant to the Economic Development Financing Law and the ECGRA Bylaws, awards a mission-related investment to Erie Center for Arts and Technology in the amount of \$500,000 subject to contract negotiations with the executive director and legal counsel.

On the motion of _____, seconded by _____.

This resolution was passed on 17th day of October, 2019 by a vote of ____ - ____.

ERIE COUNTY GAMING REVENUE AUTHORITY

Chairman, Erie County Gaming Revenue Authority

October 17, 2019

ATTEST:

Secretary, ECGRA