



Erie County Gaming Revenue Authority

Minutes of the Board of Directors' Meeting

November 15, 2018

CALL TO ORDER

The Board of Directors' Meeting of the Erie County Gaming Revenue Authority was held on November 15, 2018 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. Barney, Mr. Cleaver, Mr. Paris, Mr. Peters, and Mr. Sample. Mr. Lee, Mr. Wachter, and Dr. Wood are also present.

APPROVAL OF THE AGENDA

Mr. Sample makes a motion to approve the agenda as presented. Mr. Peters seconds the motion. Motion carries 5-0.

APPROVAL OF MINUTES – October 2018

Mr. Barney makes a motion to approve the minutes as presented. Mr. Peters seconds the motion. Motion carries 5-0.

DIRECTOR'S COMMENTS

Mr. Sample: I would like to welcome our newest member, Mr. Cleaver. We hope we can bring him up to speed. I'm not sure if he knows but I'm sure during his orientation that he will learn about the existence of ECGRA.

Mr. Cleaver: I appreciate that and I'm here to serve and I'm looking forward to it.

COMMENTS BY THE CHAIR

Mr. Paris: I need to read a letter into record; this comes from Dr. Kyle Foust, the Chairman of Erie County Council. It is addressed to Tony Logue and says:

Dear Tony,

Congratulations on your appointment as the new director of the Erie County Human Relations Commission. I look forward to your efforts in moving the agency forward. Please notify me and the whole of County Council when you plan to meet with the Human Relations Commission. I and several colleagues wish to attend.

As a reminder, your appointment to the directorship of the Human Relations Commission disqualifies you from continued service as a member of the board of ECGRA and the Advisory Board to the HRC per Ordinance Number 83, 2016. I have cc'd both Mr. Leone and Mr. Anderson so they are aware and can proceed with finding a new appointment where appropriate.

Wishing you good luck in your new endeavor.

Regards,

Dr. Kyle Foust

So, that is the reason why Tony is not here and the reason why Mr. Whitey Cleaver is here – who is newly appointed. Welcome.

That concludes my remarks. Let's move on.

PUBLIC COMMENT

There is no public comment.

PRESENTATIONS

- a. Sisters of St. Joseph Neighborhood Network – Heather May Caspar

Ms. Caspar: Thank you for having me here; I'm excited to be showing you how we have used the funding support from ECGRA.

I'm going to go through these slides but if I get going on something and you are interested, I can follow up later on it. I wanted to start with our Mission Statement; we are sponsored by the Sisters of St. Joseph of Northwestern Pennsylvania, that means that they provide a little bit of financial support and also a percentage of our board members are Sisters of St. Joseph, but we are a separate 501(c)3 from the Sisters of St. Joseph of Northwest Pennsylvania. Twenty years ago, we started in Little Italy with a soup kitchen; the weekly soup kitchen that is still going. It has grown to emergency needs, a small food pantry, we have after-school and summer activities for kids, and also for some parents. We have grown as far as our social services to providing some affordable housing; we have some rental units. We do a lot of referrals to other agencies; we try very hard to identify gaps of service and fill those but not to do something that another agency is already doing. We develop close relationships with them and provide referrals to other agencies.

As far as revitalization, which is primarily where the ECGRA funding has supported us, you can see the number of things that we do for revitalization like neighborhood clean-ups, security cameras and lighting, a lot of blight removal and remediation, green space gardens, public art, streetscaping; we've worked with the City to get some grants for all the new sidewalks and streets for 18th Street with the curbside gardens. That was a grant that we got with the City. There is a lot of revitalization there. The Sisters, at some point, were helping people with their social services and they realized that the built environment, the day-to-day walk to work and school and down the street really has an effect on your psyche - if it's run

down and needs some work. That's when they started getting into the revitalization work and really trying to at least stabilize and keep Little Italy clean and safe.

Social Enterprise, we also have a home ownership program that we turn renters into home owners; that would be a whole presentation on its own, but I would be happy to talk to anybody about that further. We also have turned the entire Jerilu Fruit former building into this huge bike center. We've got earn-a-bike programs for kids and adults; this year we've given away over 100 bikes through this program. Once a week, people can bring them back and we have people who know how to fix them; we have free parts and free tools and we'll teach them how to fix their bike, so once a week you can bring your bike back and fix it up.

We also do career awareness education with the public schools that are in our footprint, that's McKinley Elementary and Wilson Middle School; we'll talk a little more about that in a minute. We have a teen urban farm project, which we'll also talk about, and the only farmer's market that is within the city limits right now on 18th Street in Little Italy.

That is a very quick rundown of the programs that we have. I don't typically include this next part, but I thought that you might be interested in this; we haven't approved the final audited figures for the fiscal year ending this past June, but here are our figures for the fiscal year before. This is not a full list of the grants that we have received but a list of the bigger grants that we received. As you can see, 59% in that year were individual contributions and donations from private sources so we are very fortunate to have a lot of support in the community from that.

Mr. Peters: Can I ask a question about the DCED tax credits? Could you share what program that is?

Ms. Caspar: Yes, that the Neighborhood Assistance tax program. So, we have an NAP, which is a one-year commitment from businesses and we also have an NPP, which can be a five- or six-year commitment. We are just finishing our third year of a six-year commitment.

Dr. Wood: For board members who may not be aware of the NAP program, who purchases those tax credits?

Ms. Caspar: For NAP, our funders this year just past was Erie Insurance. For the next one going in we have Erie Insurance and E.E. Austin who have purchased into that. For our NPP, which is a six-year program and we can't write a new one until this one is done, but right now we have Highmark and Marquette Bank and Northwest Savings Bank as part of that NPP.

Dr. Wood: Thank you. It's kind of an innovative program for corporations to get involved with nonprofits who are doing good in the community. Has that been on the chopping block at all by the legislature?

Ms. Caspar: It has, in fact, just earlier this week saw that it just needs to be signed by the Governor. The original funding back in the '70s was \$17 million dedicated toward that, and actually there has been a lot of lobbying and advocacy to increase it because \$17 million doesn't go as far now as it did in the '70s. I think they are going to boost it up to \$30 million, which is huge! I would love to talk to anyone one-on-one about that; it almost sells itself as a program for local businesses being able to get anywhere from 50% to 85% of their State tax in credit. That means you donate to us \$50,000, we get to spend \$50,000, but if you get 85% of that back in a tax credit, the actual money out of your pocket is so small compared to the actual good that that money can do right here in Erie. It's a great program and we're always

looking for, and obviously not just my organization but many of the neighborhood organizations, are looking for partners. I have a whole presentation about that; call me anytime and I will show up with that too!

Here is a list of the support from ECGRA from 2016 to 2018. You can see the Italian Festival has been ongoing; I think that has been since 2012 maybe. These two amounts need to be swapped; I moved the columns but forgot to do that one. This past year the amount was \$2,097 and that's really seed money for the church to buy all the materials that they need in order to get that going.

We'll talk more about all of these, but in 2016 we had the Career Education Program, in 2018 we had the Federal Hill planning for Mission Main Street (which you actually have in front of you the strategic plan), the Renaissance Block Program that we just started last year - this \$70,000 is for the 1000 block of West 24th Street that we are administering, and the newest one is the Community Assets Grant which we are really excited about because it actually combines a lot of the work that we have been doing into a new initiative for us.

I added some pictures here because I don't know if you've been to the Italian Festival; look at the food if nothing else. It's quite a bit of fun. When the diocese was combining churches recently, St. Paul's would have absolutely been closed had it not been the fact that it is such a vibrant church in community outreach. It's really a treasure for us, and I think for all of Erie, that that congregation can keep that church going.

The Career Awareness Education specialist is Colleen Burbules; she is our full-time staff and she also serves as a Specials teacher at McKinley; all of the kids K-5 rotate through her for career awareness. She starts as early as kindergarten and it's just a likes and dislikes - what's your favorite color, what's your favorite food - getting into the idea that you can actually grow up to choose careers according to your likes and dislikes. She gets into skills and aptitudes and things that you're good at. She has the kids reimagine lemonade stands; instead of a lemonade stand, what would you set up outside the school selling which gets them to think through all kinds of different career clusters. They interview each other! To see her in action with the kids is great, but we don't have permission from McKinley to use those pictures with the kids.

She also has a speaker series at Wilson, which is similar to the Junior Achievement except that the same adults come in six times as opposed to just once and so the kids get to know one person. She also tries to line up individuals who grew up in the neighborhood, so it feels very approachable and attainable for the kids who are living around Wilson Middle School. And there's a picture of Tom, of course, at the end of the year essay contest; the president of Kiwanis gave us money for a prize for her.

The Mission Main Street planning grant was for continued progress on Federal Hill and you have that copy as well. We worked with Char Kerr who we worked with before for our Little Italy plan, our East Side Neighborhood plan; she's fantastic and though that area is not designated as a Main Street district from the DCED, we do follow the same goals that we follow for the Elm Street and Main Street model in Little Italy.

You have this map in front of you with a URL on that there you can click off these layers and see them individually. The pink area is the Elm Street designated Little Italy area; it's very small but you can see that we actually serve the whole way from the railroad tracks to 26th Street, Cranberry the whole way over to the Bayfront Connector to McKinley Avenue. We spread passed east of State Street about five years ago and that's why there's a lot of activity over here and just a little where we started on the east side. We intend to write additional grants to help increase that.

I circled two programs, and this is a really neat thing for us to be able to add with the funding from ECGRA and that is the Renaissance Block grants. The 24th Street grant is one

that we wrote ourselves; the 21st Street we are just really helping Preservation Erie to administer theirs because that is also in our footprint. As you can see, we get a lot of our tax credit money for the areas of the greatest need and so we pour \$250,000 or more into Little Italy every year for blight remediation and renovation. To be able to add a grant program for some of those middle markets, the areas within our footprint that are really quite stable, and we'd like them to remain so because we want those people who are putting money into their homes and choosing to stay in the city, we like to encourage them to do so. The spirit of the Renaissance Block grant has been fantastic for us. A number of the residents throughout volunteer for us with our bike program, our garden program. We already have relationships with them and it makes it really easy to go in and talk with them about this new opportunity.

Dr. Wood: Can I just put a fine point on that for a second? That is, we have the Erie Refocused Plan for the city, this comprehensive plan, and it is very comprehensive and very prescriptive in some cases. Those two Renaissance Block areas are part of that plan; you're engaging that plan. What you just said is key, and I think this often gets lost, the fact that we have to stabilize those middle market neighborhoods as part of our key blight strategy so then we can move on into other areas.

What's the kind of feedback that your organization has got on that plan?

Ms. Caspar: Really positive. Let me show you a picture. The Mayor spent his high school years living in the house that this family now lives in, so he attended some of our meetings. This was our first block party that we had in the end of September just to celebrate what has happened so far. They are wonderful residents and a few of them knew each other, but this has really brought them together. They talk to each other on Saturday mornings when they see each other all out working on their front yards, they're comparing quotes since a lot of them are getting kind of the same work done. As a neighborhood builder it's been really fantastic. They've been getting involved, they talked to the City about Washington Park which is right across the street from them, they engage the arborist to come in and take a look at the trees, they would like to do some planting themselves and continue the revitalization of Washington Park. To bring them together then as a force become this neighborhood organization as an anchor, I think because some of the other streets in there could really use some of the positive energy, and it may spur them on.

If you back up here, the guidelines say something like five homeowners within the same block – we have ten. This house is for sale, this one had a fire in it and needs some serious work, and this person owes taxes, but there are ten of these homeowners that signed on. The impact for this work in that one single block is so visible. We have \$60,000 to put toward reimbursement for renovations and of course it's a 1-1 match so that will represent \$120,000 worth of revitalization efforts on that block alone. I'm sorry, we have 13 property owners participating; they have completed 11 projects already. The reimbursement investment from ECGRA so far is the \$18,669; one of the homeowners has already maxed out their reimbursement of \$5,000 and their expenses exceeded the \$10,000. A number of them, I think, will do that.

Dr. Wood: Two questions about that. We know homeowners are putting a minimum of dollar for dollar match; are many of them putting in more than a dollar for dollar? So, there's a minimum of \$120,000 investment but it could be much higher?

Ms. Caspar: I suspect at least half of these homeowners are in a position to do that. I think a number of them would have made these improvements anyway except that because they

have the added incentive of the reimbursement, they are doing a much higher quality job. They are stressing that. These are historic homes and I'm sure you're familiar with the homes on this block. The flashing on the chimney is copper, it's not the regular flashing that's on say my chimney. One family had this retaining wall built a few years ago and this family decided that they really liked it; others are looking at it too and they are having the same contractor come back in to put in the same retaining wall because they, as a group, decided they didn't want 10 different looking retaining walls for 10 different houses. If they're going to do it, they want to agree on the design. The colors may change a little bit. It's been that kind of investment which I really love to see in that neighborhood.

Dr. Wood: The curb appeal is fantastic. Can I ask for more clarification comment, too? You said that as you were going down the block that there was one property owner that you learned owed taxes, so they are not participating in the program, is that correct?

Ms. Caspar: No, they are not. We have other façade programs that we administer as well, a homeownership home repair grant and that is a stipulation that we have; that's a requirement that we have as a neighborhood network that a property owner has to be current on their taxes in order to be eligible for a grant. We've carried that forward into this grant. I don't know if other neighborhood groups are doing the same thing, but we need to be consistent within our own administering of the grants.

This (next slide) is just a lot of words, but this is the most recent grant and it's real exciting for us. We have already, if you're familiar with our Urban Farm project and the farmer's market and our working farm on the corner of 19th & Myrtle, we actually have – it's not community gardens like our other gardens where homeowners or residents actually have a box and they grow their own food – this is a working urban farm; it's registered with the USDA so we can accept SNAP and WIC and Senior FMNP vouchers at our farmer's market. We employ about 10 teens every year in this garden. Starting in March, they start with the seeds, they do the planting, they do the tending, they do the harvesting. Two of the kids actually tend the market and sell the produce there and receive a portion of the profits in addition to their hourly rate. These are highly supported work positions, one on one; a volunteer adult every minute of that work time with that student because these are highly at-risk teens that we are working with. We're not talking about just having free and reduced lunches; we're talking about truly complicated family situations. This year a 14-year old and a 15-year old, both workers with us, have a baby together and then in September the father, age 15, and his younger sister were kicked out their house and went to live with Harborcreek Youth Services. He found his way from Harborcreek to the garden every Saturday to do his work. This are really highly supported positions.

We refer kids all the time to Summer JAMS and all the wonderful programs that the County has for teens. Those are primarily for older kids too, the programs that are available, but we start kids as early as 14. That ties in with Colleen's work with the career awareness that starts in kindergarten that encourages people to start early and build those work skills. Skills like showing up to work on time, understanding appropriate behavior and communication and dress.

We are now fully funded. I just found out last night that we are fully funded for this program to take 10 kids, the average for each year, and expand that to 30 kids starting this summer. We're going to expand it not just for our own gardens, but we've contracted with Carrie Soxie who runs French Street farms; she's going to actually use two of our teens who have a couple years' experience with us in farming. We'll take care of the payroll but she will actually supervise those two youth and teach them from a whole different perspective – the

for-profit, entrepreneurial kind of farm. We're partnering with Dan Serafin at Serafin's Market too. We have planned 30 jobs for teens in a really highly supported for those truly at-risk youth. We're really excited about this.

This is also going to allow us to hire some part-time adults in our neighborhoods too to act as supervisors for some of those programs. And we're figuring that program will cost us an additional \$45,000 to our normal programming, but we're also leveraging the money we're getting from the Neighborhood Assistance Program for the gardens for all the materials that will be necessary for this. We're really going to leverage a lot of our funding for this program.

This is the farmer's market on 18th Street, so if you haven't been there yet you have to come; June through September. This is our farm at the corner of 19th & Myrtle; these are two of the teens that worked last year. These are two of the teens who worked the summer prior. We had 13 kids that year; 10 of them were the only wage-earner in their family. That meant that no other adult was working so they have very little example for work experience and work skills.

Thank you for the funding of about \$117,000 in the past few years, which is a small percentage of what you guys grant, I know. But it is truly life-changing for these families and these kids and we appreciate it so very much. Thank you.

Dr. Wood: Thanks so much for being here this morning. Just to round it out, I think the Sisters of St. Joseph are one of our most important partners in communities and neighborhoods. What you've been able to do with Federal Hill as a commercial corridor, I think, will be amazing long-term. The board knows we surveyed the Renaissance Block participants because this is a brand-new program and we wanted to continue to have ongoing dialogue with those folks, and the feedback we got was that you were the furthest along out of any of the neighborhood groups. You really hit the ground running and I think we're going to learn a lot from how you approached the historic neighborhoods as well as the more traditional ones. It's very exciting to see.

Ms. Caspar: Thank you.

b. Flagship Niagara League – Bill Sabatini

Mr. Sabatini: I don't have a Power Point or any kind of presentation; I just wanted to come here and introduce myself. I have met some of you in the past and when there is a change to the top of an organization, I feel that everyone needs to know who that person is.

I was made director of the Flagship Niagara League in May, but I didn't really start the job until July because I was still working my last job, which was the Captain of the Brig Niagara. That's how most people in the City or the region know me.

I started with the ship in 2005; I was the third mate for a year, then I was the second mate for two years, then I was the chief mate for six years, and captain for the past five. It's a pretty amazing job to have and I've been easing into this the past few months. My background is primarily in boats. I went to a high school in Marion, Massachusetts called Tabor Academy and I started sailing on tall ships when I was 13 years old. The school that I went to had a boat called Tabor Boy that was built in 1914; that ship was really my base in sail training and tall ships.

After I graduated high school, I took a year off and took my boat and sailed all up and down around New England. My father bought a 36-foot ? Cruiser that was nearly mulch when we got it but we somehow managed to patch it all together and go sailing for a little bit. In my year off, that is when I decided to go to Maine Maritime Academy. It was an unpopular choice

for me in my family; they wanted me to go to a school in Boston since that's where I'm from and they figured I could get into one of those schools. But I ended up disappointing all of them and went to Maine which turned out to be the best thing I could have done.

Maine Maritime Academy was exactly where I needed to be. I got to focus all of my energy on ships and sailing and classes like celestial navigation, watchkeeping and ship handling. While I was at Maine Maritime Academy, because it's a relatively small school with only 800-900 students, I was able to make a difference while I was there. One of the things I did was I created a thing called Schooner Crew. The reason I picked Maine Maritime Academy, even though there is a lesser Maritime Academy in Massachusetts, is because they have a schooner – another tall ship.

In my sophomore year, they were looking at selling the ship. I wrote a proposal to the president of the Academy, it was accepted, and we created Schooner Crews - that is a student-run organization that made up the entire crew except for the captain. They named me the chief mate; in my senior year I was the full time chief mate for Maine Maritime Academy and a full-time student. That didn't last very long; I quit my job because it was just too much to do both at the same time. It was a successful program and the whole idea behind it was sail training. My degree is small vessel operations with a concentration in sail training. Sail training is my passion; it is what I wanted to do since I was 16 years old after my first couple of years with Tabor Boy. I knew I wanted to use these ships as a tool and a platform to help other people.

When I graduated, I was able to come straight to Niagara. The Captain at the time, Wesley Heerssen, and some of you may know him, sent an email to my mentor at Maine Maritime Academy and said he was looking for a third mate with a list of specific qualifications. I had all those qualifications. The funny story that goes along with this is I was in Captain Chase's office before I came down to Erie for my interview in March. I told him I was going to cut my hair and shave my beard for the interview and Captain Chase said, "No, please don't do that." I told him I was going to because I felt the interview was a big deal and I had gone two years without doing much to my hair or beard because I had been the major shipman, which is like a make-believe military that you do; I call it the make-believe military because you're not in the military but you walk around in a uniform and people are thanking you for your service, which means you went to math that morning, I guess! After I got out of the regiment my hair and beard had gotten kind of long, so I thought I should clean myself up a bit. But Captain Chase said, "No. This is who you are. Go to Erie and if they want to hire you, they will." So, I walk into Wes's office, and if any of you know Wes, his hair is a lot longer than mine and he has a big, full beard, so then I knew I had found my tribe.

I started right after that and I've been part of Niagara's changing landscape for the entire time. We became a sailing school vessel in 2005 which means we were truly a sail training vessel, not just in practice but in name, and we built that program over the years. The Niagara's sail training program has been recognized twice just in the past eight years as the finest sail training program in the country; in both 2010 and 2015 we got sail training program of the year.

Last year I was in Bordeaux, France for the Sail Training International conference and the president of Sail Training International pulled me aside, actually by my shirt, and said, "You know you're running one of the best sail training programs in the world." I said, "I think we're doing alright." He said, "No. I know all these programs, and this is the one everybody looks to." I think it's something that here in Erie we should recognize and take pride in the fact that the Niagara is here. We're a relatively small population to have a ship like Niagara. It's one of the only square rig sailing vessels left here in this country.

I'm submitting a grant for another foundation next month. Our development manager was asking me about historic preservation and what it is that we do that's historic preservation. What we're doing is preserving the art of square rig seamanship for this country because without us it almost doesn't exist; there are only a couple of other square riggers in the country.

The difference between a square rigger is the big square sails versus the triangular sails. We have both of them but the big square sails and the scope and size of a ship like Niagara, there's a couple of smaller ones but they don't have the same seamanship ability and they don't have the same reputation nationwide or internationally. What we're doing here in Erie with the Flagship Niagara League is preserving that art form; it's not just a skill but it truly is an art form. If we stop doing it, it will go away forever in this country. It's not something you can read in a book and just figure out.

If you've ever sailed with me on the Niagara, at the end of the sail I always say, "For thousands of years the only way that people, commerce, or ideas moved anywhere in the world was on ships just like Niagara. It's just in the past 120 years or so that that has come out of public consciousness. Once you've sailed on Niagara, you are part of that story because you are part of that 0.001% of people in the world that have actually done it."

When we talk about historic preservation, that's what we're preserving. The ship needs a lot too, but this ship is the fourth version of Niagara and in three years we will have the fifth version of Niagara when we tear apart most of Niagara and rebuild her. But it's that idea and that skillset of square rig seamanship that we are preserving.

The vision that we're working towards now in the Bayfront is taking our brand of sail training and starting to expand it. Last summer we brought in Lettie G. Howard; we had a chance to go sailing on Lettie. The ship was there, and we had something like 6,000 passengers over the course of the summer and we sailed I think it was about 250 times in about three months. The way I presented this to our crew and to our staff is that as a nonprofit, we're here to serve our community, and that ship is here to serve our community. We're trying to get people to look at the City in a different way; to look at the Bayfront in a different way and take a look at what we actually have and do it from the water. Look at the city, standing on a boat, looking up the hill into the city, rather than looking at the water from the top of the hill thinking that's where it ends. The city doesn't end right there. If you go further into the county you know that the city doesn't end when you get to the water's edge; it keeps on going.

I think that's something that we're trying to change is that mentality and give people access to come down. We've been doing the eighth-grade sails on Niagara since 2009; our goal is to get every eighth grader in the City of Erie out sailing. We're actually looking to expand that out further from the City. We're going to talk to other townships and towns in the county to try and get more of those eighth graders sailing with us.

We also expanded that out with Lettie G. Howard; we started using the ship for fifth graders. You get kids at the elementary school and your last year of elementary school, you get to go sailing on a schooner. Then the last year of middle school, you go sailing on the Niagara. It's a really unique opportunity that the students of this region have because Niagara is here.

Our vision and what we want to do moving forward, is to keep building this idea of sail training and this idea of using those ships to help the community and everyone who gets involved. One of the things I would tell my crew when I was sailing the Niagara as captain was, "By sailing on this ship and being here you're not going to save the world; you're not going to create world peace; you're not going to bring back the blue pike, and you're not going to save the sturgeon. But if we do our jobs right, we have the opportunity to save an individual

because those trainees and students that are sailing with us, we could open their eyes to something that is impossible.”

Sailing a square rigger is like magic; rigging a square rigger is like magic. To look at it, it seems incredibly complicated and impossible to do but then you step on board and you're doing it and you're a part of that machine and you're a part of that process. Through teamwork, by working together as that crew, you get to accomplish something beautiful. Sailing that ship is truly beautiful; it truly is. And when you can be a part of that you can see it, feel it, and be brought into the whole process, it changes you – even in that small two-hour sail it has the potential to change you.

But the week long or the two-week programs that we do it slowly starts building up. We started our tall ships summer camp to expand our age; 14 was always the lower age limit for all of our programs but now it's 10. We're doing the tall ship summer program with Lettie G. Howard and that was pretty successful. We had about 100 students last summer and we're expecting a lot more this summer. We're also expanding our sail training program south. Lettie G. Howard is currently in Rockland, Maine then the ship is getting launched on Monday and will keep getting further south where we will be expanding our sail training programs to operate year-round.

We're trying to make Erie the center for sail training in this country.

Dr. Wood: Can I ask you a question? You are very passionate about your craft and I really appreciate that. You mentioned that for hundreds of years ships were connectivity for people, goods, ideas and I think another way to say that is economic development and innovation. Now these historic ships serve a different type of economic development for us; one of attracting people to the region through tourism. Can you speak on that for a second as one of the reasons we have been economically supportive of the Flagship Niagara?

Mr. Sabatini: The Niagara is iconic; it's everywhere. We're the Flagship City. The whole region uses Niagara in their names and in their images. That does draw people in of course. The Erie Maritime Museum, with what we've had with the Niagara, the biggest complaint was, “The ship isn't here.” That's because we're out sailing it and doing these sail training programs. By bringing Lettie G. Howard into this, every time someone comes in to the Erie Maritime Museum, every time someone goes down to the Bayfront or to the Peninsula and they look toward the bay, we now have 125-foot schooner sailing every day. The idea of tourism and bringing people into the city – nobody has that in this region. I think the closest day sailer that is doing something similar is up in Buffalo, where they have the Spirit of Buffalo, but there's nothing in Cleveland, there's nothing in Put-In-Bay; in Lake Erie we're the only wooden schooner that's doing this.

We're sailing anywhere from two to five times a day every single day. Any time you go down to the Bayfront, sitting at the Cove or Smuggler's or the Yacht Club or down in Dobbins fishing or anywhere on the Peninsula you will always see that ship and that's going to start transforming what that picture of Erie is and what the Bayfront is because as we grow and develop, there will be more ships like that doing those types of sails. The Bayfront Maritime Center has the Porcupine that should be ready hopefully in 2020. When that ship is out sailing, then we will have two ships doing that. We're always looking to expand and grow and build. I want more ships based out of Erie. To have that image, it's one of the best marketing aspects you can have for a city – to have those big majestic tall ships.

And by the way, Tall Ships Erie is happening next year. The economic impact to the city and the draw that we bring in with just that one event is pretty fantastic. We're looking to make it, Erie's Festival in 2019, we're looking to make it the largest in the Great Lakes.

Chicago is not doing one, so now we get to be the biggest one. We're in one of the smallest markets going up against Buffalo, Cleveland, Toronto – and our festival will be even bigger than Toronto's. We're really trying to make a huge splash in the Great Lakes of making Erie that one destination where you can see the most ships, be a part of the biggest thing that's going on instead of having to travel to Toronto or Chicago. Chicago, Toronto, and Duluth have always been the biggest ones but since Chicago is out, we're going to surpass that. We're driving forward, trying to make things happen and it's exciting and it's fun.

That's the whole point of this. I tell people that we don't need some of the things that we do. So, if we're going to do it, we better do it right.

Mr. Barney: I have a question pertaining to the camps you spoke on. What is the length of the camps?

Mr. Sabatini: The summer camp is a week-long day camp where the kids are dropped off between 8:30 – 9:00am and they leave around 4:30pm.

Mr. Barney: Cost involved?

Mr. Sabatini: Right now, it's \$199 for the full week and that goes up to \$250 after January 1st. That is the member rate and then it's another \$30 for non-members. As summer camps go, it's not too bad.

Mr. Cleaver: I'm from the blue pike era so I was a little disappointed when you said you won't be able to bring the blue pike back.

Mr. Sabatini: We're doing our best, but I don't think that's in our purview right now.

Mr. Maggio: I just want to make a comment because I have seen the progression of the Niagara from working at the Port Authority. They used to have a lot of money from the state and then the state really cut funding. They've worked really hard to keep it going and they're doing a great job sustaining themselves. They've made a lot of improvements to the ship, and for a while they weren't allowed to charge money for people going into the ship and they just asked for a donation and would get quarters and pennies. Now they have made these incredible improvements to the ship's safety and now with the requirements they are able to generate revenue and I think they have done a tremendous job.

I was also volunteer crew and I've seen all the hard work that is required to maintain the ship, to sail the ship, and it's an amazing thing for someone to be able to learn how to sail a tall ship for free. No other city does that.

Mr. Sabatini: Our volunteer program is over 100 volunteers.

Mr. Maggio: The kids program was amazing, and the kids really learned a lot and I think that's a good thing and a good direction to be going. The Bayfront of Maritime Studies - we funded the Schooner Porcupine - so all these things are working together, and I think it's going to be an amazing transformation. I wanted to thank Bill for coming in and for all the hard work that he's doing.

Mr. Sabatini: They said you're always promoted one position past where you're most useful but now that I'm the Executive Director, I can't go any higher. Let's see how it goes.

Mr. Paris: Thanks for coming in, Bill.

Dr. Wood: Thank you, Bill. We appreciate it.

COMMITTEE REPORTS

- a. Treasurer's Report – Mr. Barney: Hello everyone. Hopefully you have all had the opportunity to look over the Treasurer's Report. The first page is the Profit & Loss and there are no changes under the Income and Expenses but when we move down, you'll notice the \$795,000 paid out – that's the grants that were dispersed. Then under that you have the \$1.3 million and that's to Ben Franklin; \$1 million of that is Erie Innovations and \$300,000 is the TechCellerator.

As we turn over you will get to the Balance Sheet; there have been no changes in the Notes Receivable or anything. If at any time you notice something and want to raise a question, feel free to. Next is the Statement of Cash Flows and there are no changes.

Then we get to the Budget vs. Actual; everything is standard and basic. The only thing that I want to bring to your attention due to being transparent is the Professional Development; we did spend some money there, \$920, but we have \$5,000 allocated for Professional Development. That expense is due to Tom who is going to attend a grant-making systems class.

The Schedule of Grant Reserves – the Restricted Funds you'll see that nothing came in in October because we're looking to receive a payment hopefully next month. As I mentioned before under the Community Assets, everything has been paid out, so they are matching up and everything has been drawn down. I would like to bring to your attention under Small Business Financing you can see the \$1.3 million and you can see it's the Ben Franklin Innovation Fund and the TechCellerator.

Now I'm into the Check Detail Report. Hopefully everyone has had a chance to look at that. There is nothing out of the ordinary and is standard. The bulk of it was the Community Assets being paid and being drawn down. The actual copy of the visas – the first one is Mr. Wood's and the only expenses he has is for legal and phone/IT/fax. As you are aware, the legal is going to be off eventually because we are going to be paying them by check. Then there is a charge for the Parking Authority.

Mr. Peters: Out of curiosity, why are we making the change from an electronic form of payment to a check?

Mr. Barney: It is going to checks because someone raised an issue why were we paying legal with a credit card; we thought that was a good move but because it was brought up it was decided that we would decrease doing that and just pay with a check. If the Board wants to discuss it, we can.

Mr. Peters: I guess it doesn't really matter. In general, my preference is as much electronic payment as you can from a tracking perspective and a record perspective but writing one more check doesn't matter. I was just curious.

Mr. Barney: Next, we're on to Tammi's visa. Nothing out of the ordinary as she indicates also office supplies, subscriptions, everything basic and nothing that jumps out. If there is

something that jumps out at any time, fell free to bring it up or pull me aside and ask. I'll either answer or get you the answer.

That concludes my report. Are there any questions?

Mr. Cleaver: It may not be a bad idea to download the app for the Parking Authority then you can use your credit card instead of monkeying around.

Mr. Paris: There's an app?

Mr. Peters: That app is awesome, it really is. I love it.

Mr. Cleaver: I served on the Board of the Parking Authority and I was there for a lifetime too, but I think they've got about 3,00 users and it keeps going up and up and up. The majority of it is running the courthouse but eventually it's going to expand. I just think it's a great option. You just download it and you don't have to monkey with penny, nickel, dime, quarter.

Mr. Peters: Are you sure you like that, Mr. Cleaver? I get less parking tickets now.

Mr. Cleaver: First of all, the name is Whitey! We didn't anticipate to get that much play on it but it just went "boom" and keeps on going, so that's good.

Mr. Peters makes a motion to accept the Treasurer's Report as presented. Mr. Sample seconds the motion. There is no further discussion. Motion carries 5-0.

Mr. Peters: Mr. Chairman, if I may. I have to leave early and so what I'm about to say probably doesn't matter anyway since I won't be here for the deliberation, but I had shared with Mr. Wachter in memo format that had I been able to stay longer today that I would not have been able to deliberate or vote on Resolution Number 29, as all four of the institutions that are part of the Ignite Erie program are organizations that I have either done work for in the past or that I do work for now; the four local universities. In essence it doesn't matter because I have to excuse myself anyway. Thank you.

Mr. Wachter: Mr. Peters, if I may note, that Conflict Memorandum has been submitted to the Executive Director of the Board as well as to the Secretary of the Board for inclusion in the minutes.

Mr. Peters: Thank you.

- b. Strategic Planning Committee: Mr. Paris: We did have a meeting that was attended by Dave Sample, Gary Lee, and myself. Gary has some things to report on, so if you could do that for me, I would appreciate it.

Mr. Lee: Thank you, Mr. Chairman. If I could point out that Mr. Bagnoni was there as well.

Mr. Paris: Yes, he was. Thank you.

Mr. Lee: He did have to leave a little early, but he was there for the majority of the meeting.

As Mr. Paris said, we had a meeting November 5th in reference to the Beehive presentations. A little background about the Beehive concept; it grew out of Ignite Erie

funding. Ignite Erie is bringing together the four universities plus industry and I'm going to read some things that I think are important because I don't want to leave some of the key things out. The Beehives are physical, innovation spaces on university campuses or in publicly accessible facilities. The main goal of the Beehives is for students to be linked up and matched with entrepreneurs to solve problems. I think that's really important because we always want to engage our students, especially since we have four great institutions here in the region. These problems include prototype and product development, branding and communications, business intelligence and modeling, market analysis, cybersecurity, engineering, and information technology.

The four universities were there to do their presentations – Edinboro University, Gannon University, Penn State Behrend, and of course Mercyhurst University. As I just stated, it's not only open to just universities but it's open to publicly accessible places, so the Blasco Library was invited to do a presentation because we have the Idea Lab there.

They all came in and did presentations. The criteria that we looked at for these particular presentations were:

1. Creating and retaining jobs by supporting local entrepreneurs and industry through innovation
2. Provide institutions like universities with seed funding to launch and/or expand services, equipment, and talent necessary to establish Beehives on their respective campus
3. Continue the industry-university engagement that was started by the Ignite Erie collaborative in 2015
4. Further engage the universities of Erie County and other institutions in providing services necessary to assist entrepreneurs and industries in starting new businesses and expanding existing businesses

The criteria from a financial aspect is:

1. A 1:1 cash match, so that every dollar we put in, they have to put a dollar in
2. The amount of funding we have for this is \$1 million for the 2018 cycle
3. A maximum of \$250,000 per application
4. One application can be submitted per applicant
5. Grant contracts will run for three years with the option to extend for one year

It was interesting because what we saw in the presentations, although all the universities are dealing with business formation and business development, each university kind of organically has identified their own niche. For example, Edinboro University has a great communication and strategic marketing focus, Behrend has a great business prototype development, Mercyhurst deals with cybersecurity, Gannon University deals with business formation and information technology.

Then there's the library that is kind of like a catch-all because they are not on a university campus, you can go there and come up with various concepts. Equally as important is that the library serves as another resource to share what the other universities are doing and perhaps send them to a particular university if they need further advancement with their particular business product or their business plan.

In discussion with the committee, we're going to be making a recommendation which will be read a little later by Mr. Wood, but we decided that all the projects are worthwhile for investing. We decided to invest \$200,000 each with every organization. There were five organizations that I mentioned, so each one of them will receive \$200,000 based on our recommendations. Many of them were asking for \$250,000 and the library was the only one asking for \$200,000 but we felt that it was prudent upon their budgets, prudent upon the money that we have been given the authority to invest that we invest equally with each one.

That presentation will be read, and Mr. Wood will probably expound a little bit more at the appropriate time. Are there any questions? If not, then I would like to thank Mr. Wood and his team for putting together the application packets and facilitating because I know that is a lot of work and we were very appreciative that you and your team took that initiative on.

Mr. Paris: Thanks, Gary.

- c. Update from County Council: Dr. Foust is not present.
- d. Update from County Executive's Office: Mr. Lee: In the sake of time, I'm just going to stick with some highlights. The week before last we were down in Corry, Mr. Sample's neck of the woods, to kick off the initiative for the Blue Zone funding. Blue Zone is a really great concept; what it is doing in this particular case is working with the City of Corry on indicators that can improve the well-being of health. Too many times we take that for granted.

Based on Erie County, it was really stunning to see some of the health indicators and how poor we are doing. A few examples are we are very high in obesity, we are very high in smoking among our citizens, we're very high in depression which is really interesting. Based on the data and the feedback that we received, about 25% of individuals in Erie County have been diagnosed with some form of depression. This is not just having a bad day and so forth; these are individuals that have gone to a physician and have been clinically diagnosed as being depressed on any given day.

Those are some of the indicators that the organization Blue Zones will handle. It is an investment. All three major organizations, meaning UPMC Hamot, Highmark's St. Vincent, and LECOM have each invested \$1 million dollars into this project. It's a \$3 million project. We're excited. You will be finding out more at the beginning of January but we're hoping that, based on the outcomes we've received from Corry, that it will be expanded among the rest of the citizens of Erie County.

That is the only thing I would like to share at this particular time. Are there any questions about that? Thank you.

Dr. Wood: If I could just make a comment about Blue Zones. I think it's a proven national model, proven for results. It's not like we're going on the cheap with the model; we're doing it the right way and by bringing in the national affiliate who has successfully implemented it, I think it's going to be very successful.

It's interesting that we started in a smaller community like Corry; I think that's a good way for us to get our arms around it as a pilot concept for all of Erie County. I think that it has economic development repercussions because this is key when it comes to workforce and the future of our workforce in Erie County. You have to have a healthy workforce.

I also want to mention that Ridge Policy Group has been working very closely with Melissa Lyon on the Healthy Partnership Grant through the Department of Health and Human Services and we're looking at applying for that as a region next year. That's been key. In general, I think it's going to be important to have good government relations when it comes to Blue Zones because of the amount of money that is going to be coming out for health care – especially since the House is changing.

Thank you, Mr. Lee.

REPORT OF THE EXECUTIVE DIRECTOR

Dr. Wood: You'll see on the Share Point site that I do have an Executive Director's Report but then I have some handouts in front of you that I specifically wanted to go over with you as well. Mr. Lee did a great job of summarizing the Strategic Planning Committee, which is one of the main focuses of what we did since the last Board meeting. You're also going to see on your Share Point a revenue dashboard as the third quarter revenue came in. Just as a reminder, we're used to this kind of hockey stick shaped approach to revenue; it's now going to more of a plateau shape approach to revenue.

I've also entered into record the letter from Jim Sparber; the funds came in October 25th. You have the letter from Councilman Foust, you have the letter from the Lead Assets in accordance with our memorandum of understanding with the Lead Asset group and that comes to fruition in Resolution Number 28, 2018 as far as distribution goes. They met as a committee and you'll see their recommendation.

You're also going to see an activity report from Ridge Policy Group and then there are some other documents that I want to go over with you specifically. The first one is under New Business, I'm asking you to vote on allowing the staff to expend \$7,500 for an update to our Economic Impact Study. If you look at the document titled ECGRA 2018 Economic Impact Update Proposal, the last time we conducted this economic impact study was data through 2015-16 fiscal year. We've now hit over \$50 million dollars and we're ten years old as an organization. So, I'd like to ask you for the \$7,500 in Professional Services to update that document. We want to make the information that comes from this updated proposal part of the event that we're planning with Presque Isle Downs to make the announcement to the community that these funds have been invested, along with the County. I'm going to ask you to vote on that in the affirmative under New Business.

Resolution Number 28, the justification is in the letter that's in front of you from the Lead Assets. They did meet as a committee and formally put together their proposal in accordance with the MOU. Then Resolution Number 29 is the result of the recommendation of the Strategic Planning Committee and the recommendation for funding for the Beehive proposals. That's the business in front of us.

There are two other documents I would like to go over with you briefly. The first is 2019 Grant Cycles. As we begin to plan, the staff met and we wanted to use November as a chance to look forward not only to what we're doing in 2019, but a three year trend or projection. I'm not asking to vote on this; this is just a document for feedback and for review. We're going to use December as sort of a look back or a year in review. But looking forward, we have been careful to manage the grant cycles based upon what we learned from adding these new programs as well as expanding the concept of Community Assets.

We have grant cycles still based on quarters, although those quarters have been broken up because of the way we structured the Community Assets funding. What's interesting is we think we can do Arts, Culture & Heritage Community Assets on a 12-month basis, Community Center Community Assets on a 15-month basis, and Parks, Fields & Trails Community Assets on an 18-month basis. So, if you think about the size of these and what they entail, I think it makes sense. Also, from a staff standpoint, it gives us the ability through our grants management plan to effectively manage these programs.

The other document is the ECGRA Disbursement Dashboard. Here's a little projection for you based on our new budget. We haven't done this for a while but based on the fact that we have \$1 million less to deal with and the first year we will be dealing with that \$1 million less is the 2019 fiscal year. That's why I thought it was important to project out where our current programs are at and where we're going to be at from a cash flow standpoint on the grant side of things. This is based on a \$3 million budget, although we think it will come in at about \$3.2 - \$3.4 million so that gives us a little wiggle room. In essence, you have your Impact Categories on your left, the center are the actual grant programs under the word

“category”, you can see what we would anticipate expending in 2019, 2020, and 2021; that’s basically between \$2.6 and \$2.7 million each year over the next three fiscal years.

We have done some projections, we think we’re going to be okay from a budgetary standpoint despite the \$1 million cut, and that’s what we think the next three years of grant making will look like. No need to react to it; just let that sink in. We will have future conversations about it.

That concludes my report. Are there any questions?

Mr. Cleaver: I don’t know if it’s proper to ask this question at this particular time, but were there proposals received on this study?

Dr. Wood: No, there were not proposals. We specifically asked the group that did the last economic impact proposal. Now that group we did receive proposals on so this is an update to the former study.

Mr. Cleaver: One other question, if I may. Do you draw a line in reference to printing costs? I notice as I read this very quickly is that printing costs are not involved. Does somebody indicate somewhere along the line whoever is doing this particular project a minimum or a maximum? I mean printing costs, who’s pushing the button on that?

Mr. Wachter: Mr. Wood, do you receive that electronically from them?

Dr. Wood: We do.

Mr. Wachter: And then the Gaming Authority decides when to print and bind and such.

Mr. Cleaver: I thought it was their additional cost; our cost, the Authority for their printing. If I read the proposal right, it says there is no printing fees included in the pricing.

Dr. Wood: Right. We’re simply asking them to update the numbers of the study and provide us with the electronic version of the data.

Mr. Cleaver: Okay.

SOLICITOR’S REPORT

Mr. Wachter: I have nothing real to report other than, and I apologize, I’m going to have to leave by 10:00am because I have to be in Hermitage for a speaking engagement at 11:30. Mr. Cleaver, Whitey, just for you since you were last actively involved with the Gaming Authority, just a little explanation on Resolution 28 which is the distribution of the Lead Assets. What we had done, once the endowment was put together and was fully funded at the Community Foundation, we sat down with each one of the Lead Assets and said, “Look, it’s going to be clear exactly as to how much money is going to be available from the growth on that endowment” and the Gaming Authority did not want to be in the position year-to-year of making value judgements as to how much each one of those entities should receive.

Because the names of the entities that can receive that money were set in stone by the Settlement Agreement where Judge Dunlavy actually listed who were the Lead Assets that could be the beneficiaries of that money and the endowment was funded as a catch-up to past payments that should have been made through the Settlement Agreement, the ones who can receive that money is set; it’s a closed circle. So, what we had done is we entered into an MOU with them where we certify to them every year how much money is available coming off

of the endowment and then they have to come to agreement as to how that money is going to be distributed amongst themselves.

Mr. Cleaver: What's the number of groups?

Dr. Wood: There are nine.

Mr. Barney shows Mr. Cleaver the handout where the Lead Assets are listed.

Mr. Wachter: Just so you know what we do then is we make a recommendation to the Community Foundation because it is a donor-designated fund and we make the recommendation to them for disbursement but the actual figures as to who is getting how much, the groups come to agreement themselves.

Mr. Cleaver: Makes good sense.

Mr. Wachter: That's all I had.

Mr. Cleaver: Thank you for the update and for the information.

Mr. Paris: Thanks, Tim.

OLD BUSINESS

There is no old business to report on.

NEW BUSINESS

a. Updated Economic Impact Study

Mr. Paris: We have a motion and two resolutions, so the first would be to update the Economic Impact Study.

Mr. Barney makes a motion to accept the proposal to update the Economic Impact Study. Mr. Sample seconds that motion.

There is no further discussion. Motion carries 4 – 0.

b. Resolution Number 28, 2018 – Resolution to direct the Erie Community Foundation to release \$454,833 to the Erie County Lead Assets.

Dr. Wood reads the resolution.

Mr. Sample makes a motion to approve the resolution. Mr. Barney seconds the motion. There is no further discussion. Motion carries 4 – 0.

c. Resolution Number 29 2018 – Resolution to enter into agreements with five (5) organizations that represent the 2018-2019 Beehive Recipients for Ignite Erie Community-Industry Engagement funding.

Dr. Wood reads the resolution.

Mr. Barney makes a motion to approve the resolution. Mr. Cleaver seconds the motion after stating that he didn't want to second something he wasn't quite sure he understood but concludes that he will second the motion to keep it on the table.

Mr. Wachter: Mr. Chairman, if I could just say two things. First, I would like to thank Mr. Lee for the presentation he gave coming out of the committee regarding this particular item, however I want to clarify for purpose of the minutes that Mr. Lee is a non-voting liaison from the County Executive's office. I don't want there to be any confusion that he chaired the committee or served as a voting member of the committee because of the recommendation of the committee for the grant to the library which falls under the auspices of the County. There is no ethics act concerned here because he doesn't get to vote; he was just making the presentation and I just wanted that to be clear.

Secondly, merely to put in the record, I don't participate in any way in the deliberations and the review of the grants and in making recommendations. Many times, I don't even know they're going on until I see them on the agenda. I mention that because I am a trustee at Edinboro University.

There is no further discussion. Motion carries 4 -0.

ADJOURNMENT

Mr. Sample moves to adjourn.