



MEETING OF THE BOARD OF DIRECTORS
Knowledge Park; 5240 Knowledge Parkway; Erie, PA 16510
February 21, 2019

AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES – January 2019
5. DIRECTOR'S COMMENTS
6. COMMENTS BY CHAIRMAN
7. PUBLIC COMMENT
8. PRESENTATION
 - a. Erie County Re-Entry Services & Support Alliance:
Sheila Silman – ECRSSA Re-Entry Program Manager; GECAC
Georgia DelFreo – VP of Operations; GECAC
Mike Outlaw – City of Erie Community Liaison
9. COMMITTEE REPORTS
 - a. Treasurer's Report
 - b. Strategic Planning Committee
 - c. Update from County Council
 - d. Update from County Executive's Office
10. REPORT OF THE EXECUTIVE DIRECTOR
11. SOLICITOR'S REPORT
12. OLD BUSINESS
13. NEW BUSINESS
14. ADJOURNMENT

Next Regularly Scheduled Board Meeting of ECGRA

Date: Thursday, March 21, 2019
Time: 8:30 a.m.
Location: Knowledge Park; 5240 Knowledge Parkway; Erie, PA 16510



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 they 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.

Dr. Wood: Why Corry?

Ms. Lyon: 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 hijacked 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 is 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.

Mr. Sample: Perry, was there a match required for that one?

Dr. Wood: 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.

Mr. Paris: 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.

Dr. Wood: 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 bringing 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 perspective, 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.





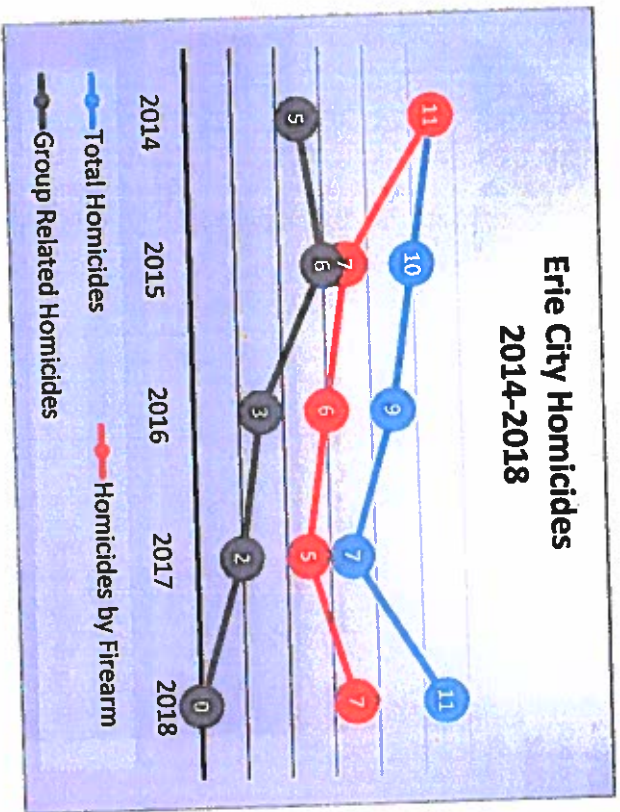
Recidivism Outcomes

RECIDIVISM (N=152)	ECRSSA Average	Erie County Average within 3 years of reentry
36 with new charges	24%	58%
11 with new charges resulting in conviction and incarceration	7%	41%
<ul style="list-style-type: none"> Of the 36 with new charges, 3 (8%) were identified as successful at discharge and 29 (81%) had been administratively discharged due to inactivity (90 days) Median age of client with new charges: 33 Supervision at the time of intake of clients with new charges: 21 County; 12 state 		

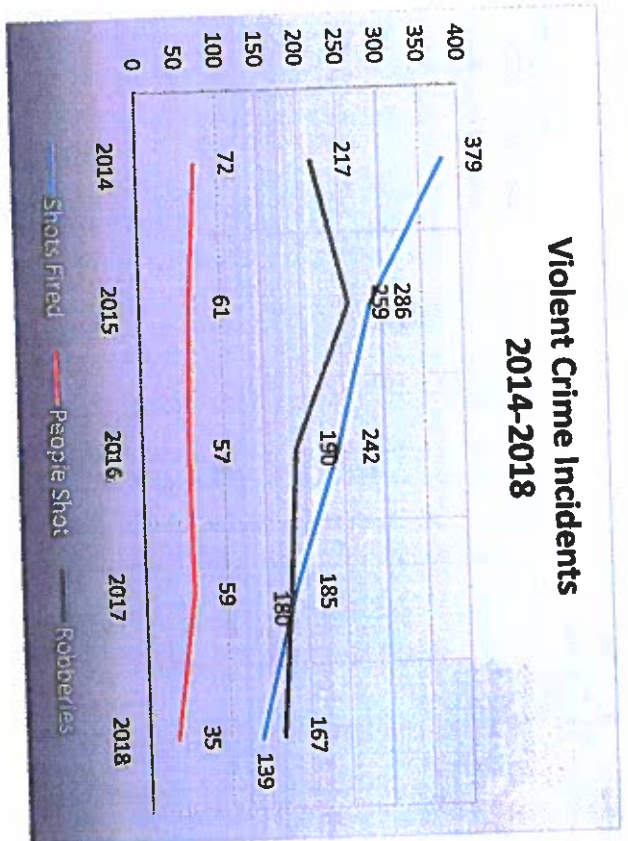
Goal Achievement Outcomes

Goal Identified	% of Clients with Goal Achieved
Jobs	77.2
Mental Health	79.6
Drug & Alcohol	80.8
Primary Care Physician	86.4
Income Assistance	58.1
Transportation	86.0
Education	36.7
Housing	57.5
Shelter	88.1
Clothing	86.3
Department of Public Welfare	85.9
Identification	77.3
Skills Training	62.5

Homicide Reduction Outcomes (Erie City)



Violent Incident Outcomes (Erie City)



Medical Cost Reduction Impact

	Avg Cost Per Person *	% of Estimated Victims*	Erie	Avg Cost 2014	Erie	Avg Cost 2017	Erie	Avg Cost 2018
			Gunshot Victims 2014 <small>N=72</small>		Gunshot Victims 2017 <small>N=59</small>		Gunshot Victims 2018 <small>N=35</small>	
Treated in ER & released	\$5,254	49%	35	\$183,890	29	\$152,366	17	\$89,318
Admitted to ER	\$95,887	37%	27	\$2,588,949	22	\$2,109,514	12	\$1,150,644
Admitted & discharged to additional care facility	\$179,565	8%	6	\$1,077,390	5	\$897,825	3	\$538,695
TOTAL COSTS				\$3,850,229		\$3,159,705		\$1,778,657
TOTAL COST SAVINGS:						\$690,524		\$2,071,572
CUMMULATIVE COST SAVINGS: \$2,762,096								



ERIE
TOGETHER
LEADERS • SECTORS • THIRDS



ECRSSA

Erie County Re-Entry Services and Support Alliance

PROVIDING DIRECTION AND HOPE TO TRANSITIONING CLIENTS

Erie County Reentry Services & Support Alliance

2016-2018 DATA SUMMARY (JANUARY 2019)

PREPARED FOR THE ECRSSA ADVISORY BOARD BY THE MERCYHURST UNIVERSITY CIVIC INSTITUTE



HISTORY

In 2013, Erie Together, the region's anti-poverty movement, in partnership with UnifiedErie, Erie's violence reduction effort, agreed that reentry was a priority for not only overall community safety efforts but also in the efforts to increase self-sufficiency among residents within Erie County. Erie Together took the lead on convening a group of stakeholders to explore the creation of a countywide reentry strategy. The stakeholder group of cross sector representation met regularly over the course of three years to identify the challenges that re-entrants, now referred to as transitioning clients, were facing. They discussed action/milestones transitioning clients must generally achieve in order to be most successful. They reviewed local trends, as well as national data. They considered a variety of factors including: unemployment, mental health, drug and alcohol, housing, transportation and others. The planning group concluded that the best strategy would be the creation of a "one stop shop" to deliver important services and connect transitioning clients to appropriate resources within the community. This "one stop shop" was the formation of the Erie County Reentry Services and Support Alliance (ECRSSA). With the support from a \$1.2 million grant from the Erie Community Foundation and the United Way of Erie County, the ECRSSA was launched in July 2016 under the umbrella of the Greater Erie Community Action Committee (GECAC).

SERVICES

The ECRSSA's mission is to provide support and services to transitioning clients through an intentional network of community and faith based organizations in partnership with the criminal justice system. Transitioning clients are defined as: 1) individuals released from federal, state, or county prison who are reentering Erie County after serving a sentence for a criminal conviction and/or 2) people reentering a law abiding life from criminal network involvement.

The primary goals of the ECRSSA are:

1. Increase access and connections to support services and assistance for transitioning clients.
2. Promote responsible quality of life through positive family, spiritual and informal support connections.
3. Achieve safe communities through reduced recidivism.

Services are divided into two levels: Intensive Case Management (ICM) and Resource Coordination (RC). ICM participants are transitioning clients who were residing in Erie Co at the time of their offense, incarcerated/returning back to the county or have been out less than six months, and are identified as medium to high risk for recidivating. The ICM participant is offered case management support for 12-18 months. ICM participants are assigned a case manager, given a portable file, pocket day planner, pen and tablet of paper to start the orientation of important documents, appointment cards and other paperwork. Case managers are positioned to partner with the transitioning client to walk with them on their journey. They do not just provide their clients contacts, they assist them in making connections to the services and supports they need. Case managers identify the individualized needs of each client and work with them to address those needs. They offer

to help the client in creating a resume, learning how to address criminal history during a job interview, locating employment and conducting mock interviews. In addition to the case managers, a client advocate stationed at the Downtown YMCA in Erie is positioned to provide clients the one thing they identified as being the greatest deficit in their transition back into civilian life, a positive peer support. The client advocate offers a listening ear and supportive advice. The case manager and client advocate combine to surround the transitioning client with a support team. RC participants are transitioning clients are those individuals who do not meet the risk level criteria for ICM or are individuals who are re-entering to Erie County but are not from Erie County prior to incarceration. The RC clients receive resource and referral services, so they are still connected to necessary services but that does not include the intensive case management component. The RC participants are offered case management support for up to 90 days.

The ECRSSA serves at the resource component for the Group/Gun Violence Reduction Strategy (GVRS). The GVRS entails identification of individuals through a data driven process that are high risk for involvement in violent offenses as offender as well as victim. Once identified, a group of individuals are invited to hear a message, that message being one of consequences as well as hope and support for those high risk individuals. The ECRSSA manage the logistics of the GVRS meeting (otherwise referred to as a "Call In") and case managers are on site to immediately begin working with GVRS attendees following the presentation. The purpose is to connect those high risk individuals with supports and services to assist them in disengaging from a high risk lifestyle.

The following report outlines the data and outcomes for the ECRSSA since its acceptance of its first client in October 1, 2016 through December 31, 2018.

DATA

Figure 1 outlines the total number of referrals received each year through the ECRSSA, the age range and median age of those clients as well as the client's system involvement at the time of referral during the reporting period.

Figure 1.

ALL REFERRALS				
	2016	2017	2018	Cumulative
Totals	29	299	343	671 (631 unduplicated)
Age Range	22 - 62	15 - 72	18 - 68	15 - 72
Median Client Age	42.6	33.2	33.2	33.4
System Involvement	1 County; 8 State; 20 None	136 None 93 State 58 County 12 Federal	141 None 109 State 86 County 7 Federal	145 (22%) County 297 (44%) None 210 (31%) State 19 (3%) Federal

Fifty-six percent of referrals to the ECRSSA have become active in either Intensive Case Management (ICM) or Resource Coordination (RC) services. Figure 2 identifies the current status of each active as of December 31, 2018. During the reporting period, a total of 379 clients had been served by the ECRSSA. Of those 379 clients, 106 remained active in ICM and 48 in RC as of December 31, 2018. A total of 225 clients have been closed from the program, 152 from ICM services and 73 from RC services.

Figure 2.

CURRENT ECRSSA INVOLVEMENT				
Referral Year	2016	2017	2018	Cumulative
ICM Active	3	22	81	106
RC Active	0	7	41	48
ICM Closed	15	99	38	152
RC Closed	1	48	24	73
TOTAL CLIENTS SERVED	19	176	184	379

Figure 3 outlines those cases that became active with either ICM or RC services and closed on or before December 31, 2018. The length of time in ICM services ranged from 57 to 794 days with a median length of time at 271 days. RC clients' time in the program ranged from 75-694 days with a median length of service being 256 days. A "successful discharge" is defined as a client being discharged from the ECRSSA program after accomplishing all identified goals and it mutually agreed upon by both the case manager and client. An "administrative discharge" is defined as a client being discharged from the program after having been unresponsive and not communicative with the case manager for 90 consecutive days.

Figure 3.

CLOSED CASES			
	ICM	RC	
Total Closed	152	74	
Client Age Range	19 - 66	22 - 63	
Median Client Age	33.2	37.7	
System Involvement at Intake			
	County	73 (48%)	15 (20%)
	State	63 (41%)	39 (52%)
	Federal	4 (3%)	5 (7%)
Length of Time in ECRSSA	57 - 794 days	75 - 694 days	
Median Length of Time in ECRSSA	271 days	256 days	
Successful Discharge (all goals met)	14 (9%)	NA	
Admin Discharge (inactive 90 days)	110 (72%)	NA	

A primary purpose of the ECRSSA is to identify client need and for those needs to be addressed in partnership with the ECRSSA case manager and the client. Figure 4 identifies both the number and percentage of clients with identified goals as well as those with those goals who have achieved them. In addition, the column "% Greatest Need" identifies the total percentage of clients with that goal listed as a need. The top three

greatest needs identified by clients in ICM are: jobs (77.2%), transportation (69.1%) and assistance with Department of Public Welfare (47.7%). The top three greatest needs identified by clients in RC are: jobs (63.5), and shelter & finding a primary care physician (both 37.1%).

Figure 4.

GOALS IDENTIFIED / ACHIEVED												
		Intensive Case Management (N=152)						Resource Coordination (N=74)				
Goal Achieved/Goal Identified	Identified	Achieved	% Achieved	% Greatest Need	Identified	Achieved	% Achieved	% Greatest Need	Identified	Achieved	% Achieved	% Greatest Need
Jobs	115	85	73.9	77.2	47	40	85.1	63.5				
Mental Health	35	28	80.0	23.5	19	15	78.9	25.7				
Drug & Alcohol	51	41	80.4	34.2	22	18	81.8	29.7				
Primary Care Physician	62	54	87.1	41.6	26	22	84.6	35.1				
Income Assistance	63	35	55.6	42.3	11	8	72.7	14.9				
Transportation	103	89	86.4	69.1	4	3	75.0	5.4				
Education	33	10	30.3	22.1	16	8	50.0	21.6				
Housing	52	29	55.8	34.9	21	13	61.9	28.4				
Shelter	16	13	81.3	10.7	26	24	92.3	35.1				
Clothing	70	57	81.4	47.0	25	25	100.0	33.8				
Department of Public Welfare	71	60	84.5	47.7	14	13	92.9	18.9				
Identification	46	37	80.4	30.9	20	14	70.0	27.0				
Skills Training	30	19	63.3	20.1	2	1	50.0	2.7				

Another primary purpose of the ECRSSA is to reduce recidivism. Recidivism is tracked in two ways for outcome reporting and is only tracked on cases that become active in the ICM services: 1) the number of individuals who have new charges any time after they enroll in ECRSSA services and 2) the number of individuals who have new charges after enrolling in ECRSSA services that result in conviction and re-incarceration. Figure 5 outlines the recidivism outcomes for individuals who received ECRSSA services and have closed services. Thirty-six clients had new charges (24%) and 11 clients had new charges resulting in conviction and re-incarceration (7%). While there is not exact comparison, PA Department of Corrections data has indicated that in Erie County 58% of individuals returning to the community from incarceration recommit offenses within 3 years of release and 41% of individuals returning to the community from incarceration will be reconvicted and return to incarceration within 3 years of release.

Figure 5.

RECIDIVISM (N=152)		Erie County Average within 3 years of reentry
	ECRSSA Average	
36 with new charges	24%	58%
11 with new charges resulting in conviction and incarceration	7%	41%
<ul style="list-style-type: none"> • Of the 36 with new charges, 3 (8%) were identified as successful at discharge and 29 (81%) had been administratively discharged due to inactivity (90 days) • Median age of client with new charges: 33 • Supervision at the time of intake of clients with new charges: 21 County; 12 state 		

In further examination of individuals with new charges who had received ICM services, the most common re-offending occurred in drug offending (30.6% of new charges) and retail theft (19.4% of new charges). Figure 6 outlines the type of offenses of the 36 clients having new charges after enrollment in the ECRSSA services.

Figure 6.

Primary Offense of New Charges (N=36)			
Offense Code	Offense Category	Number of Individuals	% of New Charges
901	Criminal Attempt-Criminal Homicide	1	2.8
2501	Homicide	1	2.8
2901	Kidnap with intent to harm	1	2.8
3126	Indecent Assault	1	2.8
3743	Accident Involving Damage	1	2.8
3802	Driving Under the Influence	1	2.8
3921	Theft by Unlawful Taking	1	2.8
3925	Receiving Stolen Property	1	2.8
3934	Theft from Motor Vehicle	1	2.8
6105	Possession of weapon	1	2.8
5503	Disorderly Conduct	3	8.3
2702	Aggravated Assault	5	13.9
3929	Retail Theft	7	19.4
780-113	Drug Sale/Possession	11	30.6

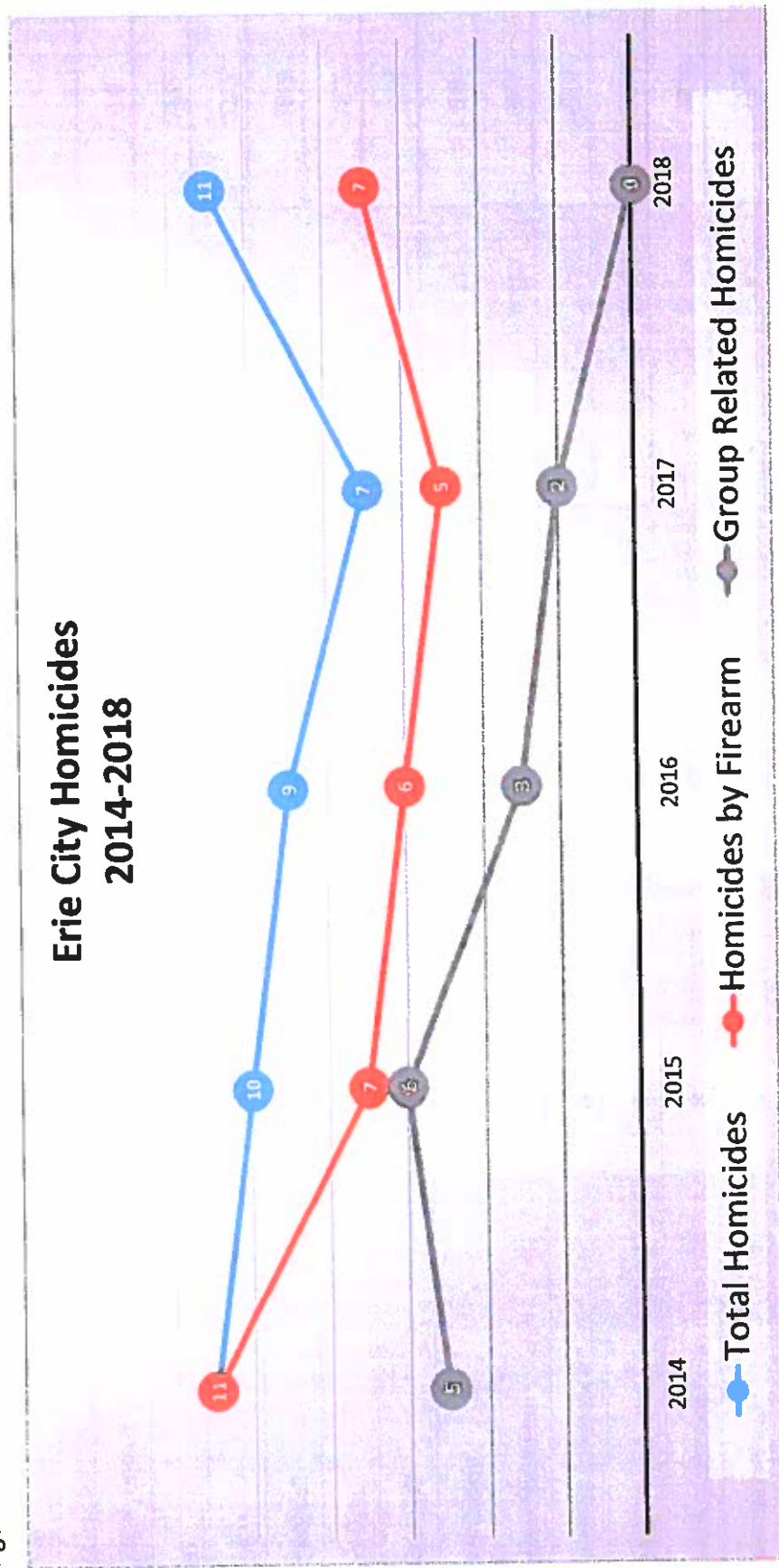
Figure 7 presents the goals identified and achieved by those individuals who had new criminal charges following engagement in ECRSSA ICM services.

Figure 7.

RECIDIVISM GOALS IDENTIFIED / ACHIEVED										
GOAL	Clients with New Charges (N=36)					Clients with New Charges, Conviction & Incarceration (N=11)				
	# Identified	# Achieved	% Achieved	% Greatest Need		# Identified	# Achieved	% Achieved	% Greatest Need	
Jobs	24	7	29.2	66.7		8	6	75.0	72.7	
Mental Health	4	3	75.0	11.1		3	3	100.0	27.3	
Drug & Alcohol	12	8	66.7	33.3		4	4	100.0	36.4	
PCP	8	6	75.0	22.2		4	4	100.0	36.4	
Income Assistance	14	9	64.3	38.9		7	5	71.4	63.6	
Transportation	20	13	65.0	55.6		7	7	100.0	63.6	
Education	4	0	0.0	11.1		0	0	0.0	0.0	
Housing	5	3	60.0	13.9		2	1	50.0	18.2	
Shelter	5	5	100.0	13.9		2	2	100.0	18.2	
Clothing	9	8	88.9	25.0		2	1	50.0	18.2	
DPW	12	10	83.3	33.3		3	2	66.7	27.3	
ID	8	6	75.0	22.2		2	2	100.0	18.2	
Skills Training	4	4	100.0	11.1		0	0	0.0	0.0	

The overall goal of the ECRSSA is to provide supportive services to assist in reducing violent crime and improving overall safety within the Erie community. Figure 8 identifies the number of Erie city homicides 2014 to 2018. The greatest impact noted is that there has not been one group related homicide since the first GVRs "Call In" meeting in April 2017.

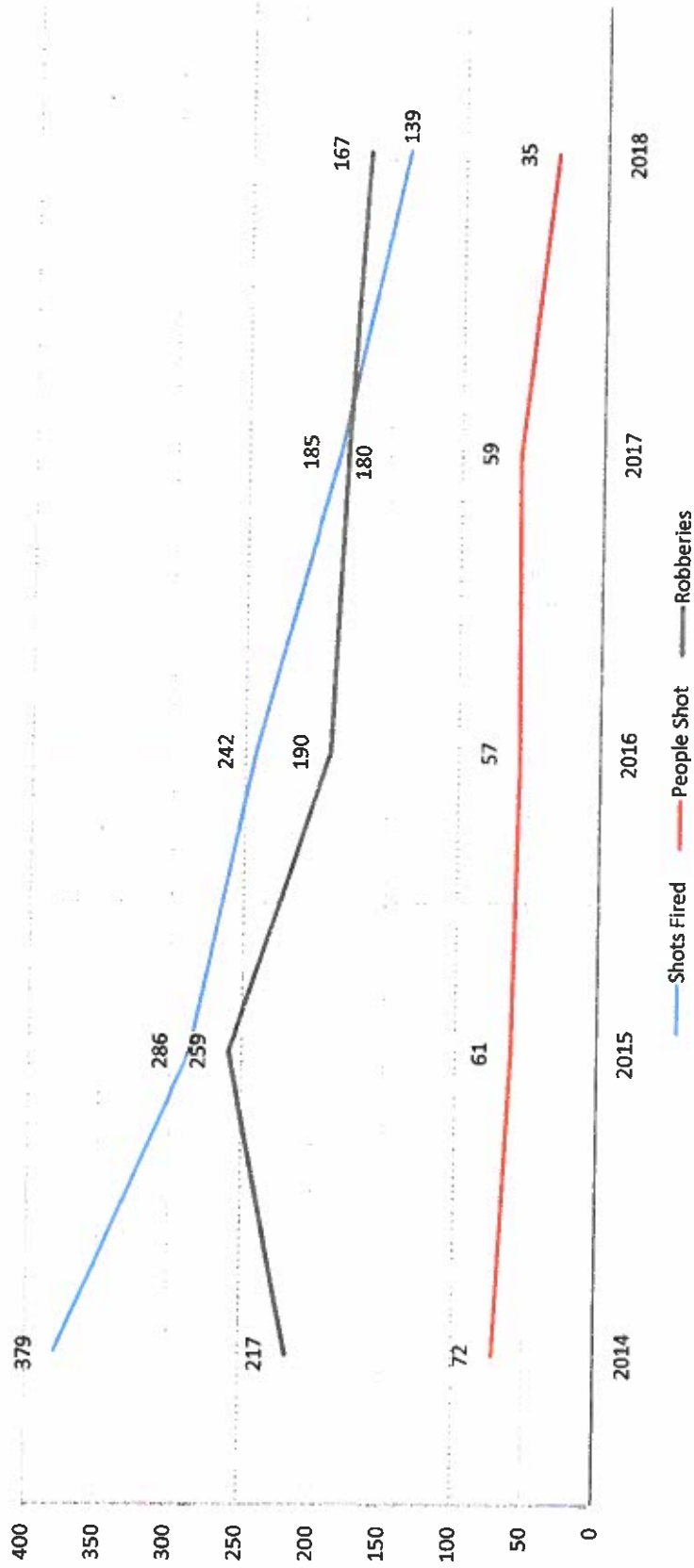
Figure 8.



Group related homicides was one area of impact, but there have been notable decreases in the number of shots fired, people shot and robberies. Figure 9 outlines violent crime incidents from 2014-2018 in the City of Erie.

Figure 9.

Violent Crime Incidents 2014-2018



Finally, violent crime reduction expands beyond just what occurs within the community and criminal justice system. There is significant impact on health cost savings and revitalization within communities. Addressing crime is also an investment in economic development, neighborhoods and community development as it is a focus on the human capital within a community.

Utilizing estimated numbers of gunshot victims and averaged costs utilized in the John Hopkins study "Emergency Department Visits for Firearm Related Injuries in the United States, 2006-2014" published in October 2017, the cumulative estimated cost savings of violent crime reduction in Erie has resulted in a \$2.7 million savings. Figure 10 further outlines the breakdown of medical cost savings.

Figure 10.

	Avg Cost Per Person *	% of Estimated Victims*	Erie Gunshot Victims 2014 N=72	Avg Cost 2014	Erie Gunshot Victims 2017 N=59	Avg Cost 2017	Erie Gunshot Victims 2018 N=35	Avg Cost 2018
Treated in ER & released	\$5,254	49%	35	\$183,890	29	\$152,366	17	\$89,318
Admitted to ER	\$95,887	37%	27	\$2,588,949	22	\$2,109,514	12	\$1,150,644
Admitted & discharged to additional care facility	\$179,565	8%	6	\$1,077,390	5	\$897,825	3	\$538,695
TOTAL COSTS				\$3,850,229		\$3,159,705		\$1,778,657
TOTAL COST SAVINGS:						\$690,524		\$2,071,572
CUMMULATIVE COST SAVINGS: \$2,762,096								



E·C·G·R·A
ERIE COUNTY GAMING REVENUE AUTHORITY

**EXECUTIVE
DIRECTOR'S
REPORT
FOR
FEBRUARY
2019**





January 31, 2019

James Sparber
Finance Director
Erie County Courthouse
140 W 6th Street, Room 111
Erie, PA 16501-1011

Dear Mr. Sparber:

In accordance with the Pennsylvania Race Horse Development and Gaming Act 42 of 2017, the Department is required to distribute quarterly the Local Share Assessment collected for slots to the municipalities in which a licensed gaming entity is located. This distribution is based on the local share assessment amount collected plus the slot machine license operation fee amount collected over Summit Township's budget limitation.

An ACH for the fourth quarter of 2018 payment in the amount of \$3,026,865.34 ^{verified 2/11/19} should be deposited in your bank account within 3 - 5 business days. This payment includes the slots local share assessment of \$526,865.34 and the slot machine license operation fee of \$2,500,000.00. Any reductions to the Gross Terminal Revenue (GTR) for promotional items is the result of the Gaming Bulletin 2015-01 and the Pennsylvania Supreme Court's April 28, 2014 decision in Greenwood Gaming and Entertainment Incorporated v. Commonwealth of Pennsylvania, Department of Revenue (90 A.3d 699 (Pa. 2014)).

If you have any questions, please contact me at 717-772-4372.

Sincerely,

Shawn Barnes, Director
Bureau of Fiscal Management

Erie County 067-021010-042100

3,026,865.34 X .55 = 1,664,775.94

ECCGRA 067-021050-042100

3,026,865.34 X .45 = 1,362,089.40





Strategic Planning Committee Meeting

Monday, February 11, 2019
11:30am – 1:00pm
5240 Knowledge Parkway, Erie, PA 16510

AGENDA

1. MaherDuessel – Quarterly Review for 1st Quarter 2018 (April – June)
Quarterly Review for 2nd Quarter 2018 (July – September)
2. Draft Budget 2019 – 2020
 - a. Office Lease at 5340 Knowledge Parkway
 - b. Employee Increases
3. Pilot Project – Erie Regional Chamber & Growth Partnership: Erie Business Attraction Support





A grantmaking organization, the mission of the Erie County Gaming Revenue Authority is to empower the nonprofit sector toward economic and community development.

February 13, 2019

Kevin O'Sullivan
General Manager
Churchill Downs Inc.
8199 Perry Highway
Erie, PA 16509

Dear Kevin,

I would like to take this opportunity to recognize the change of ownership that has currently taken place at the former Presque Isle Downs & Casino.

On behalf of the Board of Directors and staff of the Erie County Gaming Revenue Authority, I would like to personally welcome Churchill Downs to Erie County and look forward to a productive working relationship.

Please be aware that we intend to include you and your staff at an upcoming press announcement in which we can celebrate Churchill Downs' arrival here as well as ten years of funding from ECGRA totaling over \$50 million. We are hopeful that our communications managers will be able to organize that event to take place in the very near future.

Sincerely,

Perry N. Wood
Executive Director

Board of Directors

Michael J. Paris
Chair

David M. Bagnon
Vice-chair

Dale E. Barney
Treasurer

David S. Sample
Secretary

Whitey Cleaver

Dominick D. DiPaolo

Charles J. Peters

Fiore Leone
Ex-officio

Gary N. Lee
Ex-officio

Perry N. Wood
Executive Director





Ridge Policy Group Activity ECGRA January 15 – February 15 Report

Overview

For more than a year, the Ridge Policy Group has looked for any and all relevant state and federal funding opportunities for the county of Erie on behalf of our work with ECGRA. We are excited to see that many of those funding opportunities are being recognized and awarded to benefit the community.

Specifically, Ridge Policy Group was pleased to support the PASmart Awards to Erie School District for \$500,000 to develop a K-12 computer science curriculum in partnership with Mercyhurst University and the Erie Innovation District and the Greater Erie Community Action Committee's \$45,950 pre-apprenticeship grant to administer a registered pre-apprenticeship program. Ridge Policy Group initially brought the grant opportunity to the organization's attention and supported its application.

Separately, the Erie Innovation District was approved through the first round for an ARC Area Development grant for the Erie secure smart city feasibility study. To assist with this grant, Ridge Policy Group revised the previously submitted ARC POWER application and submitted the project to Northwest Commission in order for them to submit with their list of projects for consideration by PA DCED.

In addition to these exciting awards, the Ridge Policy Group continues to provide funding opportunities to the community and help develop grant proposals for the various entities.

Funding Opportunities Presented by RPG for Potential Pursuit this Month

- Healthy Partnerships for Children Program
- Economic Development Administration (EDA) Regional Innovation Strategies (RIS) Program i6 Program
- EDA RIS Seed Fund Challenge

Additional RPG Relevant Activity for this Month

- January 15, 2018 – Ridge Policy Group hosted reception honoring the Governor's inauguration, which Erie County and City officials attended
- January 31, February 12 – Calls with Erie Innovation District to discuss relevant work
- January 31 – Call with GECAC to discuss Community Based Re-entry Services Alliance. Ridge Policy Group is looking for both state and federal grant opportunities surrounding this topic and will be in touch with those opportunities as we find them.





ERIE COUNTY DEPARTMENT OF HEALTH



Public Health
Prevent. Promote. Protect.

Melissa C. Lyon, MPH
Director

Kathy Dahlkemper
County Executive

February 14, 2019

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

Re: Ridge Policy Group Support

Dear Perry,

The Erie County Department of Health (ECDH) is an accredited, local, county health department which works to promote its mission throughout the community and in conjunction with local partnerships, "To preserve, promote and protect the health, safety and wellbeing of the people and the environment of the County." The ECDH provides services to all residents in both the county and city of Erie within the divisions of Community Health Services, Environmental Health Services, Health Promotion and Quality Improvement, Epidemiology, and Public Health Preparedness, in collaboration with the Pennsylvania Department of Health (PA DOH). The motto of the ECDH is, "Working together, caring for the people and the place we call home...Erie County."

The ECDH has become the contractor for the Corry Community Blue Zones Project (BZP). Starting in January 2019, the City of Corry has the unique opportunity to participate in the Blue Zones initiative. Started in 2009 by Dan Buettner and National Geographic, this is a country-wide initiative that seeks to increase longevity and overall quality of life. The project looks at the five 'Original Blue Zones' worldwide, which include Sardinia, Italy, Okinawa, Japan, Loma Linda, California, Nicoya, Costa Rica, and Ikaria, Greece. These places are known for the amount of people who live to an old age, and do so free of chronic diseases such as Alzheimer's and heart disease. Following the example of the established lifestyles in these regions, the Blue Zones Project came up with a way for whole communities to have significantly longer, healthier, and more fulfilling lives.

The main goal of Blue Zones is to transform communities to be healthier and have a better future by making the healthy choice the easy choice. Through a community-wide approach, the project hopes to increase longevity for as many individuals as possible. Schools, restaurants, faith-based communities, and worksites work together to create a healthier community for all. It brings together evidence-based practice, tools, and expertise to the community.

Erie County Gaming Revenue Authority (ECGRA) has been a significant partner throughout the three year local discovery and support phase of implementing a Blue Zones Project in Erie. ECGRA

606 West Second Street, Erie, PA 16507 • Phone: (814) 451-6700 • Fax: (814) 451-6767 • TTY/TDD: (814) 451-6237
www.ecdh.org • www.facebook.com/ecdh.org • www.twitter.com/eripublichealth

Our mission is to preserve, promote, and protect the health, safety, and well-being of the people and the environment in Erie County.

Our Privacy Notice can be obtained by calling us or visiting our website.

connected the ECDH with the Ridge Policy Group very early on to assist with securing funds and finding funding opportunities to support the BZP implementation or related projects.

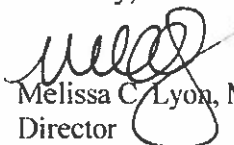
The Ridge Policy Group presented three funding opportunities that would not have otherwise been identified by ECDH. They provided phone consultation and technical support to assist with the understanding of the funding opportunity and provided backing in advocacy for the project had any applications moved forward.

Unfortunately, the opportunities were not ideally timed with the BZP launch dates, as many of the funding opportunities required specific projects with tangible outcomes. The BZP for the Corry Community is still identifying their priorities and tangible outcomes. In addition, at least one of the opportunities prohibited government entities from applying and the ECDH would have needed to secure a solid relationship with a nonprofit entity to move forward. There was not adequate time to secure that relationship and submit an application.

Overall, the ECDH has been extremely satisfied with the assistance that the Ridge Policy Group has provided. I am sure that there will be better timed opportunities for securing necessary funding once the Corry Community Blueprint is completed and approved for implementation.

In closing, I want to express my sincere gratitude to ECGRA for facilitating the Ridge Policy Group connection with the ECDH and the Blue Zones Project.

Sincerely,


Melissa C. Lyon, MPH
Director

February 19, 2019



GREATER ERIE COMMUNITY ACTION COMMITTEE

Helping People. Changing Lives.

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

Dear Dr. Perry Wood:

I want to take a moment to thank The Erie County Gaming Revenue Authority and the team at the Ridge Policy Group for your help and support over the past few months as GECAC explored and applied for the PAsmart Grant opportunities through the Labor and Industry grant initiatives.

On February 6, 2019, GECAC was awarded \$49,995 from the Pennsylvania Department of Labor and Industry to administer a pre-apprenticeship program. The Program is in partnership with Erie Together, Penn State Behrend and Excutool Manufacturing. The Pre-Apprenticeship is designed to introduce students to the opportunities associated with Injection Molding. We are thrilled and excited about this opportunity, and we want to thank you and the Ridge Policy Group for helping GECAC secure the grant.

In addition to the pre-apprenticeship program the Ridge Policy group has been a great resource for our team at GECAC. Working with the team at Ridge Policy helped introduce GECAC to funding opportunities associated with our goal and mission. As a Community Action Agency, we are committed to providing programs that help and change the lives of our community.

Again, thank you and if you have any questions or if there are further opportunities that would be a good fit for GECAC to explore, please do not hesitate to contact me. I can be reached at 814-459-4581 Ext. 413/ bwilson@gecac.org.

Sincerely,

A handwritten signature in black ink, appearing to read "Benjamin D. Wilson".

Benjamin D. Wilson, MA
Director of Workforce Development

Helping People. Changing Lives | www.gecac.org

18 West 9th Street | Erie, Pennsylvania 16501 | Tel 814.459.4581 | Fax: 814.456.0161

An equal opportunity employer.





January 25, 2019

Perry N. Wood
Erie County Gaming Revenue Authority
Executive Director
5340 Fryling Road Suite 201
Erie, PA 1510

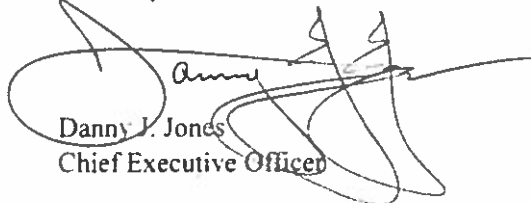
Dear Dr. Wood:

I want to take time to express my sincere appreciation for the help provided by The Ridge Policy Group over the past year. During 2018, GECAC was considering pursuing the US Department of Labor Youth Build grant opportunity. During the application process, the team at Ridge Policy helped connect our staff to some valuable resources to strengthen our grant application. Although GECAC decided not to pursue the opportunity, The Ridge Policy Group provided support and made themselves available while we explored the potential grant opportunity.

Our team at GECAC is grateful to have access to the Ridge Policy Group. Having this partnership has given our team an opportunity to be at the table to explore and collaborate with other community initiatives. Currently our Workforce Development Manager, Mr. Benjamin Wilson, and our Erie County Reentry Services and Support Alliance Program Manager, Sheila Silman, are both working with the Ridge Policy Group to identify funding opportunities. Mr. Wilson has reported that the relationship, knowledge base and access to key information for funding opportunities has been a positive experience.

Dr. Wood, I would like to thank you and the entire team at ECGRA for the continued support. I especially look forward to our continued access to The Ridge Policy Group as we explore and apply for opportunities to bring innovative programming to meet our community's needs. Thank you and please do not hesitate to contact me or anyone on my team. You can reach me at 814-459-4581 Ext. 416, or djones@gecac.org, or you may reach out to Mr. Wilson at 814-459-4581 Ext. 413, bwilson@gecac.org.

Sincerely,


Danny J. Jones
Chief Executive Officer





Dear Perry Wood,

On behalf of the Erie Innovation District, I would like to take the time to express our support of the Erie County Gaming Revenue Authority and its coordination with Ridge Policy Group. Both of these organizations have been integral in the success of several key Erie Innovation District initiatives over the past year to include a final application to the Appalachian Regional Commission (ARC) for a Secure Smart City Technical Feasibility Study. Without ECGRA and Ridge Policy Group, we would not have been positioned to pursue opportunities with ARC and EDA.

Over the past several months, we have seen our community come together in a multitude of ways. ECGRA and Ridge Policy are examples of an organization that is fostering collaboration amongst local businesses and organizations throughout our region, as we all work towards a brighter future for the City of Erie and those who call it home.

Again, we appreciate the strong relationship we have with both organizations and look forward to future collaboration.

Sincerely,

A handwritten signature in black ink, appearing to read "K. Sanchack", written over a light blue horizontal line.

Karl H. Sanchack
Erie Innovation District
President & CEO



Tammi Michali

From: admin@millcreekeeducationfoundation.org
Sent: Thursday, January 24, 2019 9:34 AM
To: Tammi Michali
Subject: Ridge Policy Group

Hi Tammi,

A few comments about my positive experience with the Ridge Policy Group...

Immediately after first meeting with representatives from the Ridge Policy Group, they were able to reach out to DCED on behalf of our organization to get answers for us about our PA-EITC Pre-K Scholarship Initial Application. It had been several months without a response to our application and within a day, our application was approved and we could seek corporate support for the program.

Throughout the year, I was able to email representatives from the Ridge Policy Group with questions I had regarding both state and federal funding opportunities. Their connections and insight for both the state and federal level opportunities were invaluable. I still hope to work with them on future proposals for both STEAM and school security funding possibilities.

I am very appreciative of ECGRA's commitment to finding resources to support nonprofit initiatives like ours and connecting us with the Ridge Policy Group professionals that have valuable insight and connections with funding decision makers.

Please let me know if there is any additional information you need.

Thank you

Kris

Kristina Huber, CFRE
Executive Director
Millcreek Education Foundation
(814) 860-3364



Special Events Grant

- Open - 12/19/2018
- Close – 2/28/2019
- Award – 3/21/2019

Mission Main Street – Round #2

- Open - 8/16/2018
- Close – 2/15/2019
- Award – 3/21/2019

Renaissance Block Program

- Open - 2/19/2019
- Close – 6/5/2019
- Award – 6/20/2019
- **Workshop 3/12/2019**

Multi-Municipal Collaboration

- Open - 2/22/2019
- Close – 5/31/2019
- Award – 6/20/2019

Mission Main Street – Round #3

- Open - 8/16/2018
- Close – 7/19/2019
- Award – 8/19/2019

Anchor Building

- Open – 4/1/2019
- Close – 9/30/2019
- Award – 10/17/2019
- **Workshop TBA**

Community Assets – Arts Culture Heritage

- Open - 4/19/2019
- Close – 8/15/2019
- Award – 9/19/2019

Community Assets – Parks Fields and Trails

- Open – 7/1/2019
- Close – 11/15/2019
- Award – 12/12/2019

Community Assets – Community Centers

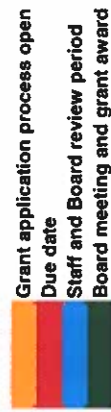
- Open – 7/1/2019
- Close – 11/15/2019
- Award – 12/12/2019

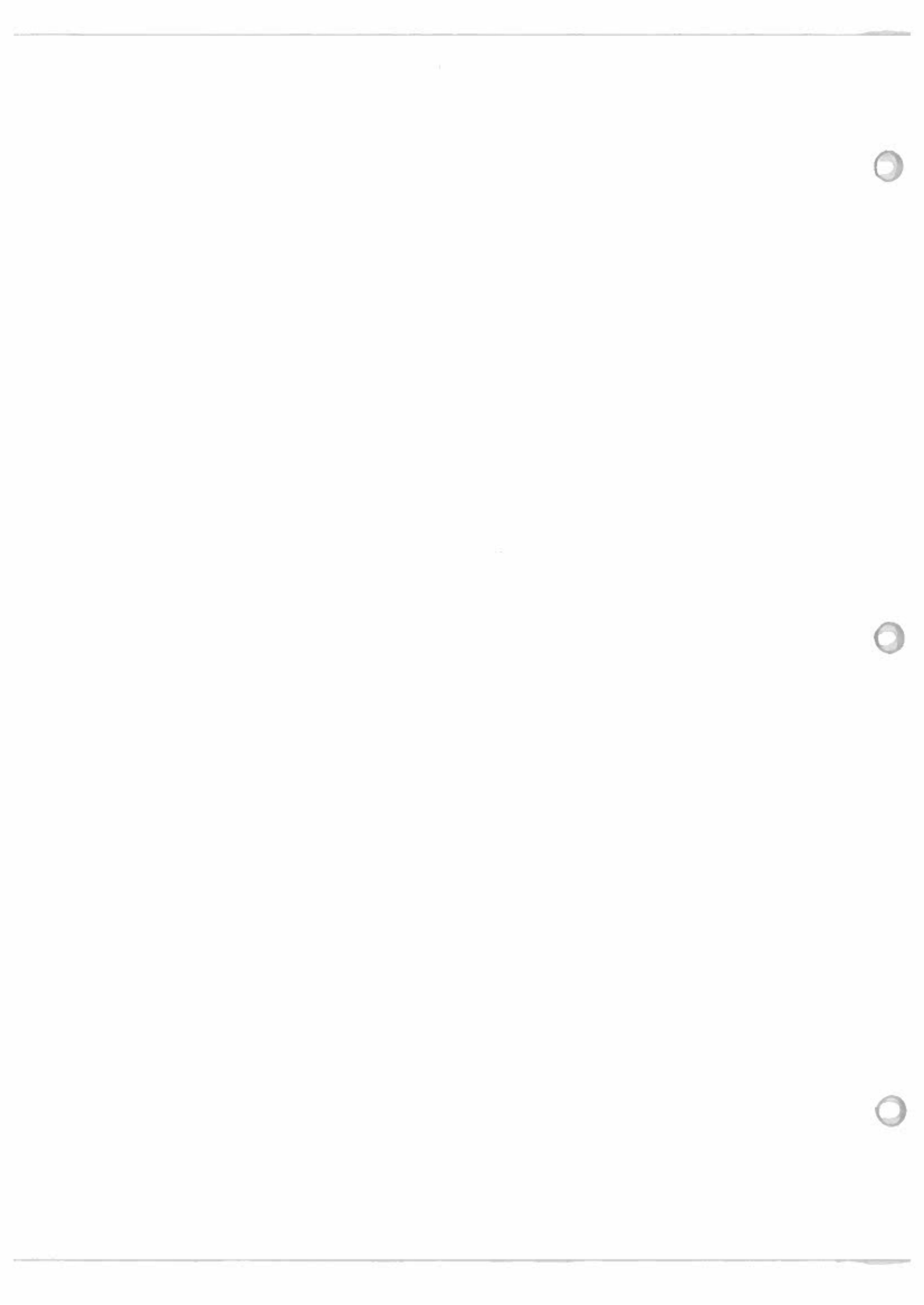
Updated 2-15-2019



2019 Grant Schedule

PROGRAM	OPEN DATE	DUE DATE	DURATION	January	February	March	April	May	June	July	August	September	October	November	December
Special Events Grant															
Open/Due	1/3	2/28	56												
Awarded	3/21														
Mission Main Street #2															
Open/Due	8/16	2/15	184												
Awarded	3/21														
Renaissance Block Program															
Open/Due	2/19	6/5	115												
Awarded	6/20														
Multi-Municipal Collaboration															
Open/Due	2/22	6/5	100												
Awarded	6/20														
Mission Main Street #3															
Open/Due	8/16	7/19	337												
Awarded	8/19														
Community Assets - Parks Field Trails															
Open/Due	7/1	11/15	180												
Awarded	12/12														
Community Assets - Arts Culture Heritage															
Open/Due	4/19	8/15	150												
Awarded	9/19														
Anchor Building															
Open/Due	4/1	9/30	180												
Awarded	10/18														
Community Assets - Community Centers															
Open/Due	7/1	11/15	150												
Awarded	12/12														







Knox McLaughlin Gornall & Sennett, P.C.
120 West Tenth Street | Erie, Pennsylvania 16501-1461
814-459-2800 | 814-453-4530 fax | www.kmgslaw.com

Timothy S. Wachter
twachter@kmgslaw.com

January 15, 2019

Mr. Perry Wood
Erie County Gaming Revenue Authority
5370 Fryling Rd., Ste. 201
Erie, PA 16510

RE: 2019 Rates – General Solicitor

Dear Mr. Wood:

Please know that we value our relationship with you, and look forward to continuing to serve you throughout 2019. We at the Knox Firm appreciate the public service that you provide, and, as such, we have traditionally charged our public sector clients a deeply discounted rate for legal services. We are pleased to be able to continue to offer our deeply discounted rates in 2019, and, starting on January 1, 2019 our rate for legal services will be \$180 per hour for attorneys and \$90 an hour for paralegals. These rates reflect a small increase in our hourly fee, and a significant discount from my standard private sector rates.

Thank you for allowing us to continue to serve you.

Very truly yours,

KNOX McLAUGHLIN GORNALL &
SENNETT, P.C.

By: 
Timothy S. Wachter

TSW/smt
2012492.v1





Banking on Erie



Don Heidelberg finishes a haircut for Heaven VanHoosier, 21, at Heidelberg's barbershop, Dapper Don's Styling Lounge, 2527 Peach St. in Erie, on Friday. Heidelberg, 42, opened the shop in March 2017 with the help of Bridgeway Capital, which makes investments in businesses that might not qualify for typical financing. (CHRISTOPHER MILLETTE/ERIE TIMES-NEWS)

Bridgeway Capital takes chances on ambitious Erie entrepreneurs

By Matthew Rink
matt.rink@timesnews.com

Donald Heidelberg applied for a loan from a local bank when he wanted to start his own barber shop, Dapper Don's Styling Lounge.

Heidelberg, who had been laid off from his job as a CNC plasma-cutting machine operator when he decided to go into business on

his own, wasn't asking for much — a few thousand dollars to cover startup expenses until he could turn a profit.

The bank, though, denied him financing. His credit history was too short and too small and he'd never run his own business.

Heidelberg, 42, felt frustrated. "I thought, 'You've got to be kidding me. This is a bank, they lend money, I have a solid business

plan,'" he said. "That's how I thought it worked, but it didn't."

That's when Bridgeway Capital stepped in. Not only did Heidelberg receive a loan — \$15,000 from the Urban Enterprise Fund — to start his barber shop on the corner of Peach and 26th streets, he also learned more about running a business

See ERIE, A6

Bridgeway Capital Inc.

1001 State St., Suite 1400
814.451.1172
www.bridgewaycapital.org

Report: Inclusion key in Erie plan

Urban Land Institute, officials agree on importance of approach

By Kevin Flowers
kevin.flowers@timesnews.com

In delivering a long-awaited report on Erie's efforts to remake its downtown and urban core, the Urban Land Institute made it clear that inclusion, diversity and communication are central to the city's success.

Within the 35-page report, the Washington, D.C.-based nonprofit recommended that local officials — including Mayor Joe Schember's administration and the Erie Downtown Development Corp. — make sure that a wide range of stakeholders are involved in conversations about how to move the city forward, including the city's "diverse communities," social service agencies and low-income residents who could be affected or displaced by development.

"While this subject is sensitive and often controversial, in the context of revitalizing Erie it is important," the report states. "Low-income residents must be included and see a place for themselves in the

See ULI, A5

More information

Read the Urban Land Institute's findings: <http://bit.ly/2WthVI>

YOUR WEEK IN 5

A look at upcoming events this week in and around Erie

1 Join the launch for Erie Hack, an innovation challenge addressing Lake Erie's most pressing problems, on Thursday at 5 p.m. at Gannon University's Yehl Ballroom. Details: www.eriehack.io

2 The annual Romance Paperback Book Sale, including a collection of mysteries, fiction and children's titles, starts at 9 a.m. Thursday through Saturday at the Admiral Room, Blasco Library, 160 E. Front St.

More to do

For a longer list of things to do around the region this week, and beyond, and to add your own event, visit www.GoErie.com/thingsstodo.

3 Picture yourself in a RV, on a quad or in a new camper or campground during the RV, Powersport & Camping Show Thursday through Sunday at the Bayfront Convention Center. Tickets are

\$6 each, free for 10 and younger. Details, hours: eriepromotions.com

4 Support Safe Harbor Behavioral Health of UPMC Hamot through Glow Yoga on Friday at 7 p.m. at the Ambassador Banquet & Conference Center Grand Ballroom, 7794 Peach St. Tickets start at \$40. Details: www.hamothealthfoundation.org/events

5 Enjoy outdoor and indoor activities, music and snacks Sunday from noon to 3:30 p.m. at Frontier Park during the annual L.E.A.F. Winterfest. Details: www.leaferie.org.



Connie Mazza, of Harborcreek Township, participates in the 2018 Glow Yoga event at the Ambassador Conference Center's Garden Atrium in Summit Township. (JACK HANRAHAN FILE PHOTO/ERIE TIMES-NEWS)

Volume 19 Number 125
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Obituaries B3
Lotteries C4
Classified D1-3

Comics D4-5
Puzzles D6

TODAY
Fog
53°/34°

TUESDAY
Colder
37°/23°

WEDNESDAY
P.M. rain
41°/36°



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Must present coupon



ERIE

From Page A1

and got access to a range of professionals to help him along the way, like CPAs.

"For those new to that process, it can be intimidating," he said. "They made it easy. They made it understandable, put things in layman's terms."

Bridgeway Capital isn't a traditional bank. It's what's known as a community development financial institution — a private, nonprofit company that provides affordable loans to low-income, low-wealth and other disadvantaged people who want to be part of the local economy. It opened its Erie office in 2012.

It has so far issued 76 loans of \$12 million to Erie County start-ups and small businesses. Those loans, according to Bridgeway Capital, have resulted in 41 jobs either being created or retained. Seventeen loans of \$1.2 million total have been issued to black business owners, while 30 loans totaling \$2.9 million have been issued to businesses owned by women.

Founder and President Mark Peterson formed Bridgeway Capital in the early 1990s on the South Side of Pittsburgh.

He wanted to transform the city by revitalizing homes and assisting homebuyers, so he created the Community Loan Fund of Southwestern Pennsylvania, according to a 2010 Pittsburgh Post-Gazette profile. The fund received its first infusion of investment from two orders of

nuns, three rabbis, the Catholic dioceses of Pittsburgh and Greensburg and several Protestant denominations, according to the Post-Gazette profile and a recent Erie Times-News interview with Peterson and other Bridgeway Capital officers.

"Our mission is to put capital to work, to create a region that thrives for everyone, and we've been at this since 1990," Peterson said. "We started and we grew out of a number of religious institutions at a regional level — dioceses and Protestant organizations, and organizations of nuns and brothers who were interested in finding a response by their institutions to all of the economic damage that had happened in Pittsburgh and manufacturing communities everywhere. They looked at other community development financial institutions — there were about 30 of us around the country at the time — and decided to put up some capital to create one in Pittsburgh."

Today, there are more than 1,000 certified CDFIs in the United States. Bridgeway, which operates in 15 counties in western Pennsylvania, has assets, liabilities and capital of about \$100 million. Its average net loss rate is less than 1 percent.

Bridgeway Capital expanded to Erie because Peterson saw parallels with it and Pittsburgh, namely areas of economic distress from years of manufacturing job losses, and also because of a "new spirit and energy" that he believes exists here.

Many of the loans it has given in Erie County have been issued in partnership with the Erie County Gaming Revenue Authority, which controls about half of Erie County's tax revenue from Presque Isle Downs & Casino in Summit Township. ECGRA has invested \$3.9 million into Bridgeway Capital, which in turn has committed more than \$8.9 million to

businesses in Erie County.

"There's this ongoing, evolving discussion in our community about how economic and community development is going to happen and more importantly how it's going to get paid for," Perry Wood, executive director of ECGRA, said. "The CDFI is really important to that general equation. In fact, you could say it is their main purpose of existence."

Wood added, "This is the type of vehicle we need" to achieve the goals in multi-year comprehensive plans like *Emergence 2040* and *Erie Refocused*. The old way of solving community problems with "a large government grant" doesn't work anymore, he added. "You need private-sector capital along with public-sector funds to solve a lot of these problems," Wood said.

In March 2015, ECGRA and Bridgeway Capital created the Urban Enterprise Fund, a program for disadvantaged entrepreneurs like Hekelberg that also offered technical assistance. The loans were targeted for investment in census tracts where poverty rates are high. ECGRA and Bridgeway Capital were to invest \$100,000 each in the Urban Enterprise Fund, but Bridgeway has put up slightly more, \$103,520.

Eight businesses received loans. Only one of them, AMIC Child Care, which received \$15,000, is no longer operating.

The Urban Enterprise Fund was the catalyst for another partnership between the public and private entities, the

Minority-Owned Business Accelerator, which was unveiled late in 2018. Each entity will put up \$300,000 to a minimum of 18 businesses that are owned by black, Asian, Hispanic or female residents. Loan recipients will be put through an 18-month accelerator program, use a business planning and revenue projection platform known as Growth Wheel and undergo a 20-point business review. Loans will be issued for three-year terms.

In January 2016, ECGRA and Bridgeway Capital created the Erie Growth Fund. Sixty percent of these loans have to be invested in distressed areas. ECGRA put up \$1 million. Bridgeway Capital put up \$6.09 million — \$2 million more than what it had initially dedicated. All but one of the 26 businesses that received loans is still in operation.

The biggest loan was a \$2.3 million investment into Grissold Enterprises for the renovation of the former U.S. Post Office building, a 32,000-square-foot complex in Grissold Plaza. Erie attorney Andrew Sisim bought the building from the U.S. Postal Service for \$900,000 in 2010 and then leased it back to the Post Service until it moved to the Mercantile Building at 1401 State St. in April 2012.

Other businesses that have received loans from the Erie Growth Fund include Ember & Forge, a downtown coffee shop; FW Millworks, a custom millwork fabrication shop; Handled With Care Childcare; and Hoffman United, a development, construction and property management company that buys and repairs blighted and distressed properties in Erie.

The same way the Urban Enterprise evolved into the new Minority-Owned Business Accelerator, the Erie Growth Fund has spawned the Erie Inclusive Fund. ECGRA and Bridgeway Capital are putting

up \$2.5 million each for the Erie Inclusive Fund, half of which will be dedicated to minority-owned businesses.

In Erie County, Bridgeway Capital receives investments not only from ECGRA but also from traditional banks, including Erie Bank, Marquette Savings Bank, PNC Bank and Key Bank. Though many of the people who receive loans from Bridgeway Capital are unable to secure financing through such banks, those institutions are still required by the Community Reinvestment Act of 1977 to work to meet the needs of people and businesses in low- to moderate-income areas. Peterson said traditional banks can meet that federal requirement, but with less risk than lending directly to a borrower, by investing in a CDFI like Bridgeway Capital.

ECGRA's reasons for investing in Bridgeway Capital are grounded in similar principles.

"We could have done this ourselves," Wood said about infusing money into entrepreneurs and start-ups that could positively impact distressed areas of the county, "but that would have required us to set up the infrastructure." Analyzing business plans, determining someone's creditworthiness and, in general, assessing risk weren't tasks ECGRA wanted to take on because they would come with financial and reputational risks of their own for the authority.

"It's a better risk for us to go with a proven entity than to start something on our own," Wood said.

And that's where ECGRA's role in its relationship with Bridgeway Capital ends. Neither Wood nor any other authority employee or board member has any say in who receives loans — they just have to be made to businesses operating in Erie County.

"We purposefully insulated ourselves to depoliticize the process," Wood said.

James Jackson, director of Bridgeway Capital's Erie office, knows the neighborhoods in Erie where banks have shuttered operations.

"Whether it's the East Avenue corridor, where there once was a National City and now there's a vacant building, or it's the parking lot of the Walmart on the east side, banks have historically disinvested," Jackson said. "That's not a poke at them. They have a call by their shareholders to focus on bottom-line revenues and immediate growth."

Those same areas are where the nonprofit makes its investments.

Jackson said Bridgeway Capital scrutinizes loan applicants the way any other bank would, but that it has broader lending discretion.

"I affectionately tell folks that we're not here simply to give you a loan and look for our payment to come in every month," he said. "We're not going to pat you on the shoulder and say, 'Have at it.' We're really in this to be a strategic partner for your success because without their successful you don't have success. And that's not simply from a form of payment. One of our largest forms of repayment is the social capital, the goodwill that comes in, the outcomes that are important to the community."

Matthew Rink can be reached at 870-1884 or by email. Follow him on Twitter at www.twitter.com/ETTrink.



VIEWPOINT

OUR VIEW

Bridgeway loans fuel inclusion

The issue: Bridgeway, ECGRA investments
Our view: Partnership boosts new opportunities

Emergency aid for basic needs alone won't reverse Erie's corrosive poverty rates. Barriers must be cleared and opportunity opened for poor and marginalized people to help grow the local economy.

In an ideal world, winning a start-up loan would simply require a great idea and will to work. But as entrepreneur Donald Heidelberg learned, it is not that simple.

Heidelberg, a laid-off CNC machine operator, wanted a small bank loan to cover expenses until his barbering business turned a profit. But lenders said he lacked the credit history and business experience needed to qualify, as reporter Matthew Rink detailed. Heidelberg required a special bridge to enter the stream of Erie commerce and that is what Bridgeway Capital offered.

As Rink reported, since 2012, Pittsburgh-based Bridgeway has made 76 loans totaling \$12 million to Erie County entrepreneurs like Heidelberg. He used a \$15,000 loan from Bridgeway's Urban Enterprise Fund to open his Dapper Don's Styling Lounge in a vacant storefront at West 26th and Peach streets and Bridgeway provided him technical support from experts who helped ensure his success. Now, his shop is helping to power a funky renewed business district around the once-forsaken intersection.

Unlike traditional banks, which must deliver profits to shareholders, Bridgeway, as a nonprofit community development financial institution, exists to "put capital to work, to create a region that thrives for everyone," as Mark Peterson, founder and president said. Religious organizations helped establish Bridgeway in 1990. It also draws support from banks who can meet legal mandates to serve those in low-to-moderate income areas by investing in Bridgeway.

Since 2015, Bridgeway has been partnering with the Erie County Gaming Revenue Authority through various investments, starting with the Urban Enterprise Fund that helped Heidelberg, and most recently, the Erie Inclusive Fund. In all, ECGRA has invested \$3.9 million into Bridgeway, which in turn has invested \$8.9 million into Erie County businesses and also opened an office here. Perry Wood, ECGRA executive director, said public grants alone are not enough to help the region pay for the expensive prescriptions laid out in plans like Erie Refocused. Pairing ECGRA funds with Bridgeway's private-sector capital is the "type of vehicle we need," he said.

The ECGRA-Bridgeway partnership's track record makes a strong case for that point of view.

The partnership creates an independent, effective mechanism to deploy ECGRA's resources to confront some of the region's most intractable problems. The financing delivers deeply personal, consequential results for families like Heidelberg's. Collectively, Bridgeway loans made in Erie County with and without ECGRA funds — including 17 worth \$1.2 million to black entrepreneurs and 30 worth \$2.9 million to women-owned enterprises — carry the power to seed a new economy in which all can participate and thrive.

Erie Times-News | GoErie.com | Tuesday, January 15, 2019

YOUR VIEW

PACA is expanding, thanks to all those who helped

PACA — the Performing Arts Collective Alliance, a 501(c)(3) theater and performing arts center at 1505 State St. — is on the verge of major growth. Soon, new historically accurate windows will be installed on our building's façade. We are expanding our fourth floor to include additional art studios and an archery range.

We could not have reached our goals without the support of the Erie County Gaming Revenue Authority, the Erie Community Foundation, the Erie Redevelopment Authority, Erie Insurance, and Erie Arts & Culture. These groups make progress happen.

We want to thank Darrell Fisher and Chase Raymond of Local 12 SMWIA, who donated their expertise. Darrell's 12-year-old grandson, Daryl Corman, gave up a Sunday to spend time with his Grampy. Norman Bartlett of Scobell Co. donated needed materials. The building trades are Erie's backbone.

Our architects, Roth Marz Partnership, worked closely with Building Inspection Underwriters and city of Erie inspectors to assure code requirements are satisfied. Foulkrod & Associates' accounting services keep us on the straight and narrow.

PACA will continue to bring quality theater, music and art to the Erie community. We will hire local labor. We will continue to pay 100 percent of our real estate taxes. We thank those above, and the general public, for their tireless support.

Mark Tanenbaum, artistic director, Erie





Jordan Schrecongost/The Corry Journal
The city of Corry's downtown area, nearby neighborhoods and Mead Park could qualify for a National Register of Historic Places designation according to a recently completed survey. Shown above is Corry's latest historical marker in a downtown corridor on North Center Street.

City of Corry historical building survey recommends National Register eligibility

From staff reports

A recently completed survey of Corry's downtown and adjacent neighborhoods and Mead Park, suggests both areas of the city would qualify for inclusion in the National Register of Historic Places.

Impact Corry, the nonprofit organization that initiated the intensive level historic survey, intends to seek that federal National Register designation this year.

"It's one thing to call yourself historic, and another to obtain the National Register designation that's essentially the gold seal of historic approval," said Steve Bishop,

a former Impact Corry board member who oversaw the project. "Obtaining the National Register designation would confirm Corry's historic story, while providing a platform for the community to preserve and capitalize on that historic significance."

Impact Corry secured a \$12,000 grant from the Pennsylvania Historical & Museum Commission's Keystone Preservation program, and matched it with funds from the Erie County Gaming Revenue Authority and the Arlene H. Smith Charitable Foundation.

With \$23,500 in funding, Impact Corry hired Markosky

Engineering of Ligonier, Pa., to conduct the survey. The process included recommending the boundaries on a downtown historic district, and issuing recommendations as to whether it believes Mead Park and the downtown and adjacent neighborhoods are eligible for the National Register.

That eligibility recommendation takes into account the remaining integrity of physical structures and buildings, as well as the community's history - particularly as it relates to Corry's role surrounding the discovery of oil in nearby Titusville in 1859.

See Historical, P.3

Historical

(Continued from front page)

other buildings, though we typically don't get too picky about altered storefronts if the upper stories still convey the building's historic appearance."

Markosky's entire report is now available on Impact Corry's website, at corrypa.com. The report includes a satellite-image map of the proposed downtown district and an Excel spreadsheet of the 272 downtown properties that were surveyed.

That spreadsheet itemizes each house or commercial property, including its address, tax parcel number, historic and current name (if any), year it was constructed, architectural style, historic and current uses, a photograph, and whether it is considered historically contributing or non-contributing.

The report also includes two Historic Resource Survey Forms (HRSF), which are essentially the end product from the survey initiative. The HRSFs provide a narrative of its historic fabric

Corry, and Mead Park's history, why Ricketts and Williams consider them historic by National Register standards, and additional photographs.

"This survey also serves as an historic baseline for future planning and preservation, by providing the community with a very detailed survey of where it stood in 2018," Bishop added.

Ricketts said in regards to the 82.6-acre downtown district that "integrity was the biggest consideration in determining the final recommended boundary." She noted the former Downer Oil Works refinery property (later Ajax and now owned by Corry Forge) was not included because nothing of the refinery remains to relate the site to Corry's history.

those 24 resources, 19 were built within the 46-acre park's "period of significance" between 1940 and 1967, and are considered "contributing."

"Mead Park retains integrity despite the introduction of newer structures and facilities," the HRSF reads. "Integrity of materials and workmanship has been maintained as the historic-era lodges and pavilions in the park have undergone few, if any, alterations."

Markosky will now submit the reports to the State Historic Preservation Office (SHPO), for that office's agreement that the recommendations of National Register eligibility make sense. That will be the jumping-off point for Impact Corry to seek additional

KeyStone Preservation funding this spring to seek the actual National Register designation. If awarded a second Keystone Preservation grant, Impact Corry will need to secure local matching funds to undertake the application.

"There are many reasons just how special Corry designation is for the community and proud of that historic in a community's cap," Johnson added.

Bishop said. "It's a high and not easy to achieve. Once you have it, you add it to your tool to promote and appreciate what you have."

Bishop added that a full National Register designation, if achieved, does place any restrictions on building use by owners. Impact Corry board member Mami Johnson, of East Smith Street home the proposed National Register district, will initiate the process to seek the National Register designation.

"This second phase more involved and include more in-depth history and property descriptions," said Johnson. "I'd like to see what Markosky presented in the first phase of historic survey was fascinating and I am looking forward to expanding on knowledge."

"Obtaining the historic designation is vitally important for the long-term preservation of Corry's historic buildings to really show just how special Corry designation is for the community and proud of that historic in a community's cap," Johnson added.



Erie Times-News

Friday, February 15, 2019

Serving our readers since 1888

 @GoErie

HOW IT WORKS

Gaming funds 'critical'



Four-year-old Brianna Sallie, right, uses a color-coded system on an education cart to make music at the Experience Children's Museum in Erie on Tuesday. Vika Gryshakova, 30, watches with her son Leo Gryshakov, 11 months, background. The museum used ECGRA funds to provide the cart. [GREG WOHLFORD/ERIE TIMES-NEWS]

Nine nonprofits awarded total of \$5.1 million since 2011

By Matthew Rink
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The Erie Zoo opens its door for free for two hours each Sunday.

The Erie Philharmonic offers free youth concerts to thousands of area students.

And the Flagship Niagara League brought the Lettie G. Howard schooner to Presque Isle Bay.

Those offerings are possible because of casino gaming revenue. Since 2011, the Erie

See ECGRA, A6



In this 2016 file photo, Daniel Meyer conducts the Erie Philharmonic during the Come Home for the Holidays concert at the Warner Theatre. The Erie Philharmonic uses ECGRA funds to provide free concerts for school children. [JACK HANRAHAN/ERIE TIMES-NEWS]



ECGRA

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County Gaming Revenue Authority has awarded a total of \$5.1 million to nine of the county's leading cultural, heritage and entertainment-based nonprofits.

Officials from some of those nine agencies say that the funding is crucial to their ability to reach different segments of the population, attract tourists, maintain and expand programs and address various capital needs.

"We take our role as one of the lead assets of Erie County seriously and make decisions that will drive more people and attention to this beautiful place we live," Capt. William Sabatini, the Flagship Niagara League's executive director and fleet captain, said in a statement. "The funding we receive from ECGRA is critical to how the Flagship Niagara League makes new programs like Lettle G. Howard possible."

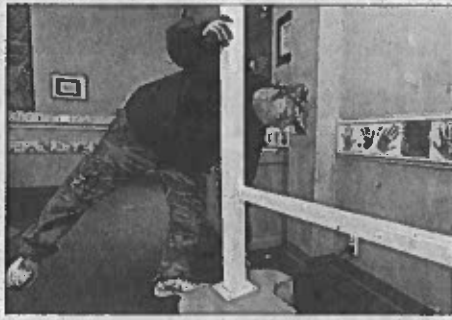
The other lead-asset organizations are the Erie Art Museum (\$658,348 since 2011), Erie Arts & Culture (\$486,165), the Erie County Historical Society (\$291,360), the Erie Playhouse (\$615,094), the ExpERIENCE Children's Museum (\$206,573), and the Mercyhurst Institute for Arts & Culture (\$380,214).

ECGRA has defined lead assets as local organizations that are arts, cultural or entertainment based; provide year-round programming that attracts annual attendance of at least 13,000; have more than 10 years of history in the community; and have a significant impact on tourism, quality of life and business attraction.

Here are some of the ways the funds have been used:

- The Flagship Niagara League brought the Lettle G. Howard to Erie with the \$52,519 it received in 2018. Approximately 6,000 people went sailing on the schooner, including half of the fifth-graders in the city of Erie and tourists from Cleveland, Pittsburgh and Buffalo, who also drove up admission numbers at the Erie Maritime Museum. Sabatini said the schooner's presence is what the county needs to attract more tourists and residents to Erie's bayfront. It has received \$369,751 since 2011.

- The ExpERIENCE Children's Museum employs a part-time maintenance worker to maintain and repair its interactive exhibits. It opens its doors for free during Celebrate Erie, welcoming about 2,500 people during the three-day stretch. It also launched



Dan Stubenhofer, 63, takes apart an exhibit at the Experience Children's Museum in Erie on Tuesday. His position is funded by an ECGRA grant. (GREG WOHLFORD/ERIE TIMES-NEWS)



Eva, one of two new lionesses at the Erie Zoo, explores her new home during the zoo's unveiling of its new \$700,000 lion exhibit on May 11, 2018. The zoo uses ECGRA funds to provide free Sunday admissions. (LACK HANRAHAN/ERIE TIMES-NEWS)

engagement carts, which are experiments put on by educators on the museum floor that bring exhibits to life.

- The Erie Playhouse has used its funding for its overall annual budget. Productions such as "Snow White and The Prince" and "Matilda," which are being put on this year, make up 70 percent, or about \$840,000, of the Playhouse's \$1.2 million annual budget.

The money has been "incredibly critical" to the Playhouse, said Kate Neubert-Lechner, executive director.

- The Erie Philharmonic started a free youth concert, later adding two additional shows. The Philharmonic creates a curriculum that accompanies the concerts and which school districts receive before performances. It has received \$616,557 from ECGRA since 2011.

"When I took over four years ago we really decided to hone in more on the educational outreach programs we were doing," the Philharmonic's Steve Weiser said. "We added a youth concert. We did bigger programming for the youth concert and we made them free. We shifted almost all of (the ECGRA funding) at that point to our outreach programs."

- The Erie Zoo uses the money to stay open later on Wednesdays in July to accommodate working families, to buy veterinary supplies and to address

ECGRA Lead Assets Program, 2011-2018

Erie Zoo: \$1,489,050
 Erie Art Museum: \$658,348
 Erie Philharmonic: \$616,557
 Erie Playhouse: \$615,094
 Erie Arts & Culture: \$486,165
 Mercyhurst Institute for Arts & Culture: \$380,214
 Flagship Niagara League: \$369,752
 Erie County Historical Society: \$291,360
 ExpERIENCE Children's Museum: \$206,573
 Total: \$5,113,114
 Endowment: \$12,393,024
 • See more photos of nonprofits that use ECGRA funds: www.GoErie.com/Photos

personnel and other overhead expenses. It provides grants to arts and cultural organizations and individual artists; supports artists' educational residencies and public art commissions; promotes more than 600 events annually; operates a downtown cultural loop/park-and-ride service; and administers state grants that, in the 2016-2017 fiscal year, served 2,950 students and community members.

- The Erie County Historical Society also uses the funding to cover personnel. It has seven full-time and six part-time employees. Executive Director George Deutsch said the Historical Society could use another five full-time employees given its workload. Its annual disbursement covers the pay for one part-time position and a portion of another, he said.

- Mercyhurst Institute for Arts & Culture has used its share of Lead Assets funding for performing arts programs at venues like the Mary D'Angelo Performing Arts Center, according to ECGRA documents.

ECGRA was formed in February 2008 to invest half of Erie County's share of gaming revenue from Presque Isle Downs & Casino back into the community. A now-defunct panel known at the time as the Erie County Gaming Revenue Committee determined that key community assets should receive a portion of gaming revenue to support their operations.

ECGRA modeled its Lead Assets program after the Allegheny Regional Asset District, which encompasses all of Allegheny County, including the city of Pittsburgh, ECGRA Executive Director Perry Wood said. The district was formed by the state legislature in December 1993 and is funded by half of the revenue from a 1 percent sales tax that was levied by the county in March 1994. A majority of its funding is directed to the Pittsburgh Zoo, PPG Aquarium, the National Aviary, Carnegie Museums of Pittsburgh and county and

city parks and libraries.

Unlike many of the grants that ECGRA makes, the Lead Assets program has few strings attached. It can be used for operating expenses, like personnel, equipment and technology purchases, and capital improvement projects.

"The best thing that's been helpful about the funding is that it comes in as kind of unrestricted operational funds," Weiser, of the Erie Philharmonic, said.

Patrick Fisher, executive director of Erie Arts & Culture, said his agency cannot recycle the funds into its own grant program or use it for its arts-in-education initiatives. Instead, the money helps cover overhead expenses, allowing Fisher and his staff to focus more on their mission.

"Receiving annually designated funds from ECGRA relieves some of the burden and fatigue of annual fundraising," he said.

ECGRA made its first investment in the nine nonprofit agencies in 2011. A year later, it invested \$5.4 million for the creation of an endowment fund that is held in trust at the Erie Community Foundation.

In 2016, ECGRA started drawing from the interest earned on the endowment to make grants. Grants were made strictly from interest income from the endowment in 2017 and 2018, which led to a decrease in funding. About \$454,000 was distributed in 2017 and 2018. The amount averaged about \$646,000 in previous years.

The endowment has "created long-term sustainability" for the nine anchor organizations, Wood said. Payouts are based on a percentage of each organization's annual budget.

Agencies have more certainty and are able to make long-term budget decisions now that the program is being funded from the endowment, Ainslie Brosig, director of the ExpERIENCE Children's Museum, said.

"When we first started getting the funding ... it wasn't always a definite amount," Brosig said. "Now that we're working off the endowment it is a definite amount so we can count on it."

The endowment had grown to \$12,393,024 by the end of 2018.

"These lead assets are well established in the community," Wood said. "They are unique to what it means to be a resident of Erie County, that you have regular access to things like a zoo, to a historical society, to a playhouse."

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'We think it's time'

Erie-area nonprofits back revitalization, entrepreneurship

By John Guerrero
Contributing writer

The Erie Community Foundation has received about 25 "big idea" white papers.

One or more of those proposals — which must attract partners and provide significant matching dollars — will move from ideas on paper to concrete projects that would be another step toward reinventing Erie.

For that project, the 83-year-old Community Foundation is taking \$15 million in new gifts and endowment income as part of a plan to provide \$30 million over the next five years to help transform the local economy, Erie's downtown and its neighborhoods.

Putting new gifts right into use is a funding departure for the foundation, which traditionally awarded grants from the money earned on its \$250 million endowment without touching the principal.

But these aren't ordinary times for Erie, the private sector and other nonprofits as the community seizes the momentum toward economic renewal.

"We've transitioned from a reactive grant maker to now one that is swinging for the fences. We think it's time. Our community needs this. If we keep doing the same thing over and over again, we're not going to make a real change," said Mike Batchelor, foundation president, who added his group hopes to make one of those grant awards this year.

"And donors are supporting this work. We've dipped our toe into this kind of work over the last six or seven years and had some success. It's time to ramp it up and put it on steroids," he said.



Batchelor

In addition to the \$15 million for transformational projects, the Community Foundation is using principal from the endowment — another departure from past practice — to provide up to \$10 million in mission-related investments to improve Erie (for projects not easily financed in the conventional marketplace); and doubled its budget for nonprofits from \$500,000 to \$1 million (for a total of \$5 million over five years) with endowment income.

The Community Foundation isn't alone among nonprofits making a big splash.

The United Way of Erie County sharpened its focus, putting money into breaking the cycle of poverty. Its current fiscal-year funding — one that will continue in the foreseeable future — puts \$3.2 million toward student success from birth, and emphasizes family stability. Bill Jackson, the United Way's president and chief professional officer, said the agency wants to "crush poverty."

The United Way is investing \$1.5 million into its community schools model, which includes indirect investments to nonprofits that will provide services in United Way's community schools: Strong Vincent and East middle schools; Edison, McKinley,



Perry Wood, at podium, executive director of the Erie County Gaming Revenue Authority, announces more than \$800,000 in annual grants to more than 40 local nonprofits in November. From left are: State Sen. Dan Laughlin, of Millcreek, R-49th Dist.; Wood; County Councilman Carl Anderson; Erie County Executive Kathy Dahlkemper; and Mike Paris, chairman of ECGRA. (CHRISTOPHER MILLETTE FILE PHOTO/ERIE TIMES-NEWS)

and Pfeiffer-Burleigh elementary schools (with Diehl Elementary soon to join); Iroquois Elementary School; and Elk Valley Elementary School.

The United Way is also funding these annual programs: another \$300,000 into its Imagination Library, which provides free books to any child under age 5; \$223,000 for the tax-assistance program Erie Free Taxes; and \$114,000 into its 2-1-1 call center that offers help for daily needs and crisis situations.

"We see exciting things happening in our community in terms of economic development. But if we don't have a home-grown, educated, motivated workforce, it will be all for naught," Jackson said, stressing the importance of education initiatives.

The Erie County Gaming Revenue Authority hasn't changed its mission to invest in economic and community development programs — a total of \$55.8 million since 2008. But the authority, which receives about \$4.5 million annually in slots revenue from Presque Isle Downs & Casino,

ramped things up in 2018 with new programs to respond to the Erie Refocused and Emerge 2040 plans and its own strategic plan, said Perry Wood, the agency's executive director.

ECGRA is contributing \$2.5 million for a low-interest loan fund that will be matched dollar-for-dollar by Pittsburgh-based Bridgeway Capital, a not-for-profit lender. The \$5 million in loans, called the Erie Inclusive Fund, will be made in Erie County over the next three years for distressed neighborhoods to create jobs and revitalize those areas, Wood said. Half of the total will be invested in minority-owned businesses.

This is the second fund for ECGRA and Bridgeway. The authority put \$1 million into what's called the Erie Growth Fund, which Bridgeway matched with \$6 million, Wood said. Already, 26 businesses have received loans through the Growth Fund, he said.

ECGRA also invested \$1 million in five innovation spaces where faculty and students can help entrepreneurs to develop

ideas, Wood said. Those spaces are run by Gannon University, Mercyhurst University, Penn State Behrend, Edinboro University of Pennsylvania and the Idea Lab at the Blasco Library.

ECGRA also put \$400,000 into the Erie Innovation District; \$200,000 for the International Institute of Erie to fund immigrant-based businesses; and \$1.3 million into the Ben Franklin Technology Partners to help tech companies start and grow.

"I love this community and I want to see it thrive. And the revitalization process requires investment. The places that need investment are the distressed corridors and neighborhoods all across Erie County," Wood said.

Batchelor said that thanks to investments by Erie Insurance, UPMC, Allegheny Health Network, Scott Enterprises and others, Erie faces a unique moment in its history.

"People are investing in Erie and working together like never before, and it's philanthropy's job to be a part of that," he said.

