



Erie County Gaming Revenue Authority

Minutes of the Board of Directors' Meeting

August 20, 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 August 20, 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 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 (arrives late), Mr. Bagnoni (arrives late), Mr. Cleaver (via phone), Mr. DiPaolo, Ms. Hess, Mr. Paris, and Mr. Sample. Mr. Horton (arrives late), Mr. Wachter and Dr. Wood are also present.

APPROVAL OF THE AGENDA

Mr. Cleaver makes a motion to approve the agenda as presented. Mr. Sample seconds the motion. There is no discussion of the agenda. Motion carries 5-0.

APPROVAL OF MINUTES – July 2020

Mr. DiPaolo makes a motion to accept the minutes. Mr. Sample seconds the motion. There is no further discussion on the minutes. Motion carries 5-0.

DIRECTOR'S COMMENTS

There are no comments by any member of the ECGRA Board at this time.

COMMENTS BY THE CHAIR

Mr. Paris has no comment at this time.

PUBLIC COMMENT

There is no public on the call for comments.

PRESENTATIONS

There are no presentations at this time.

COMMITTEE REPORTS

- a. Treasurer's Report: Mr. Paris: Mr. Barney is not on the call to present his report; Perry, would you like to give us that update?

Dr. Wood: I would be more than happy to go over the finances with you all. Mr. Barney and I did meet this week and review these finances.

Mr. DiPaolo makes a motion to accept the Treasurer's Report. Mr. Cleaver seconds the motion.

Mr. Paris: Is there anything particular we need to discuss about the finances?

Dr. Wood: Does the Board have any questions about the finances as they are presented on your Board Effect?

All Board members agree that they have no questions.

There is no further discussion of the Treasurer's Report. Motion carries 6-0.

- b. Strategic Planning Committee: There was no meeting held so there is nothing to report.
- c. Update from County Council: Mr. Paris: I do not believe that Andre is on the call so there is no report from him at this time.
- d. Update from County Executive's Office: Mr. Paris: Gary had informed me that he would not be able to participate in the call today and that he did not have anything he wanted to pass along.

REPORT OF THE EXECUTIVE DIRECTOR

Dr. Wood: Thank you, Mike. You're going to see a couple things in your Executive Director's Report, and I'll make this quick because I want to spend the majority of the time discussing the information under Old Business where we are going to need to vote on it. Part of that report is a memo that I prepared for the Board talking about the COVID-19 Response Fund. Basically, it summarizes where we're at; we received 69 grant applications, we funded 44 of them. The Response Fund grand total was \$2.4 million in requests and \$688,234 funded. Loan activity shows \$520,000 for small business and \$100,000 to the nonprofit sector. In the memo, I talk a lot about the history of the fund and why it was created so this can be a type of archival piece for us that we can eventually turn into a report when the outcomes come through.

It also talks about Resiliency Framework if you want to take a look at that; that is the role that grant makers like us need to take a look at in the future; working with stakeholders, thinking in terms of systems, adaptability, transformability, sustainability, and the courage to do what is right. This Resiliency Framework was developed by the Rockefeller Foundation five or six years ago in order to help our sector – nonprofit sector, government sector, and funders – to deal with the idea of resiliency, which revolved more around the idea of crises in general and not necessarily pandemics, but you can certainly consider a pandemic a crisis. There is a bit in this memo about that Framework and then there's examples of the role that grant makers can play, as well as an Appendix of the 44 grants listed in there.

This isn't a report I need you to pass; it's just a memo to kind of capture the moment in time that we are in right now with the COVID-19 Fund. I'll save the majority of the discussion for Old Business because the Old Business items here involve both this fund and approving the Parker Philips contract. I'll stop there if you have any questions. If not, I'll turn it over to Tim to talk about the eCAT closing and the Pennsylvania Municipal Retirement System. Are there any questions for me? Thank you for your time.

SOLICITOR'S REPORT

Mr. Wachter: On Friday of last week we had closed on the Erie Center for Arts & Technology \$500,000 loan that was provided to eCAT. That money was part of the loan that was bundled together with other loans from the Erie Community Foundation, Northwest Savings Bank, and Erie Bank to create a fund of about \$6.8 million for the purpose of funding the New Markets Tax Credit Program that occurred at the Wayne School building. I believe that that \$6.8 was leveraged through the New Markets Tax Credit Program for close to \$15 million.

The closing went well; it was incredible. The legal fees charged by some of the attorneys involved were upwards of \$60,000; I did not charge the Gaming Authority anything near that. In fact, I got eCAT to pay all the legal fees associated with our closing; so the only fees you should be seeing from us are some of the clean-up things post-closing and some overnight packages going back and forth for signature documents. I would like to thank Mr. Paris and Mr. Sample for signing those documents and scanning them back for additional copies. So, that is done and closed. Congratulations – you just took part in the first New Markets Tax Credit Program funding that has occurred in Erie County.

With respect to the Municipal Retirement System, that is a concept that the Gaming Authority has been working on since December or January. Perry asked me yesterday if I could take the lead on getting that finalized as something to be approved at the September Board meeting. We have documents that have been provided but we will need to get some dates changed as to when that is going to start but we should be in a position to have it in final resolution for the Board to consider at the September Board meeting. That concludes my report.

Dr. Wood: Does anyone have any questions about the eCAT closing? That was a monumental undertaking; the first New Markets Tax Credit project in the history of Erie County and there was a lot to learn. Tim is right, by the way, that we were very efficient with our legal services, which ended up being the majority of the work we did on it. I'm sure you have seen the articles in the newspaper about Wayne School – are there any questions about it?

How about the PMRS – the Pennsylvania Municipal Retirement System? Are there any questions about us transitioning over to that for the ECGRA retirement system? Like Tim said, at this point it is mostly a legal issue. We will bring the documents to the Board in September and we can have further discussion and hopefully pass it. I know Tammi, Tom, and I are looking forward to having that transition take place.

Mr. Paris: Perry, did you have anything else to cover under your report?

Dr. Wood: That's everything.

Mr. Paris: Tim, do you have anything other to report than what you already told us?

Mr. Wachter: No, other than to say Dave Sample, if you are going to be back in Erie at any time, we did miss one document that needs a signature, but that is just ECGRA's copy so it's not pressing.

Mr. Sample: I will let you know.

OLD BUSINESS

Dr. Wood: I see Mr. Barney and Mr. Horton are both connecting to the meeting now.

Mr. Paris: Good morning, Dale.

Mr. Barney: Good morning everyone. I'm sorry for being a bit late to the meeting.

Mr. Paris: That's alright; we were able to handle things and your report was good.

Mr. Barney: I appreciate it.

Mr. Paris: Good morning, Andre.

Mr. Horton: Good morning, Mike. Good morning everyone.

Dr. Wood: Good morning, Councilman.

Mr. Paris: We have moved through most of the agenda, but Andre, do you have anything you would like to say this morning or report to us?

Mr. Horton: No, not at all.

a. Extended Draw Time Period for Bridgeway Capital Small Business and Nonprofit Funding by Three Months

Dr. Wood: If you will recall, when we originally passed the Small Business and Nonprofit Loan Fund, it was to be through the end of July. The reason for that, and Tim we worked on that, was to make sure that there was a sense of urgency in getting the dollars out the door. Three weeks after we passed it is when all the PPP and other loan funds kicked into play. So, they have been a little slower than we had hoped in pulling those funds and they are asking us for a three-month extension through October 31, 2020. I don't see any reason why to not accept that but certainly if there are any questions that the Board has, let's talk about it now and hopefully get to a motion.

Mr. Wachter: If I could just add one thing – the documents that we put together contemplated that very tight time frame but did give the ability for us to administratively extend that. And so by bringing that to the Board, Perry is looking for your consent in doing so. So, we don't need any formal closing or documents; a simple written notification from Perry indicating that the Board has approved that extension would be sufficient.

Dr. Wood: Hearing no objections, we will move forward with that three-month extension. The next item will need your approval.

b. Approval of the Parker Philips Professional Services Agreement

Dr. Wood: You will see this agreement in your report under Old Business and is also in the Director's Report.

Mr. Cleaver: Is that a year-to-year agreement?

Dr. Wood: It is, yes, a twelve-month agreement. Are there any other questions about the agreement?

Mr. Cleaver: Can we get some type of information in reference to monthly as she submits it to you so we can see what she really does? I mean, I can read what the agreement says, but I would like to see what actually took place during the month, etc.

Dr. Wood: Okay, we can do that.

Mr. Cleaver makes a motion to accept the agreement. Mr. Barney seconds the motion. There is no further discussion on the agreement. Motion carries 6-1, with Mr. DiPaolo voting in the negative.

c. Discussion of the COVID-19 Immediate Human Relief Fund

Dr. Wood: Back to the memo, since Mr. Barney and Councilman Horton arrived late, I just want to remind everyone that I put a memo in the packet summarizing the results so far of the COVID-19 Response Fund. There were 69 grant applications, 44 were awarded; there was a total of \$2.4 million in requests and \$688,234 awarded. Loan fund activity to date is \$520,000 to small businesses and \$100,000 to the nonprofit sector. There is also information about the history of the fund, what it focused on, what it focused on initially, and Resiliency Framework.

The discussion is, we as the staff have seen a drop-off in applications especially since these other funding sources are kicking in and now that the County has the CARES Act money up and

running, we are proposing to shut down the COVID-19 Response Fund to date. However, we would like to open it up to the Board for discussion first.

Mr. Cleaver: You're recommending to close it down?

Dr. Wood: Yes, the staff is recommending that the fund be closed at this point.

Mr. Sample makes a motion to discontinue the COVID-19 Response Fund. Mr. Cleaver seconds the motion.

Mr. Barney: Even though there is no activity, what's wrong with keeping it open a little longer just in case someone does approach us for some help? If it's viable, what would the harm be?

Dr. Wood: I suppose there is no harm in it, but I don't know if it sends the right message now because the County has, as the Councilman will tell you, they have \$24 million to spend on COVID relief. So, I guess the real question is, are we sending the right message if we keep the Fund open as opposed to directing various entities that communicate with us to the appropriate places at the County, the Redevelopment Authority, and the other entities that are administering those funds?

Mr. Cleaver: We could reopen this, couldn't we?

Dr. Wood: Absolutely. We could reopen this if it was essential to do so. In fact, and this is part of the memo, the idea that we could have response funds like this in the future when there are crises that come up is the role that ECGRA can play. The reason that this one was so successful was that County Council had asked us to create it and then they were tremendous partners in helping us to fund it. We communicated, and I would even say that we overcommunicated, with Council and it was a great relationship. So, we can do that again in the future. I think that it is a model for how ECGRA can work with the County.

There is no further discussion of the closing of the Response Fund. Motion carries 7-0.

NEW BUSINESS

There is no new business to present at this time.

Mr. Barney moves to adjourn.