



People, Progress, Impact: business finance, entrepreneurial coaching, community revitalization

January 27, 2017

Perry Wood
Executive Director
Erie County Gaming Revenue Authority
5340 Fryling Road, Suite 201
Erie, PA 16510

RE: The Progress Fund's Bi-Annual Performance Report

Dear Mr. Wood:

I've enclosed The Progress Fund's first Bi-Annual Performance Report for our \$1,000,000 loan from Erie County Gaming Revenue Authority.

Sincerely,

A handwritten signature in blue ink that reads "Elizabeth Wise". The signature is written in a cursive, flowing style.

Elizabeth Wise
Executive Assistant

**First Bi-Annual Performance Report for The Progress Fund
For the period ending December 31, 2016
for
\$1,000,000 loan from Erie County Gaming Revenue Authority (ECGRA)
Loan Closing Effective Date: September 30, 2016
Report Due: February 1, 2017**

As required in section 6(b) "Bi-Annual Performance Reports" in the Agreement between the Erie County Gaming Revenue Authority and The Progress Fund for Special Economic Development Assistance for Erie County, we are reporting the following information regarding loans made pursuant to this Agreement:

1. Percentage of both the number of loans to and total investment into Target Markets

Although we haven't drawn down our ECGRA loan yet, we have been providing small business loans in Erie County, Pennsylvania using our own funds.

Since the ECGRA Board approved our loan on November 12, 2015 we have made two small business loans totaling \$975,000 in Erie County using our own funds.

2. Internal leverage ratio for The Progress Fund

The Progress Fund has used its own funds for 100% of the loans it has provided to businesses in Erie County to date. No funds from the \$1,000,000 ECGRA loan have been drawn down yet.

3. External leverage ratio for The Progress Fund

N/A

4. Total matching funds raised, including source and terms of matching funds

As explained above, we are using our own funds as matching funds first. After we've loaned out another \$25,000 we'll have made our \$1,000,000 match and then begin to draw down funds from our ECGRA loan.

5. Job creation/retention attributed to loans made pursuant to this Agreement

See response to #8.

6. List of loan recipients by organization's name and contact person, or if loan recipient objects to public disclosure of their financial relationship with The Progress Fund, an anonymous by unique identifier and a non-identifying description of the recipient

- \$300,000 loan to BGL Capital Investments, Inc. DBA Steelhead Inn
Contact name: Carl Leicher
- \$675,000 loan to Presque Isle Passage RV Park, Inc.
Contact name: Matt May

7. Report of the activities and results associated with the expansion of The Progress Fund's Trail Town Program in Erie County

The Progress Fund's Trail Town Program® staff has met with multiple individuals and businesses in Corry, PA and along the corridor of the Erie to Pittsburgh Bike Trail within Erie County.

8. Job creation/retention attributed to loan recipients

Our loan recipients in Erie County have retained 12 jobs and created 4 jobs as a result of our loans.