



MEETING OF THE BOARD OF DIRECTORS
VIA ZOOM/In Person
Knowledge Park; 5240 Knowledge Parkway; Erie, PA 16510
September 21, 2023

ZOOM Meeting Information:

Meeting ID: <https://us02web.zoom.us/j/84112588372>
Password: not required

AGENDA

1. CALL TO ORDER
2. ROLL CALL
3. APPROVAL OF AGENDA
4. APPROVAL OF MINUTES – August 2023
5. DIRECTOR’S COMMENTS
6. COMMENTS BY CHAIRMAN
7. PUBLIC COMMENT
8. PRESENTATION
 - a. Our West Bayfront – Anna Frantz
 - b. Erie United Methodist Alliance – Jessica Gray
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

- a. PMRS Advisory for 2024 Minimum Municipal Obligation

13. NEW BUSINESS

- a. Resolution Number 14, 2023 – Resolution to authorize engagement to perform an annual reconciliation with Erie County of gaming local share distributions
- b. Resolution Number 15, 2023 – Resolution to enter into agreement with twenty-two (22) Erie County Community Facilities as part of the Building a Better Future
- c. Resolution Number 16, 2023 – Resolution to authorize an agreement between the Erie County Gaming Revenue Authority, The Erie Regional Chamber and Growth Partnership, and the Fly Erie Fund for \$375,000 mission-related investment (MRI) grant

14. ADJOURNMENT

Next Regularly Scheduled Board Meeting of ECGRA

Date: Thursday, October 19, 2023
Time: 8:30 a.m. – BOARD Meeting
Location: 5240 Knowledge Parkway, Erie, PA 16510; Board Room
ZOOM meeting – details to follow



Erie County Gaming Revenue Authority

Minutes of the Board of Directors' Meeting

August 17, 2023

Meetings for the Board of Directors of ECGRA can begin meeting in a physical location per Governor Wolf's proclamation of June 11, 2021. However, each member and ex-officio has the option to attend in person or virtually. Members of the public can now speak at the physical location of 5240 Knowledge Parkway.

CALL TO ORDER

The Board of Directors' Meeting of the Erie County Gaming Revenue Authority was held on August 17, 2023 at 5240 Knowledge Parkway, Erie, PA 16510. Legal Notice of the meeting was given through an advertisement appearing in the Erie Times-News. The meeting was called to order by the Chair at 8:31 am.

ROLL CALL

Mr. Barney, Mr. Cleaver, Ms. Loll, Mr. Oberlander, and Mr. Winschel are present in person. Ms. Hess is present via zoom (enters meeting late). Mr. Spagel is present in person. Mr. Smith is present via zoom (enters meeting late). Mr. Wachter and Dr. Wood are present in person.

APPROVAL OF THE AGENDA

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

APPROVAL OF MINUTES – July 2023

Mr. Cleaver makes a motion to accept the minutes as presented. Mr. Oberlander seconds the motion. There is no discussion of the minutes. Motion carries 5-0.

DIRECTOR'S COMMENTS

Ms. Loll: I was looking at the Visa card and I don't understand the American Planning Association membership. What is it that they do for us?

Dr. Wood: The American Planning Association is a membership group if you have a Certification of Planning. Tom is a Certified Planner; that's one of the reasons we hired him. We maintain his membership with that association.

Mr. Winschel: Perry, is that annual, or every other year?

Dr. Wood: It's annual, that APA membership. There are also educational components to it.

Mr. Maggio: I would add that it gives us reduced conference fees and access to technical papers and studies and reports that are related to what we are doing.

COMMENTS BY THE CHAIR

Mr. Barney: I'd like to thank those who were able to attend the study session that we just had. I felt we accomplished a lot, and it was beneficial. Questions were asked and answered and it served its purpose. As well as the individual who emailed some questions in; we do have the answers for you.

Ms. Loll: I received what she typed up.

Mr. Barney: Okay. Other than that, everything's good.

PUBLIC COMMENT

There are no members of the public present, so there are no public comments at this time.

PRESENTATIONS

a. Infinite Erie – Kim Thomas

Dr. Wood: Just to tee it up real quick as we bring up Kim's Power Point. Of course, Infinite Erie is a collaboration of all the funders in Erie County who have come together in order to move us in the same direction. The product that we're using to guide us - it's not a plan but more of like an action with guideposts, and that is called the Erie Investment Playbook. This document was put together through countless numbers of stakeholder interviews and public meetings, and then we hired Kim to be the executive director. Kim has been in here before to talk about infinite Erie, so this is a great opportunity for an update.

This is also a way to tee up to what we're going to do in September, which is we're going to bring our board of directors together with the Erie Community Foundation board of directors. We're going to see some really important presentations from some of the top projects that are in the Infinite Erie Playbook, so we'll have a chance to review those and then work on some kind of funding scheme. We've always called this Transformational Grantmaking in the past, so we're very excited about that.

Kim, I'll let you take over.

Ms. Thomas: Perfect. Thank you. Good morning, everyone. Perry, thank you for having me. So, Perry teed it up really well; we have been in here before to provide updates for you. I want to

thank you all again for your support of the work that Infinite Erie is doing because from day one, even prior to the launch of Infinite Erie, with the creation of the Investment Playbook with Bruce Katz and New Localism Associates, ECGRA has been at the table and has been interested in ensuring that this collaborative work is happening throughout Erie County.

So just as a reminder, this is what we do. Infinite Erie, the Investment Playbook, is not another plan. Instead, there have been lots of plans created as you can see right here, and it is our job to coordinate inclusive growth strategies to put these plans into action. We know that a lot of great ideas, a lot of community engagement, a lot of work has happened around the creation of these strategic planning documents that are happening throughout Erie County. They are the city's downtown streetscape plan, it's the neighborhood strategic plans that are coming together, Millcreek's plan; plans throughout Erie County, Erie Refocused, and the city. So, what we're doing now is working with the project sponsors that have projects and transformational opportunities identified within these strategic plans for Community and Economic Development growth to ensure that those plans are implemented.

So how are we doing that? Again, putting plans into action. We've been working over the past probably six or so months with Altair Consulting Services to really put together the impact framework for Infinite Erie. What is it exactly that we should be focused on in order to move these strategic plans forward? We say that infinite Erie supports inclusive growth strategies, we support putting these plans into action at every stage of the project development pipeline. That pipeline, you'll see at the top, it's the discovery and the problem solving, the actual project development, then securing the investment, and finally implementation.

So, what we're doing is we have this Investment Playbook where there are a couple handfuls of actual investment-ready projects. They've gone through the strategic planning process, they've done community engagement initiatives and community engagement work; they are ready for investment. They've already seen some state investment, they've seen some local investment. How can we help them identify other funding opportunities, working with local funders in a collaborative nature and also at the state and federal levels to get those projects over the finish line?

In addition to that, there are a lot of projects that are at various stages of this project development process. So, we are working with practitioners, we're working with the eCATs of the world, we're working with the neighborhood associations, we're working with Impact Corry and others throughout Erie County who are coming to the table with their colleagues who work in these focus areas day in and day out. They are having conversations around what are our challenges, what are our collaborative opportunities, and they are identifying transformational projects coming out of those conversations.

One of those as an example, with Daria here, it's easy to use it as an example, we had a group of neighborhood revitalization organizations, essentially a housing delivery team, if you will, and these practitioners are sitting around the table and they're saying it's great if we're able to bring, you know, 10s of millions of dollars into our community to do affordable housing, to do redevelopment, revitalization. We cannot find the contractors, the construction workers, specifically minority contractors and construction workers. So again, to bring in the millions of dollars, we don't have anyone to actually physically do the work. So, what was born out of that conversation was an idea of a pilot construction trades training program that would be run by eCAT with minority contractors and the like. So that's just an example of how this is working; the collaborative nature.

At the grassroots level, you have the practitioners coming together, identifying those opportunities for growth. Then as the project continues to move forward, another example with the Burton school redevelopment, we want to make sure that projects are not stalled for any reason whatsoever. If they've been identified as a legitimate transformational opportunity, we

want to ensure that the organizations have the experience, the capacity, the technical wherewithal to move throughout this project development pipeline. So the Burton school redevelopment; there's an auction on the property. Okay, we need to do a feasibility study to ensure that this is actually a project that can continue to move forward and is what this community needs. Okay, we need \$15,000 to do that. So we have the funders at the table who are able to empower the work of these organizations. The Community Foundation and Hamot Health Foundation come together and provide those resources of \$15,000 to ensure that these projects are not stalled along the way. So now that feasibility study is happening and that project is moving along.

Once the project gets through that technical assistance phase, gets through the community engagement, the feasibility studies, the engineering, has an actual plan for redevelopment or a plan for action, that's when they become investment ready, when they've gone through all of those steps. But that is the stage where a lot of our organizations and a lot of our project sponsors get bogged down. You know, we're working with nonprofit organizations in small urban underserved communities and rural communities where they do great work, and it's not to their own fault. But they just maybe don't have the financial resources, or the experience, or that technical expertise to know that you can't just say, "Hey, I want to do this" and someone's going to invest millions of dollars and, "Okay, go rehab this historic building into what you think the community needs." There are lots of pieces that have to come together in order to get funders as you know, such as yourselves, comfortable with investing in a project, specifically around revitalization.

Dr. Wood: Let me just throw in there real quick for the Board to wrap their mind around this for a second. Your staff does this on a regular basis. It's basically this type of process in order to determine where a project is at in the pipeline, getting it to the point where it is shovel ready. This Infinite Erie is an opportunity for all of the funders to do this collectively as a whole, and then potentially look at aligning resources on the bigger ticket items that can have a bigger transformational effect. And so some of the examples like we're going to see when we meet with Erie Community Foundation board are large real estate projects, or multi-municipal planning and implementation efforts like the Erie County Mainstreet program, or like the Burton school program, or like the land trust concept for neighborhood renewal.

So, it's very exciting stuff and the alignment, I mean this has literally taken 20 to 30 years to get to a point where we can get all these funders together in the same room with a similar process. And while we all have different boards, true collaboration at the end of the day is aligning resources where it makes sense to have it.

Ms. Thomas: Exactly, and that's what we're seeing happen. If these are identified as priority projects amongst the funders, amongst the public, the private, the civic sector entities, then, if you're going to be funding one of these projects, and Erie Community Foundation is going to be funding one of these projects, why not think about what it's going to take to implement this entire system-wide change? You've got neighborhoods and main streets and growth throughout Erie County; what is that price tag? And that's what we're trying to determine.

Dr. Wood: How can we use local funds to leverage state and federal funds?

Ms. Thomas: Exactly. As soon as we see that locally there are funders that are willing to invest significant resources into what they've identified as transformational projects, that's when the state steps in and says, "Okay, Erie, we're in too" and then that's when the federal government steps in and says, "We want to be part of that too."

Mr. Wachter: If I can give just two examples. When I launched the Flagship Opportunity Zone Development Company in Erie, and it became a national model for how each municipality should leverage federal Opportunities Zones, we had a significant number of projects that were coming forward, but none of them were investment-ready, other than the EDDC. Ninety-five percent of them were not investment-ready because we have a significant amount of really good community developers, we have a significant amount of people that are well intentioned and have good visions for what it is that they would like to do, but they did not have the technical expertise to put together a prospectus, to put together the profit and loss and the projections that were necessary in order to entice the investors, and so that stalled, while we had phenomenal success, that stalled vast majority of the projects.

Additionally, prior to that, and Kim you were involved with this, too, when we were first launching the Opportunity Zones, and we were working with the Chamber to put together the Road to the White House grant proposals as a request from various federal agencies to try to hone in on which were our priority projects to go to the federal government to get funding for, we had found the same thing where there was a significant amount of projects that we identified that could be eligible for funding but that there wasn't the proper level of expertise of people in Erie in order to implement the project. So that stalled a lot of the applications as well.

So, I love seeing you do this and put that together because it's solving a problem that was a roadblock for millions of dollars of additional development in Erie County.

Ms. Thomas: And it's still a roadblock and that's why we're working to ensure what is it going to take to get to securing investment? What is it going to take to make these projects competitive for the public resources? It takes the collaboration at the local level, it takes the collaborative local investment, it takes the expertise to get some of these organizations through that process to provide that technical assistance and to truly get them so that they are to a stage where when they go to the state or the federal government, those entities can see that this is an investment-ready project, it's supported at all levels throughout the community, and it is competitive in nature.

There's a lot on this slide, so I won't really dive too far into it, but this really goes to the work that we've been doing since we last all got together, in terms of putting together the impact framework and what the work truly looks like. And a lot of the work, most of the work, happens at that grassroots practitioner level. And that's what our delivery teams are; they're made up of the organizations that are doing this work, day in and day out. And what we're doing is we're identifying these buckets – so the industry clusters and infrastructure, inclusive entrepreneurship, neighborhoods and main streets, which you just saw some of the projects that actually fall under that bucket, and then place-based investments in the greater core. And we're ensuring that with all of the projects that fall into these various buckets, that there is some form of economic mobility, workforce development, sustainability, and inclusion tied in with that. So that goes to the point of the construction trades and training program, in that if we're going to launch a Community Land Trust, where we have to revitalize and rehab some of these residential properties, we need to have the construction workers and contractors trained in doing that work.

So what are those various pieces? We're thinking about how each of those - the workforce development piece, the sustainability, the equitable piece - how do those tie in with each of these projects? This just shows how we're thinking about the work and working to ensure that they are investment-ready projects, that they're ready to be competitive for public dollars, and that they're ready for local support.

This is just an example of the project summaries that we're working to put together for each of the projects that fall into these buckets. Again, with the pilot training and construction program, it provides the timeline for the project and we break it down even further into an actual chart that shows the progress of the projects. It provides the project needs statement where identifying if

there is an actual critical time sensitivity, which in this case there is in securing these funds to actually launch the program. It shows where in the project pipeline status the project is and where this project is right now is it needs to secure investment in order to be implemented. And then eventually you'll be able to see all the different pieces – the outputs, the outcomes, what is the full budget, what funding have they secured, what is needed? So, this just gives you a snapshot for each project on one sheet of paper that eventually we will have for all of the projects throughout the work that we're doing.

And that just brings it back to this and that we're here to support projects throughout the project development pipeline. If you have an organization that is well-off, it has significant financial resources, it has some of that community and economic development expertise that's needed, that's great. Then your project is probably investment-ready, and it's probably already seen local investment. But what can we do to help identify additional resources to get your project over the finish line? But I think the most important thing in this work that we're doing is working with those entities that don't have the wherewithal to get to that securing investment stage and thus to implementation. And it's going to take the collaborative nature of the local funders and the local entities in order to really springboard that to the state and federal level.

So we've been busy working on really focusing in on the work that we're doing and hoping to, at the end of the day, see more leveraged investment in our community and transformational projects actually being implemented than we ever have. So, again, thank you for all of your support. Look forward to continuing the discussions as this evolves, but looking forward to bringing the funders, the groups, the boards together and really identifying collaborative transformational opportunities. Any questions?

Dr. Wood: Thanks so much, Kim. We appreciate your time.

Let the record show that Ms. Hess has entered the meeting via Zoom.

b. eCAT – Daria Devlin

Dr. Wood: Up next is the Erie Center for Arts and Technology. Just a reminder that eCAT is an anchor facility; it is the old Wayne school building that was converted into an affiliate of the Manchester Grassroots Guild, which is a national model based in Pittsburgh. And they have these outreach centers all over the world now and Erie has flirted with having one of these centers for 20 plus years, so we finally got one. What's fascinating about the redevelopment of this building is that it's the region's first New Market Tax Credit project, a sophisticated financing tool that we've been looking at for a long time and quite frankly, the project needed to be big enough and it needed a team that could actually manage it. Daria has brought both of those together with this building. We're into this for what . . . ?

Ms. Devlin: We have a half million-dollar loan to you.

Dr. Wood: And we call that a Mission Related Investment. But we kicked it off with a \$100,000 grant through our Anchor Building program. I'll turn it over to you.

Ms. Devlin: Thank you. Good morning, everyone. I am Daria Devlin; I'm the executive director. I'm actually not here to talk to you today about the programs that Kim just mentioned; I'd be happy to come back another time and do that. But as Perry mentioned, eCAT does two things. We do youth arts programming, and we do adult career training, most recently involved with Infinite Erie and the expansion of our Construction Trades Program. I do want to just make a quick note – we

offer that Construction Trades Program at Erie High School. We do not have a training lab at eCAT; we just were not able to do that. So, we rent space from Erie High School and use the high school lab in the evening. So again, happy to come back and talk to you about that another time.

Dr. Wood: That was formerly called Tech After Hours, which was funded by ECGRA.

Ms. Devlin: We're connected to ECGRA all over the place. But what I'm here to talk with you about today, as Perry mentioned, in order to do the programming that we started, we did this full renovation of the old Wayne school building. It's at 6th and East Avenue, an 80,000 square foot building, as Perry mentioned, with the first New Market Tax Credit in Erie. We are now, by the way, helping Gary Horton with the Burton school project because we have the expertise. I would say it would have been nice for us to have an Infinite Erie at the time because we were out here just trying to get that done on our own. But now the Infinite Erie has come together, it's an opportunity for folks like us that have done this to come to the table and assist with the next. And so that's what we're doing, trying to pay it forward.

But because we did that renovation project at Wayne, it really got us thinking about what else was possible in the East Avenue neighborhood. And I don't know how many of you are familiar with the city of Erie and familiar with our neighborhoods, but I would argue that the further east side has been so disinvested over the years. This is a place that is ripe for investment. It's a neighborhood that needs it. And so after we did the Wayne school project, we said to ourselves, what else can we do? So we went forward and created an equity district; we call it the Wayne Health and Wealth Equity District. It's the neighborhood that surrounds Wayne school. And by the way, in addition to the loan you gave us for Wayne, you also helped us fund this plan. So that's why I'm here to give you an update today on what the plan did.

I'll kind of scroll through this and we'll come back to the executive summary, but this is actually the neighborhood that we are focused on here. Again, we are at 6th and East Avenue in the Wayne building, we took that as our anchor and we spread out from there. So the district that we are now talking about is from East 6th Street to East 12th Street from the Bayfront Parkway, which you can see on the left there, to Pennsylvania Avenue. It's really not a large parcel, but it is dense. There are a number of commercial and residential areas. It is manageable; we didn't feel like it was more than we could handle at the beginning. And it's an actual neighborhood that really exists for folks with a lot of history around it. So these are kind of the lines that we drew to say, "Okay, what can we make happen in this particular neighborhood?"

In order to do that we also contracted with Altair who is a wonderful management company and consulting group. They have folks with lots of different expertise at the table. We contracted with Altair, thanks to a grant from you, to help us develop a grassroots neighborhood plan. We did a great amount of public engagement. We went door to door, we had public meetings, we went to neighborhood watch meetings, we talked to the neighbors in a variety of different ways to say, "What do you love? And what could you kind of leave behind in this neighborhood? What do you see as the needs?" We also did a property condition survey – we have property assessment on every single property within that neighborhood that I just showed you. We can see the residential to see what level of improvement they need, and also the commercial properties along East Avenue.

And then we did a great amount of data collection, analysis, US Census, and kind of pulled together all the things and here's what we basically found about this neighborhood. There are about 1,000 households in the area that I showed you, about 2,700 residents or so. What's really interesting is that we found that this is a very young neighborhood. Many youth in this neighborhood, and that makes us think we really need to engage more with youth in youth programming and youth development. You might have seen recently in the news that there's a lot

of violence that's come up in this neighborhood. It wasn't one that had seen so much. We are now seeing shootings and Tom McCartney Park in the middle of the afternoon, we've had a number of incidents in the neighborhood during daylight hours. So, we really understand it's a young neighborhood, we need to engage the youth better. So that was certainly a key takeaway.

Another key takeaway here, and I'm not going to go through all the data, but we did find that despite the economic barriers, residents of this district actually have a higher rate of employment than they do in the rest of Erie County. So that might say to you, "Well, if they're already employed, why are you concerned?" But what it actually tells us is these are folks who are working and have the capacity to skill up. They are not people who are kind of sitting back and waiting for things to come. They're out there trying to make a living, but they're still seeing a higher poverty rate. So that tells us they need more assistance and they're willing to take it. And that was a key takeaway from some of the data work that we did.

And then again, about the property assessment that we did, we identified clusters. If you've gone down East Avenue, you might know this was a robust commercial corridor. When I was a kid I tell people we used to walk to Pio's all the time from where I grew up on the Lower East Side. Pio's is gone. Many of the buildings there, the commercial buildings, are not in use. There is potential here to purchase these buildings and create some kind of commercial corridor like there used to be. So, when we look at those vacant properties, we want to make sure we grab them.

And we heard a lot from our neighbors. One really interesting thing is we asked our neighbors, "Do you currently own a business?" Sixty-one percent said no, but 23% said they'd like to. So again, we're noticing it's a young neighborhood, and it's an entrepreneurial neighborhood. And that tells us that there's real potential here.

We came away with really some key insights I talked about already. One of the things we saw with homes, 17% of those residential parcels are in poor or unsound condition. That means homes that are falling into blight. And by the way, I sit on the Erie City Land Bank board, and what I see very often is when the Land Bank takes properties from the City of Erie and we put them out for redevelopment, we're seeing out of town landlords who are not connected to the city, who really don't care much about our neighborhoods, coming up and grabbing those properties. And that's something we need to stop because they are not then taking care of those properties, they fall into these unsound conditions, and it's hurting our residents. So we see this as an opportunity, instead, to get in there, grab some of those properties, rehab them with some of the programs Kim mentioned, and sell them back to our neighbors which just strengthens the neighborhood for everyone. So again, some other key takeaways there.

We really came up with three priority strategies out of this plan. Number one, we want to create pathways to whole homes. We want to either renovate existing properties that homeowners have, or we want to purchase properties that have fallen into blight, renovate them, and sell them back to the neighbors through homeownership programs. So really creating that pathway to whole homes so the residents are living in the neighborhood, taking care of their properties, and strengthening the neighborhood. That's priority number one.

Number two is we want to support entrepreneurship and economic mobility. As I mentioned, that commercial corridor is a ripe area for new businesses – new Americans who might want to start a new business. We at eCAT hosted a Bridgeway program for creative entrepreneurs. Some of those folks make things like soap and they make paper and they make art; they might want to create a small business on that East Avenue corridor. We want to grab the properties to provide space for them to do that, because it just strengthens the entire neighborhood. So supporting entrepreneurship and economic mobility.

Then finally, really reimagining this neighborhood. And this is about placemaking, this is about neighborhood development. For example, we've recently launched a farmers' market in this neighborhood. This neighborhood is a food desert; there is no fresh food in any of the area.

We've got a Dollar General right to our south, and that's about it for food in the neighborhood. You might be able to get a bag of potatoes at Country Fair, but beyond that there's nothing. So we've launched a small farmers' market that we run every week and it's a pay what you can. We get produce from local farmers and we hand it to the neighbors and they pay us what they can. So, little bits of neighborhood development, placemaking, potentially some art. There's a really interesting corridor right at the entrance of our neighborhood at 12th and East Avenue – big empty vacant lots. What would it look like there to have murals or to have public art so that again there's a sense of place for this community. So that's kind of our third priority strategy.

As we move forward, we have some phases and how we want to do this. You'll see we have a phase one for commercial and residential acquisition in the neighborhood that we discussed, and then a phase two. We know where we'd like to start, and then we know where we can build from there. And I would add, some people mentioned, "Why did you stop at Sixth Street? If you go down East Avenue, the Barber Center is right there. Why not hook up with the development that they've done?" We really want to do this well. Go deep, really think about what we can do before we start to expand out. There is certainly need; there's need to the north, there's definitely need to the east, but we really want to start here and do this very well.

So, we're going to use this plan to do acquisition. I'll be honest with you; we have not formulated the funding sources for this next phase. We want to do implementation, but acquisition of property does take funds. And so, we're working on building capital stacks for that now, but everything that we do will come from this plan that we developed with your help. So I'm happy to answer questions today and see if you have any ideas for us. But Perry asked for me to come back and let you know, and I hope you'll see, we're really excited about this. Again, when Kim mentions the plans that Infinite Erie is working from, you know, the Bayfront has a plan, and Our West Bayfront has a plan, and the Sisters of St. Joseph have a plan. This neighborhood didn't have one and now it does. So, thank you for that and I'm happy to answer any questions.

Mr. Cleaver: Are you involved at all on Parade Street?

Ms. Devlin: We are not involved on Parade Street. As you might know, there is another effort over there with the East Side Renaissance. We've talked to those folks about what would be interesting is meeting in the middle. We have a really hard line at the Bayfront Parkway, and again I like to remember back before the Bayfront that it wasn't that cut off. But now, it really is for walkers to walk across the Bayfront Parkway at 6th Street is really difficult. It's really a defining line. But as the East Side Renaissance gets up and running, if they continue to move east, we could cross the Parkway and move west and kind of meet in the middle. We also want to talk with them about making sure we're not duplicating efforts. They've talked about a grocery store; we've talked about a grocery store. I don't think you need one on Parade and on East Avenue. So, we're working with them to make sure that as they are up and running, we are complementing each other and not duplicating.

Mr. Cleaver: They may approve an Erie Bank on 10th and Parade, is that right?

Ms. Devlin: There is an Erie Bank going in on 10th and Parade.

Mr. Cleaver: There are no banks on East Avenue.

Ms. Devlin: There are none. There was one, right to the south. It's now a terribly dilapidated building. We'd really love to buy that property, to be honest with you. There's a Dollar General and then a vacant bank.

Mr. Barney: The immigrants that were running the grocery store, a bit small scale, are they still operating?

Ms. Devlin: There's a Syrian market on the west side of East Avenue. I'll be honest – we've gone over there and it's interesting. What I think needs to be done is we need to build the capacity of those small business owners. I don't think we're ever going to get a Wegmans to come down in that neighborhood, it's just not going to happen. But we could build the capacity of business owners like him; he's struggling. So, when we think about economic mobility, how can we boost him up to meet the needs of the neighbors so he can have a robust business? I think that's actually the avenue we need to take. He's still there, but he needs help.

Ms. Loll: You're talking about start-up businesses and that in that area. Do these people have the . . . will they come to purchase and buy? And you're talking about arts and stuff like that also?

Ms. Devlin: It's a number of things. There is really an interesting creative entrepreneurial community – again, people who do make things. I'm not an artist myself so I'm always amazed at the things that people can make and sell – earrings, soap, paper – I think there is some market for that. And will people come? I think that if we create a neighborhood, if we can work with – we've already talked to the City about wayfinding – if we could have signage so when people are flying down the Bayfront Connector to go north, they might think about turning off onto the East Avenue corridor to say, "There's a restaurant here. There's a small grocer. There are some interesting businesses." So, we need to do better, but I do think it's possible.

Ms. Loll: What are your priorities to make it safe so people will come?

Ms. Devlin: Lighting is important for us. That's something we've already talked to the city about is that we need to increase lighting. The more people that are out and about, the better neighbors feel; I think we'll get to that. But lighting and safety of course has to be a part of that. And signage and wayfinding as well.

Ms. Loll: Now going door to door, have you gotten people to clean up their own yards, I mean, just something they can do themselves?

Ms. Devlin: Yes. And we've also worked with the city efforts – there's an effort called Love Your Block that the city does that is really focused in this neighborhood and they do small home repairs so they have helped people fix a fence, do a little clean-up. ServErie has also come into the neighborhood, so we're working with partners to help do that as well. And others need more, and that's where we want to step in.

Ms. Loll: Thank you.

Mr. Spagel: You mentioned the old Pio's building; what's going on with that now?

Ms. Devlin: That was actually purchased by a real estate owner, Shawn Johnson. He and his wife Kenya, they are people of color; they actually got a loan from Bridgeway Capital to purchase that building. We are working with them through my efforts with the Hamot Health Foundation to put a neighborhood center there that would provide some health services to folks in the neighborhood. He owns that building now. He has apartments upstairs and the downstairs is vacant but fully renovated.

Mr. Spagel: And there are a number of churches in that area, in that neighborhood.

Ms. Devlin: Yes. St. Ann's, that's where the Neighborhood Watch Group is. Father Jerry Priscaro – some of you may recall Father Jerry from the viaduct conversation. He is still very active. It's interesting because that church is kind of one sect of the population; we're also working with Wayne Park Baptist and Shiloh Baptist, that's a whole other group of members of the community. So, we are trying to get out and work with all of them.

Thank you so much. I really appreciate your time today and I'd be happy to come back and talk about construction another day as well. Thank you.

Dr. Wood: Thank you, Daria.

Mr. Barney: I'd like to thank Daria and Kim for taking time out of their busy schedules. We do appreciate it and it was informative.

COMMITTEE REPORTS

- a. Treasurer's Report: Mr. Cleaver: Thank you, Mr. Chairman. I reviewed the financials with Perry, and everything is fine. If there are any questions that the Board may have, I believe we can answer them. But everything is in great shape. End of report.

Mr. Oberlander makes a motion to accept the Treasurer's Report as presented. Mr. Winschel seconds the motion. There are no questions or discussion of the Treasurer's Report. Motion carries 6-0.

Dr. Wood reminds the Board that the vote passes 6-0, since Ms. Hess has joined the meeting.

- b. Strategic Planning Committee: Dr. Wood: Strategic Planning did meet to review Multi-Municipal Collaboration and Renaissance Block, which you'll see as Resolution 12 and Resolution 13 for 2023. We also talked about how we're going to handle Community Facilities grant applications since we have 24 applications in that process.

Mr. Barney: Are there any questions pertaining to what took place that weren't there or anything?

Ms. Loll: I was just wondering how you're going to handle that? What did you come up with as an answer?

Mr. Barney: Pertaining to the 24 applications?

Ms. Loll: Yes.

Mr. Barney: I think we decided to let Perry and the staff review and present us with their findings and then upon receiving them, we can ask any other questions. Now, they would submit what they find to us and we can approve, but we thought it would be too time consuming and cumbersome to have all of them come and present.

Ms. Loll: That sounds about right.

Mr. Barney: That's where we ended. Tom and Perry would do the due diligence, submit it to us, and then we have a chance to have a say, and if we have any questions, we bring them forward.

Ms. Loll: Yeah, okay. Thank you.

Mr. Winschel: Regarding the Renaissance Block program, when we approve that resolution this morning, that \$50,000 for the Bayfront Eastside Taskforce, which looks like what you're doing. They're doing mostly upgrades and home repairs, things like that. Do you guys work with them?

Ms. Devlin: My dad is the Chair of that Board, so we work closely with them.

Mr. Winschel: Thank you.

- c. Update from County Council: Mr. Shank is not present, so there is nothing to report at this time.

Mr. Wachter: But you have the newest member of County Council.

Mr. Spagel: I'm afraid I don't have anything to say!

Mr. Barney: Just to let you know that we do offer the opportunity for County Council and the Administration time if they have anything to say.

Mr. Spagel: I do appreciate the opportunity to come here and see what you guys are all about. I don't really know much other than what is in the Erie newspaper.

Dr. Wood: We do appreciate it.

Mr. Barney: We appreciate it. You'd be surprised, you probably came more than a few of them!

- d. Update from County Executive's Office: Mr. Smith is not present at this time, but joins the meeting later.

REPORT OF THE EXECUTIVE DIRECTOR

Dr. Wood: Okay, good morning, everyone. You have an Executive Director's Report in your packet. You'll see in there some information about where we are with Infinite Erie, you'll see the Parker Philips report, you'll see some documents here that we're using to educate the public on on projects that are going on with Infinite Erie, you'll also see some thank you notes from the Edinboro Arts Music Festival, one from Union City Police Department. I like to put that stuff in here, so you know when they send in letters or notes that they are appreciating the funding that's been given. And then you'll see a couple of articles that have been published in the media – the Corry Journal – about some ECGRA funded projects.

The bulk of the staff's time this month was spent on processing both Renaissance Block and Multi-Municipal Collaboration. We then, of course, had a grant review. I think it was fascinating the way we handled it. We also got some information about the EMS situation. Just a reminder about

that, because it's a relevant County topic at this point, we saw the two premier models on how the County is currently handling the issue of EMS. One is the East County model, set up by Harborcreek Township in collaboration with Lawrence Park and Wesleyville, and that is based on intergovernmental cooperation. So, they get together and they fund a full-time staff person to respond to calls and they house them in Harborcreek. When a call comes in to any one of those three municipalities, the call gets turned to that facility.

The other model is the commission model which is taking place in the West County. That model, Bill Vassen came in and talked about that; he's also president of Cranesville Council. You have two boroughs and two townships, Cranesville, Albion, Elk Creek, and I always forget the last one. Do you know, Carol?

Ms. Loll: Springfield.

Dr. Wood: Yes, thank you. Those four are another model, have come together and created an independent commission. The commission is overseeing EMS but also volunteer fire; in many cases it's one and the same group. That model is interesting because it assesses each of those municipalities a certain dollar figure in order to contribute to the EMS system. Basically, it achieves the same thing as the Harborcreek model – the Dean Pepicello model – accomplishes, just in a little more formal fashion. It was great to see both of those folks come in and you're going to see the recommendation for funding both of those projects on today's agenda.

We also talked about the Community Facilities funding – 24 applications have come in. Significantly more than we have currently to contribute. Another reason we're collaborating with these funders is so we can shop those proposals around as well. But we do have \$1.02 million set aside for that. So, that is going to be driven heavily by our ARPA dollars but then matched with ECGRA funds as well.

It's based on the work we did with Roth Marz partnership in order to tee up this process. We talked about that at Strategic Planning but I just wanted to make sure that everyone knows that. That assessment of community centers came forward and said, "This building needs a new roof, this one needs new windows, this one needs a new HVAC, this one needs a new boiler system." That was kind of the information to give us confidence in these applications.

Now, someone asked me during the conversation, "This is a lot of money. How often are we going to be doing this?" This is kind of a once-in-a-generation investment in these community centers. That's why the dollar figures are so high, that's why we're addressing these significant structural issues, and much of it is capital improvement. We are very excited to do that for community centers all over Erie County and we have the confidence because we have this Roth Marz report that was done.

You heard me mention before that we're going to tee up two meetings. One of them I mentioned was the collaboration with the other funders, specifically the Erie Community Foundation Board of Directors. We're also trying to pull in a couple of other funders. We have September 14th from noon to 4pm. We'll get more information out to you. It will be at the Marquette Innovation Center, which is at 10th and Peach. If you haven't been there yet, basically they are using it as a community center; they have all the technology, it's comfortable. It's in the basement of Marquette; it's a great space.

The other thing we're going to do is we're going to have a study session with the folks from the airport. I'm in the process of setting that up. Where are they at with a strategic plan to get a low-cost carrier in? Where are they at with retaining the other large carriers that we have had in the past? They have plans and ideas, but I think to be successful we need – their key advocate is the Chamber – but we also need staff and board members from the airport to participate in that discussion, especially if we're going to be asked for a large dollar figure.

I did bring this up at Strategic Planning; the folks that were at the meeting were all in favor of hearing a further presentation. So, we'll do a study session on that. At that time, we'll also review the staff recommendations on the Community Facilities buildings and then if we need to do any follow-up, we'll make sure that happens as well.

Let the record show that Mr. Smith has entered the meeting via Zoom.

SOLICITOR'S REPORT

Mr. Wachter: One of the items that was placed into your packet was a copy of the letter I was asked to prepare. In an article earlier this summer, it was expressed by the County Director of Financing that the amount of monies that were coming into the County for gaming were upwards of \$14M, which is an increase over what we have historically seen. We thought it was an appropriate period of time to do a review to make sure that the funding scenario that we have with the County is in line with the statutes that are in place that govern the funding. This is one of the more complicated flows of dollars that I deal with; it's probably the most complicated flow of dollars that I deal with throughout my clients.

When we are talking about the monies that are coming into the Gaming Authority, there are three main buckets of money that are coming in. The first of which is your Gross Terminal Revenue – that is a percentage of each one of the pulls on a slot machine. So, every time someone grabs the arm and pulls it down, there is Gross Terminal Revenue that is generated. That's what you traditionally hear as being the Local Share that comes into the Erie County Gaming Revenue Authority.

In addition to that, there is I-Gaming, which is your internet gaming that has two different portions within that funding. There is a Local Share associated with that and there are some additional fees that come in and are associated with that. And then there's the Slot Machine Operation Fee, which has really turned out to be one of the larger chunks of funding that is made available.

According to the statutes and the way that the Horse Racing Development and Gaming Act work, the County is to receive 50% of those monies and the Erie County Gaming Revenue Authority is to receive 50% of those monies. That was then changed when the Law was amended in 2016 or 2017 at which point \$1M was removed from that in order to go to the Erie County Land Bank. But when that was done, it was specified in the legislation that the \$1M was to come solely from the Erie County Gaming Revenue Authority's portion and not to come from the County's portion. So, in order to account for that, the way that it's been worked out, according to the statute, the \$1M is to come from the Gross Terminal Revenue. When they put I-Gaming in at the same time, they had done a true-up procedure in place because they recognized that by having I-Gaming in place, it was going to severely impact the amount of Gross Terminal Revenue; not so many people are going to go to the slot machines if they have the opportunity to do electronic gaming. And so, the State made the determination that the monies that are going to be sent out as part of the Local Share to the County and ECGRA, and similarly throughout the state, was going to be a true-up to make up for the monies that we lost in the Local Share.

We're in a position now where the Erie County Gaming Revenue Authority is not receiving \$1M a year in slot machine revenue. All of our Local Share, all of our slot machine revenue (Gross Terminal Revenue) goes to the Erie County Land Bank, and then when receive that true-up piece from the I-Gaming, we take what we need from that to go to the Land Bank and then we receive the rest.

This is important to note because from an accounting standpoint, it is trying to grapple with how is it easiest for us to be able to remove that \$1M using these two funding sources to go to the Erie County Land Bank, but still make sure that we have equitable the right amount of funds that are going to ECGRA and to the County, they use a 45/55% split. Don't ask me how they came up with those numbers or how it works, but reasonably the accounting has been working out such that the monies are coming in pretty close to 50/50. It's also important to note that they have been using that 45/55% split for all the Gross Terminal Revenue, all of the I-Gaming even though we're only removing

a small portion of that to go to the Erie Land Bank, and all of the Slot Machine License Fee. And because the mix of dollars that have been coming into the Erie County Gaming Revenue Authority has changed where it was so heavy in the slots and now it is the vast majority of the money that you are receiving is coming from the Slot Machine License Operation Fee, when you see that 45/55% split is being applied to all of those dollars solely for the purpose of funding the Land Bank distribution, we are now being shorted. When we look at what should be a 50/50 split minus that \$1M going to the Land Bank, we're being shorted some.

Now, is it much? No, I think my numbers for the review of 2022 show \$168,000 we should be receiving more from the County. But, we believe, my legal opinion, is that we should approach the County and have a conversation about doing an annual reconciliation. We have done the 45/55 split for years, it's been reasonably close, I'm assuming; I haven't done an analysis of each and every year. But for 2022, we're showing that the Erie County Gaming Revenue Authority is \$168,000 short. Maybe next year the County could be \$168,000 short, but we should have an annual reconciliation process to make sure that this 45/55% split that's been put in, is in fact and remains to be true with the intent of the statutes.

The purpose of the letter is to lay out the intricacies of all the different funding lines from which we receive, how they're supposed to work, what the impact of that is, and the recommendation that either the staff or myself be empowered to go to the County and have a conversation with them about engaging in that reconciliation process at the end of the year, just to make sure that we meet the intent of the statute and public's purposes.

Mr. Cleaver: When you say the end of the year, you mean the end of our year or the end of their year?

Mr. Wachter: It's their fiscal year which these dollars are coming through. When we were formed, there was a fairly arbitrary April fiscal year that was given to us, so I'm more worried about the County fiscal year because the County fiscal year coincides with the fiscal year that the State uses, which is the cycle that the money is distributed on.

Mr. Barney: Personally, I feel that we should be made whole. At least address it. And when you say that it's a small amount, I don't know what is a small amount. You said \$100,000, that isn't small to me. When you're dealing with millions, I guess it could be.

Mr. Wachter: Just to give you an idea, the grand total of funding that came into the County in 2022, all of the gaming funds – the I-Gaming, the Local Share total, and the Slot Machine License Operation Fee – was \$14,371,955.58. It's all in the letter that's attached to your packet, the exhibit. If you go all the way down at the bottom, you'll see these grand totals. The total of \$14.3M, almost \$14.4M came in, that is made up of \$1.88M of Local Share – so there's your slot machine revenue – of which we would traditionally get half, which is \$944,000, but that \$440,000 which isn't enough to fund the \$1M to go to the Land Bank, so when the split the I-Gaming in half, we get about \$2M and the County gets about \$2M; we're picking up about \$600,000 of that in order to go to the Land Bank. Then the Slot Machine License Operation Fee is almost \$8.5M.

Where does that money come from? It's all in the letter, but how does that come through? The way that the statute works, you have \$10M that goes to Summit Township as the host community; however, that is limited to say that that \$10M cannot be more than 50% of their budget in tax year 2003 and then the remainder goes into the County for distribution using the Local Share Distribution format. Both the I-Gaming and the Slot Machine License Operation Fee refer back to the Local Share Distribution format, which is 50% to the County and 50% to the Economic Development Authority created for the purposes of whatever.

So, when you look at what happens when you have the \$1M that is removed that goes to the Land Bank, the Gaming Authority receives \$6.017M, the County receives \$7.354M. If we're going to have a true 50/50 split, the Gaming Authority should just be \$1M less; so there's a \$330,000 difference and if you split that in half to allow for the 50/50 split, it's \$168,000 short.

Ms. Loll: What organization, is it the State or the local people, that decided on the 45/55 split?

Mr. Wachter: It was the County.

Ms. Loll: So, the County decided that?

Mr. Wachter: The County Finance office.

Dr. Wood: It was a cash flow mechanism for the County.

Mr. Wachter: It was a memo that Jim Sparber had put together in order to distribute the funds to try to come up with an equitable amount. Which we think was generally working, but now we're at a position where we're seeing it's out of whack because of the lack of – my belief is because the Local Share has gone down so much – if you look at the historical documents, the vast amount of money we were receiving was coming from the Local Share, from the slot machines. We're not seeing that anymore.

Ms. Loll: They can agree to . . . to . . .

Mr. Wachter: This is just an arbitrary accounting function that the County put into place and so we want to add an additional layer by doing a year-end reconciliation to make sure that those percentages are working.

Ms. Loll: Where does the horse racing fit into this?

Mr. Wachter: We don't get any of that.

Ms. Loll: Nothing?

Mr. Wachter: Nothing.

Ms. Loll: All of that goes to?

Mr. Wachter: Honestly, I've never looked that closely because I don't represent anybody who receives any.

Ms. Loll: Oh, okay.

Dr. Wood: It doesn't go to Local Share.

Mr. Wachter: It doesn't go to Local Share.

Mr. Cleaver: I can speak to that a little bit. I know that the horse racing money goes back to the horse people, the purses. That's the big thing. The purses in a city our size are astronomical and

that's based on that's where that revenue comes. They support that big time – the State. I know how that works. At least, I think I do.

My question is, are you looking for direction? Do we have to have a motion to ask you to go negotiate or talk? Where are we at here?

Dr. Wood: This is what we're asking. We are letting you know as a Board in a public meeting, on the record, that we discovered this accounting scenario. Tim and I talked about it and we believe an annual reconciliation, once the fourth quarter gaming revenue comes in, an annual reconciliation makes sense. So, Tim and I would sit down, we would go over the numbers since we have all the numbers at the office, and then there would be a letter sent to the Finance office stating what we found.

Mr. Barney: We need to vote?

Dr. Wood: I don't think we need to ask you for a vote or anything on it, but we definitely thought it was important for you to be made aware of it, that this memo be entered into the records since it enshrines the process and it shows when we discovered it and how we plan on handling it. So, it's more of an FYI.

Mr. Wachter: In the last few months, we presented on how we are to spend the money and the limitations on spending the money through various memos and letters I provided to you and the next logical outgrowth of that was after having done this for so many years, maybe we should go back and take a look at the funding sources and make sure that all that has remained accurate. And that's what we've done. This is how we get the money; the previous memos were how to spend it.

Mr. Cleaver: Don't you think we should have a show of support from the Board in a resolution for you to go to the County?

Dr. Wood: Yeah, we can take a vote.

Mr. Barney: Myself, I've always said that I feel we should take a look into it and address how we can possibly be made whole.

Mr. Oberlander: How many years has the Land Bank been getting the \$1M? And why is it \$1M?

Mr. Wachter: When the legislation was amended in 2016, the amendment included that \$1M goes to the Land Bank. That is enshrined in statute.

Mr. Oberlander: And who came up with that?

Mr. Wachter: The legislature.

Mr. Oberlander: That would be the State?

Mr. Wachter: The State. It's enshrined in . . .

Several people start talking, so it's inaudible.

Mr. Wachter: It's the best funded Land Bank in the Commonwealth.

Mr. Oberlander: It is a pretty significant amount.

Mr. Wachter: As you heard, we have a lot of issues that the Land Bank can address, but it is the best funded Land Bank in the Commonwealth

Mr. Cleaver: Do you think we should have a resolution to allow you to move forward?

Mr. Wachter: Mr. Cleaver, I would never say that it isn't important for the Board to weigh in. We didn't want any of you to catch wind of us going to the County and say, "Hey, we have an issue, and we think we should address it" without addressing it to you first. If you want to take a motion to support that effort, I would highly endorse that and encourage it.

Mr. Cleaver: I think we ought to, to show our support.

Mr. Barney: For the sake of clarity as to who is for or against, would you like to make that motion?

Mr. Cleaver makes a motion to have a representative sit with the County Finance Director and resolve the issue of gaming revenue that is our fair share.

Mr. Winschel: So, you want to do that in the form of a resolution?

Ms. Loll: I don't know if you can say resolve, but try to resolve.

Dr. Wood: Can I maybe recommend that under Old Business you make a motion that we perform this act and that it goes on record?

Mr. Cleaver: That's fine. Any way you want to go about it. I just want it to go on record.

Dr. Wood: That's a great idea.

Mr. Wachter: We will hold it for Old Business then.

Mr. Barney: Do you have anything else, Tim?

Mr. Wachter: No, nothing.

Mr. Winschel: Tim, did you say that this memo was in our packet?

Mr. Wachter: It was sent in the updated packet that was sent out last night. Is that correct?

Ms. Michali: That is correct.

Mr. Winschel: Okay.

OLD BUSINESS

Mr. Barney: We have a motion for what we previously discussed as far as the portion of funds that is out there and we need to address it.

Mr. Wachter: What if we say, “Resolved by the Board of Directors of the Erie County Gaming Revenue Authority that the staff and Solicitor are hereby empowered and directed authorized to engage with the appropriate officials at Erie County to discuss an annual reconciliation of gaming Local Share distributions.”

Mr. Cleaver makes this motion. Mr. Winschel seconds the motion. There is no further discussion on this motion. Motion carries 6-0.

Mr. Wachter: I see that Mr. Smith has signed on and he has missed the entire discussion as to why that would be appropriate, so he can look forward to Perry and I reaching out to him to have that conversation regarding the reconciliation. Doug, we'll catch you up on what we had the discussion on.

Mr. Smith: I actually did hear that.

Mr. Wachter: Okay, I didn't know you were on.

Mr. Barney: There is one other item under Old Business – the two-year extension of our grant management software license.

Dr. Wood: Our grant management software is Foundant. Foundant is specifically geared towards grant makers; we've been using it now since 2015. It's a tremendous program. This is an extension for two years of about \$11,000, so it's over the \$5,000 limit which is why I'm bringing it to the Board.

Mr. Wachter: Dr. Wood, just as an outsider, you have expressed in the past that this software platform is the reason why you are able to engage in the large number of applications that come through rather than you having to hire additional staff because it handles a lot of those efficiencies for you.

Dr. Wood: That's a great point. The only reason we're able to keep a three-person staff going with all these applications is the tremendous capabilities we have with the efficiency of this software. Quick Books, Foundant and Microsoft are absolutely essential to our operations.

Mr. Cleaver: Hiring another employee would be another \$50,000 and benefits.

Mr. Barney: Do we need a motion?

Mr. Wachter: You'll need a motion.

Ms. Loll: I have a question as to the two years. Is that something we have to do? Can we do it by year? Why was two picked?

Dr. Wood: If I had my druthers, we would do a 10-year extension of this. This is probably the most important software that we have at ECGRA. Trust me, we're not going to change mid-stream. This is one of the issues with this software is you get a bunch of legacy data in there and it doesn't make sense to change. It's like having the same CRM system; it's really . . .

Ms. Loll: Well, I'm not objecting to doing it, I'm just asking why it's two years?

Mr. Oberlander: To her point, is there an advantage to this? Are there increases every year where you get locked in with two years so there's not an increase? That's what I was wondering.

Ms. Michali: Yes, that's exactly it because there are yearly increases and if we lock it in at two years, we avoid that. There will be an increase then in 2025, but this keeps it a bit lower.

Ms. Loll: Who specifically uses this?

Dr. Wood: When we tell you that grants are available for you to review online, we're sending you to Foundant. So, the Board members use it, the staff uses it, every single applicant is putting their information into the system.

Mr. Winschel: In two years, are there updates to the software or is that included?

Dr. Wood: It includes software fixes and updates; the bugs get fixed regularly. They also have trainings on how to use the software so, if we ever had any staff replacements, that's all part of the process. And then they add bells and whistles as well.

Mr. Winschel: It's not like you have to wait for a new renewal to get a new version or anything?

Dr. Wood: No, it's not like that. Whatever level we're at is the level. That's a great point.

Mr. Oberlander: It's more of a subscription than a software if you get those updates.

Dr. Wood: Yeah, a software is a service.

Mr. Wachter: It would be appropriate for a motion since it's over the staff's spending authorization.

Mr. Cleaver makes a motion to extend the grant management software license. Mr. Oberlander seconds the motion. There is no further discussion or questions. Motion carries 6-0.

NEW BUSINESS

- a. Resolution Number 12, 2023 – Resolution to enter into agreement with four (4) entities as the recipients of the 2023 Multi-Municipal Collaboration grant

Dr. Wood reads the resolution and states that the recommendations are per the results of the Strategic Planning Committee.

Mr. Cleaver makes a motion to accept the resolution. Mr. Oberlander seconds the motion. There are no questions or discussion of the resolution. Motion carries 6-0.

- b. Resolution 13, 2023 – Resolution to enter into agreements with four (4) entities that comprise the recipients of the 2023 Renaissance Block program

Dr. Wood reads the resolution and states that the recommendations are per the results of the Strategic Planning Committee.

Mr. Oberlander makes a motion to accept the financial statements. Mr. Cleaver seconds the motion. There are no questions or discussion of the resolution. Motion carries 6-0.

Mr. Barney: I wanted to extend to Mr. Smith an opportunity to share anything he may have.

The audio and video for the meeting is temporarily suspended, and is reestablished.

Mr. Smith: Thank you, Mr. Chairman. I don't have a report at this time. Thank you.

Mr. Barney: I see we have another comment.

Ms. Loll: Before we adjourn, I would like to have my information a little sooner.

Mr. Barney: As far as minutes?

Ms. Loll: Minutes and information that you have compiled together because I'm very busy and I need - I mean the stuff that I got last night I had to print out this morning and I haven't had the opportunity to go over it. So, I'd like my information a lot sooner.

Mr. Barney: It was a little tough with some of the information because we had just met to finalize the resolutions. There is a turnaround. We'll make note and do the best we can.

Ms. Loll: Thank you.

Mr. Barney: If there are no other questions or comments, can I get a motion to adjourn?

ADJOURNMENT

Mr. Cleaver moves to adjourn. Mr. Winschel seconds the motion. Meeting is adjourned at 9:44 am.

**Erie County Gaming Revenue Authority
Profit & Loss
August 2023**

	<u>August</u>	<u>YTD</u>	<u>Budget YTD</u>	<u>2023-24 YTD</u>
Ordinary Income/Expense				
Income				
44000 · ARPA Fund				
44800 · Gaming Revenue	1,183,535.82	1,483,780.92		
44801 · Interactive Gaming Revenue				
46400 · Other Types of Income				
46410 · Interest Income - Savings	45,008.72	217,554.32		
46422 · Interest Income - BWC - Erie Growth		7,583.33		
46424 · Interest Income - Progress Fund		5,000.00		
46425 · Interest Income - EDF Restruct		6,500.00		
46426 · Interest Income - BWC - Inclusive		6,319.44		
46427 · Interest Income - Blue Highway		904.89		
46428 · Interest Income - eCAT		5,112.00		
46510 · Interest Income - YLI		13,272.00		
Total Income	<u>1,228,544.54</u>	<u>1,746,026.90</u>		
Expense				
62100 · Contracted Services	7,994.66	40,576.94	30,290.00	72,700.00
62800 · Facilities & Equipment	0.00	6,282.49	10,000.00	24,000.00
65000 · Office Administration	711.40	5,634.44	9,875.00	23,700.00
65100 · Other Types of Expenses	8,401.73	30,192.61	23,375.00	56,100.00
66000 · Payroll Expenses	31,191.18	115,918.88	142,875.00	342,900.00
67000 · Building a Better Future (ARPA)	63,616.96	188,181.94	166,665.00	4,000,000.00
Total Expense	<u>111,915.93</u>	<u>386,787.30</u>	<u>383,080.00</u>	<u>4,519,400.00</u>
Net Ordinary Income	1,116,628.61	1,359,239.60		
Other Income/Expense				
70000 · Grants / Settlements / MRIs				
70030 · Community Assets	6,225.00	255,497.00		
70050 · Municipal Settlements	295,883.96	370,945.23		
70070 · Special Events		213,424.73		
70090 · Multi-Municipal Collaboration				
70100 · Mission Main Street		50,000.00		
70120 · Summer Jobs Program				
70125 · Neighborhoods & Communities MRI				
70130 · Small Business Financing				
70136 · Ignite Erie_Beehive				
70140 · Pilot Projects				
70150 · Shaping Tomorrow				
70170 · Renaissance Block		33,333.00		
70180 · Anchor Building				
70190 · COVID-19 Immediate Human Relief				
Total 70000 · Grants / Settlements	<u>302,108.96</u>	<u>923,199.96</u>		
Net Other Income	<u>(302,108.96)</u>	<u>(923,199.96)</u>		
Net Income	<u>814,519.65</u>	<u>436,039.64</u>		

Erie County Gaming Revenue Authority
Balance Sheet
As of August 31, 2023

	August
ASSETS	
Current Assets	
Checking/Savings	
10000 · ErieBank - Checking	245,329.53
10100 · ErieBank - Savings	
10101 · Committed Funds	1,239,350.00
10102 · Restricted Funds	3,129,395.40
10104 · ARPA Fund	1,991,042.77
10100 · ErieBank - Savings - Other	11,689,244.50
Total 10100 · ErieBank - Savings	18,049,032.67
Total Checking/Savings	18,294,362.20
Other Current Assets	
12000 · Notes Receivable	
12004 · NR - BWC - Erie Growth	1,000,000.00
12005 · NR - Progress Fund	1,000,000.00
12010 · NR - 1855 Capital	500,000.00
12050 · NR - EDF Restructured	1,300,000.00
12060 · NR - BWC - Inclusive Erie	2,500,000.00
12070 · NR - Blue Highway	250,000.00
12080 · NR - BWC - Resp Fund Sm Bus	520,000.00
12085 · NR - BWC - Resp Fund Nnprofit	100,000.00
12090 · NR - eCAT	500,000.00
12500 · NR - Youth Leadership Institute	121,824.00
12900 · Reserve for Uncollectable Notes	(1,529,600.00)
Total 12000 · Notes Receivable	6,262,224.00
14500 · Prepaid Insurance	7,776.88
Total Other Current Assets	6,270,000.88
Total Current Assets	24,564,363.08
TOTAL ASSETS	24,564,363.08
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
20100* · Deferred Revenue	(4,000,000.00)
20300 · Unearned Revenue	6,377,099.69
Total Current Liabilities	2,377,099.69
Total Liabilities	2,377,099.69
Equity	
30000 · Opening Balance Equity	2,927,064.18
32000 · Unrestricted Net Assets	18,824,159.57
Net Income	436,039.64
Total Equity	22,187,263.39
TOTAL LIABILITIES & EQUITY	24,564,363.08

Erie County Gaming Revenue Authority
Budget vs. Actual
August 2023

Expense	August	YTD	Budget	Over/(Under) Budget	% of Budget
62100 · Contracted Services					
62110 · Accounting Fees	0.00	11,000.00	8,200.00	2,800.00	134.15%
62130 · Professional Services	5,498.00	18,933.92	40,000.00	(21,066.08)	47.33%
62140 · Legal Services	2,366.40	9,025.40	20,000.00	(10,974.60)	45.13%
62145 · Website Design	0.00	1,140.00	3,000.00	(1,860.00)	38.00%
62150 · Payroll Services	130.26	477.62	1,500.00	(1,022.38)	31.84%
Total 62100 · Contracted Services	7,994.66	40,576.94	72,700.00	(32,123.06)	55.81%
62800 · Facilities & Equipment					
62840 · Office Equipment	0.00	944.99	6,000.00	(5,055.01)	15.75%
62890 · Rent	0.00	5,337.50	18,000.00	(12,662.50)	29.65%
Total 62800 · Facilities & Equipment	0.00	6,282.49	24,000.00	(17,717.51)	26.18%
65000 · Office Administration					
65010 · Books, Subscriptions, Dues	65.00	1,262.00	3,000.00	(1,738.00)	42.07%
65020 · Postage	21.19	124.59	250.00	(125.41)	49.84%
65040 · Office Supplies	94.27	444.35	2,000.00	(1,555.65)	22.22%
65050 · Cell Phone	0.00	631.22	3,000.00	(2,368.78)	21.04%
65060 · Copier Lease	311.35	1,556.79	4,200.00	(2,643.21)	37.07%
65070 · Copier Printing Costs	4.97	68.59	500.00	(431.41)	13.72%
65080 · Bank Fees	35.00	175.00	500.00	(325.00)	35.00%
65085 · Professional Development	0.00	350.00	6,000.00	(5,650.00)	5.83%
65090 · Meeting Expenses	179.62	1,021.90	4,000.00	(2,978.10)	25.55%
65095 · Miscellaneous Expense	0.00	0.00	250.00	(250.00)	0.00%
Total 65000 · Office Administration	711.40	5,634.44	23,700.00	(18,065.56)	23.77%
65100 · Other Types of Expenses					
65105 · Outreach	288.00	2,788.00	5,000.00	(2,212.00)	55.76%
65110 · Advertising	0.00	3,079.77	4,000.00	(920.23)	76.99%
65115 · Phone/IT/Fax	967.56	10,667.74	18,000.00	(7,332.26)	59.27%
65120 · Insurance	1,544.08	7,720.40	18,600.00	(10,879.60)	41.51%
65130 · Grant Management Software	5,562.00	5,562.00	5,500.00	62.00	101.13%
65150 · Travel	40.09	374.70	5,000.00	(4,625.30)	7.49%
Total 65100 · Other Types of Expenses	8,401.73	30,192.61	56,100.00	(25,907.39)	53.82%
66000 · Payroll Expenses					
66005 · Salaries & Wages	26,863.08	99,333.23	300,000.00	(200,666.77)	33.11%
66010 · FITW Tax	2,115.66	7,757.42	21,000.00	(13,242.58)	36.94%
66015 · FUTA Tax	0.00	0.00	150.00	(150.00)	0.00%
66020 · PASUI Tax	0.00	0.00	2,000.00	(2,000.00)	0.00%
66700 · PMRS	2,212.44	8,828.23	19,750.00	(10,921.77)	44.70%
Total 66000 · Payroll Expenses	31,191.18	115,918.88	342,900.00	(226,981.12)	33.81%
67000 · Building a Better Future (ARPA)					
67005 · Contracted Services - ARPA	2,332.76	44,707.76	214,540.20	(169,832.44)	20.84%
67010 · Subawards - ARPA	55,865.53	116,886.45	1,925,293.10	(1,808,406.65)	6.07%
67025 · Indirect Costs - ARPA	142.11	2,097.04	7,772.47	(5,675.43)	26.98%
67030 · Salaries & Wages - ARPA	5,276.56	24,490.69	31,618.94	(7,128.25)	77.46%
Total 67000 · Building a Better Future (ARPA)	63,616.96	188,181.94	2,179,224.71	(1,991,042.77)	131.35%
Total Expense	111,915.93	386,787.30	2,698,624.71	(2,311,837.41)	14.33%

Erie County Gaming Revenue Authority

Schedule of Grant Reserve

as of

August 31, 2023

	<u>August</u>	<u>YTD</u>	<u>Totals/Subtotals</u>
Restricted Uncommitted Funds	3,129,395.40		
Committed Funds	1,239,350.00		
ARPA Funds	1,991,042.77		
 2023 Restricted Funds: (75% - after settlement payments)			
First Quarter Gaming Revenue		300,245.10	
Second Quarter Gaming Revenue			
Third Quarter Gaming Revenue			
Fourth Quarter Gaming Revenue			300,245.10
 2023 Interactive Gaming Revenue			
FY 2021-2022			0.00
 FY Disbursements:			
First Quarter Disbursements		557,111.92	
Second Quarter Disbursements	357,974.49	482,974.49	
Third Quarter Disbursements			
Fourth Quarter Disbursements			1,040,086.41

Disbursements Detail

Grants/Settlements/MRIs

	<u>August</u>	<u>YTD</u>	<u>Subtotal</u>
MUNICIPALITIES			
Settlements			
Summit Township	133,147.76	166,925.33	
Greene Township	32,547.24	40,803.98	
McKean Township	32,547.24	40,803.98	
Millcreek Township	32,547.24	40,803.98	
Waterford Township	32,547.24	40,803.98	
Erie County	32,547.24	40,803.98	
			370,945.23
 Multi-Municipal Collaboration			
 AMERICAN RESCUE PLAN ACT			
Small Business Ecosystem			
Mission Main Street			
Downtown Girard		75,000.00	
			75,000.00
Renaissance Block			
Downtown Girard		50,000.00	
			50,000.00

Erie County Gaming Revenue Authority

Schedule of Grant Reserve

as of

August 31, 2023

	<u>August</u>	<u>YTD</u>	<u>Subtotal</u>
AMERICAN RESCUE PLAN ACT (cont)			
Erie County Investment Playbook			
Nonprofit Partnership	21,127.15	21,127.15	
			<u>21,127.15</u>
 NEIGHBORHOODS & COMMUNITIES			
Anchor Building			
 Mission Main Street			
 QUALITY OF PLACE			
Community Assets			
Arts, Culture, & Heritage			
Albion Area Fair, Inc.		5,000.00	
AmeriMasala		15,000.00	
Community Resources for Independence		3,500.00	
Dafmark Dance Theater		12,000.00	
Downtown Edinboro Art & Music Festival		15,000.00	
Downtown North East, Inc.		12,000.00	
Edinboro University Foundation		7,500.00	
Erie Contemporary Ballet Theatre		12,000.00	
Erie Yesterday		8,325.00	
Film Society of Northwestern PA		15,000.00	
Fort LeBoeuf Historical Society		5,935.00	
Goodell Gardens & Homestead		10,000.00	
Harborcreek Historical Society		9,822.00	
Lake Erie Fanfare, Inc.		12,000.00	
Lawrence Park Township		1,400.00	
North East Arts Council		3,000.00	
Our West Bayfront	6,225.00	6,225.00	
Performing Artists Collective Alliance		10,000.00	
SSJ Neighborhood Network		8,000.00	
Unitarian Universalist Congregation		2,500.00	
Waterford Community Fair Association		15,000.00	
Wattsburg Agricultural Society		15,000.00	
WQLN Public Media		15,000.00	
Young Artists Debut Orchestra		15,000.00	
			<u>234,207.00</u>
 Community Centers			
Martin Luther King Center		15,000.00	
			<u>15,000.00</u>
 Parks, Fields, Trails			
Humane Society of NWPA		18,500.00	
			<u>18,500.00</u>

Erie County Gaming Revenue Authority
Schedule of Grant Reserve
as of
August 31, 2023

	<u>August</u>	<u>YTD</u>	<u>Subtotal</u>
Special Events			
Albion Area Fair, Inc.		12,707.00	
AmeriMasala		3,543.55	
Asbury Woods Partnership, Inc.		1,520.11	
Barber National Institute		17,683.00	
Borough of Edinboro		1,625.00	
Borough of Union City		230.00	
Borough of Wesleyville		965.50	
CAFE		20,000.00	
Community Blood Bank of NWPA		1,400.00	
Crime Victim Center of Erie County, Inc,		4,594.55	
Downtown North East, Inc.		887.00	
Edinboro University Foundation		2,525.00	
Erie Bird Observatory		265.00	
Erie County Veterans Memorial Park		300.00	
Erie Downtown Partnership		6,000.00	
Erie Homes for Children and Adults, Inc		3,011.20	
Erie Lions Club Save an Eye Game		1,068.00	
Erie Regional Chamber & Growth Partner.		5,000.00	
Erie-Western PA Port Authority		6,866.00	
Film Society of Northwestern PA		9,255.00	
Goodell Gardens & Homestead		2,050.00	
Harborcreek Community Engagement Team		915.00	
Harborcreek Township		1,400.00	
Holy Trinity Roman Catholic Church		6,925.00	
Humane Society of NWPA		7,500.00	
Jefferson Educational Society of Erie		19,300.00	
Lake Erie Fanfare, Inc.		5,000.00	
Lake Erie Greek Cultural Society		3,000.00	
Lawrence Park Township		37.50	
McKean Community Development Group		500.00	
Mercy Center for Women		1,200.00	
Mercy Hilltop Center		400.00	
Nonprofit Partnership, The		3,882.00	
Pinkracks		750.00	
Presque Isle Light Station		297.00	
Presque Isle Partnership		4,692.50	
Russian Orthodox Church of the Nativity		2,287.50	
SSJ Neighborhood Network		5,412.74	
SafeNet		3,942.50	
Saint Joseph Church		4,450.00	
Saint Patrick Church		7,746.92	
St. Stanislaus Catholic Church		250.00	
Union City Pride		1,273.00	
Waterford Community Fair Association		9,250.00	
Wattsburg Agricultural Society		12,345.06	

Erie County Gaming Revenue Authority
Schedule of Grant Reserve
as of
August 31, 2023

	August	YTD	Subtotal
Special Events (cont)			
YMCA of Corry		3,072.10	
YMCA of Greater Erie		400.00	
Young Artists Debut Orchestra		4,500.00	
Youth Leadership Institute of Erie		1,200.00	
			213,424.73
 SMALL BUSINESS FINANCING			
Beehive Network			
Community Enterprise Financing Loan			
 YOUTH & EDUCATION			
Summer Jobs & More	34,738.38	41,882.30	41,882.30
Total Funds Disbursements	357,974.49	1,040,086.41	1,040,086.41

Erie County Gaming Revenue Authority
Schedule of Grant Reserve
as of
August 31, 2023

		<u>August</u>	<u>Amount Remaining</u>	<u>Original Commitment</u>
Committed Funds:				
N&C	Renaissance Block 2018			
	1 Academy Neighborhood Association		11,250.00	22,500.00
	SSJ Neighborhood Network		7,000.00	70,000.00
	2 Bayfront Eastside Taskforce		25,000.00	50,000.00
	ServErie		29,000.00	58,000.00
	Renaissance Block 2022			
	Borough of Edinboro		50,000.00	100,000.00
	Our West Bayfront		50,000.00	100,000.00
	Anchor Building			
	19 Impact Corry		60,000.00	75,000.00
	20 Borough of Union City		15,000.00	64,375.00
	22 Christian Ministries		50,000.00	100,000.00
	Mission Main Street			
	1 City of Erie		225,000.00	250,000.00
	3 Waterford Borough		84,600.00	249,800.00
	Mission Main Street 2022			
	Downtown North East		87,500.00	175,000.00
	Edinboro Community & Economic Development		62,500.00	125,000.00
	Our West Bayfront		125,000.00	125,000.00
MUN	Multi-Municipal Collaboration			
	21 Borough of North East		50,000.00	100,000.00
SB	Beehive Network			
	Community Enterprise Financing Loan			
	Small Business Ecosystem			
	Impact Corry		87,500.00	175,000.00
PP	Pilot Program			
Y&E	Shaping Tomorrow			
	Empower Erie - Community College		220,000.00	400,000.00
Total Committed Funds		0.00	1,239,350.00	2,239,675.00
ARPA Transformative Funds				
	Subawards	55,865.53	1,808,406.65	3,622,025.00
	Contracted Services	2,332.76	169,832.44	273,274.00
	Salaries & Wages	5,276.56	7,128.25	93,406.00
	Indirect Costs	142.11	5,675.43	11,295.00
		63,616.96	1,991,042.77	4,000,000.00
Total ARPA Funds				

Erie County Gaming Revenue Authority
Transaction List Detail
August 2023

Date	Num	Name	Memo	Amount
08/03/2023	EFT	VISA	2023 July Invoice	-755.98
08/03/2023	EFT	ECCA, Inc.	07/15/2023 to 07/28/2023 Payroll	-9,717.21
08/03/2023	EFT	PMRS	Pay Ending 7/28/2023	-737.48
08/03/2023	EFT	Fidelity Investments	07/15/2023 to 07/28/2023 Simple IRA	-250.00
08/06/2023	EFT	ComDoc, Inc.	2023 July Copy Overage	-4.97
08/06/2023	EFT	The Nonprofit Partnership	2023 July ARPA	-21,127.15
08/06/2023	EFT	Our West Bayfront	2023 Community Assets - ACH	-6,225.00
08/06/2023	EFT	Velocity Network, Inc.	2023 July Phone/IT	-916.18
08/08/2023	EFT	W. B. Mason Co., Inc.	Office Supplies	-50.99
08/08/2023	EFT	Highmark Health Insurance	2023 August Health Insurance	-4,483.93
08/13/2023	EFT	Parker Philips	2023 July Professional Services	-3,000.00
08/13/2023	EFT	Parker Philips	15 Year Economic Impact Study	-2,498.00
08/21/2023	EFT	Summit Township	2023 Q2 Settlement Payment	-133,147.76
08/21/2023	EFT	Greene Township	2023 Q2 Settlement Payment	-32,547.24
08/21/2023	EFT	McKean Township	2023 Q2 Settlement Payment	-32,547.24
08/21/2023	EFT	Millcreek Township	2023 Q2 Settlement Payment	-32,547.24
08/21/2023	EFT	Waterford Township	2023 Q2 Settlement Payment	-32,547.24
08/21/2023	EFT	Erie County	2023 Q2 Settlement Payment	-32,547.24
08/21/2023	EFT	Gary Winschel	2023 Q2 Travel	-40.09
08/21/2023	EFT	Greater Erie Community Action Committee	2022 Summer Jobs - Final Payment	-34,738.38
08/21/2023	EFT	Knox McLaughlin Gornall & Sennett	2023 August Legal - General	-2,366.40
08/21/2023	EFT	MaherDuessel, CPA	2022-2023 Audit	-2,332.76
08/21/2023	EFT	Wells Fargo Financial Leasing	2023 August Copier Lease	-345.95
08/21/2023	EFT	Foundant Technologies, Inc.	2023 Grant Management License	-5,562.00
08/21/2023	EFT	ECCA, Inc.	07/29/2023 to 08/11/2023 Payroll	-9,717.21
08/21/2023	EFT	PMRS	Pay Ending 08/11/2023	-737.48
08/21/2023	EFT	Fidelity Investments	07/29/2023 to 08/11/2023 Simple IRA	-250.00
08/30/2023	EFT	ECCA, Inc.	08/12/2023 to 08/25/2023 Payroll	-9,717.21
08/30/2023	EFT	Fidelity Investments	08/12/2023 to 08/25/2023 Simple IRA	-250.00
08/30/2023	EFT	PMRS	Pay Ending 08/25/2023	-737.48
08/31/2023	EFT	Erie Bank	Security Token Fee	-35.00

ERIEBANK

BL ACCT 00100029-10000000
ERIE COUNTY GAMING
Account Number: ####-####-####-8643
Page 1 of 3



SCORECARD CASHBACK CURRENT BALANCE \$0.00 CASHBACK PAYOUT DATE 05/15/2024

Account Summary

Billing Cycle		07/10/2023
Days In Billing Cycle		31
Previous Balance		\$694.41
Purchases	+	\$755.98
Cash	+	\$0.00
Balance Transfers	+	\$0.00
Special	+	\$0.00
Credits	-	\$0.00
Payments	-	\$694.41
Other Charges	+	\$0.00
Finance Charges	+	\$0.00

NEW BALANCE \$755.98

Credit Summary

Total Credit Line	\$40,000.00
Available Credit Line	\$39,244.02
Available Cash	\$39,244.02
Amount Over Credit Line	\$0.00
Amount Past Due	\$0.00
Disputed Amount	\$0.00

Account Inquiries

- Call us at: (866) 317-0355
Lost or Stolen Card: (866) 317-0355
- Go to WWW.MyCardStatement.com
- Write us at PO BOX 30495, TAMPA, FL 33630-3495

Payment Summary

NEW BALANCE	\$755.98
MINIMUM PAYMENT	\$755.98
PAYMENT DUE DATE	08/04/2023

NOTE: Grace period to avoid a finance charge on purchases. pay entire new balance by payment due date. Finance charge accrues on cash advances until paid and will be billed on your next statement.

Corporate Activity

Trans Date	Post Date	Reference Number	Transaction Description	Amount
07/03	07/03	1619415750	INTERNET PMT-THANK YOU	\$694.41-

Cardholder Account Summary

TAMMI MICHALI ####-####-####-9468	Payments & Other Credits \$0.00	Purchases & Other Charges \$755.98	Cash Advances \$0.00	Total Activity \$755.98
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Cardholder Account Detail

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
06/18	06/19	PBUS01	24011343169000038422075	ZOOM.US 888-799-9666 WWW.ZOOM.US CA	\$158.89
06/21	06/22	PBUS01	24692163172104611355802	STAMPS.COM 855-608-2677 TX	\$21.19
06/23	06/25	PBUS01	24906413174176773506157	At-A-Glance US 800-6439923 IL	\$43.28
06/27	06/28	PBUS01	24323033178207258200060	SIGNS NOW 335 INC ERIE PA	\$288.00

phone/IT postage D.S. outreach

PLEASE DETACH COUPON AND RETURN PAYMENT USING THE ENCLOSED ENVELOPE - ALLOW UP TO 7 DAYS FOR RECEIPT

ERIEBANK
PO BOX 42
CLEARFIELD PA 16830-0042

Account Number
####-####-####-8643

Check box to indicate name/address change on back of this coupon

AMOUNT OF PAYMENT ENCLOSED

Closing Date	New Balance	Total Minimum Payment Due	Payment Due Date
07/10/23	\$755.98	\$755.98	08/04/23

\$

BL ACCT 00100029-10000000
ERIE COUNTY GAMING
5340 FRYLING ROAD
SUITE 201
ERIE PA 16510-4672

e-Statement

MAKE CHECK PAYABLE TO:

VISA
PO BOX 4517
CAROL STREAM IL 60197-4517

17 4335 2636 1000 8643 00075598 00075598 3

Cardholder Account Detail Continued

Trans Date	Post Date	Plan Name	Reference Number	Description	Amount
06/27	06/28	PBUS01	24037243178900014165534	ENRIQUES SOUTHEAST MEXIC ERIE PA	\$179.62
06/28	06/30	PBUS01	24789303180027202190203	GANNETT NEWSPRPR NE 888-8710686 IN	\$65.00

*mtg exp-
 subscript*

Additional Information About Your Account

MANAGE YOUR CARD ACCOUNT ONLINE. IT'S FREE! IT'S EASY! SIMPLY GO TO WWW.MYCARDSTATEMENT.COM AND ENROLL IN OUR ONLINE SERVICE. YOU CAN REVIEW ACCOUNT INFORMATION, TRACK SPENDING, SET ALERT NOTIFICATIONS, DOWNLOAD FILES, AND MUCH MORE. MANAGING YOUR ACCOUNT IS FAST, SECURE AND EASY WITH MYCARDSTATEMENT. ENROLL TODAY!

ScoreCard CashBack Earnings as of 07/09/2023

SCORECARD	Beginning Balance	Current Earned	CashBack Adjusted	Ending Balance	CashBack Payout Date
	\$0.00	\$0.00	\$0.00	\$0.00	05/15/2024

Finance Charge Summary / Plan Level Information

Plan Name	Plan Description	FCM ¹	Average Daily Balance	Periodic Rate *	Corresponding APR	Finance Charges	Effective APR Fees **	Effective APR	Ending Balance
Purchases									
PBUS01 001	PURCHASE	E	\$0.00	1.00000%(M)	12.0000%(V)	\$0.00	\$0.00	0.0000%	\$755.98
Cash									
CBUS01 001	CASH	G	\$0.00	1.00000%(M)	12.0000%(V)	\$0.00	\$0.00	0.0000%	\$0.00
* Periodic Rate (M)=Monthly (D)=Daily							Days In Billing Cycle: 31		
** includes cash advance and foreign currency fees							APR = Annual Percentage Rate		
¹ FCM = Finance Charge Method									
(V) = Variable Rate If you have a variable rate account the periodic rate and Annual Percentage Rate (APR) may vary.									



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

**EXECUTIVE
DIRECTOR'S
REPORT
FOR
SEPTEMBER
2023**

From: RV, BFM Gaming <RA-BFM-Gaming@pa.gov>
Sent: Tuesday, July 25, 2023 2:50 PM
To: Lichtenwalter, Paul <PLichtenwalter@eriecountypa.gov>
Cc: Perry Wood <pwood@ecgra.org>
Subject: Local Share Assessment Payment Notification - Erie County

Dear Mr. Lichtenwalter:

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 interactive gaming and slots to the municipalities in which a licensed gaming entity is located. This distribution is based on the interactive gaming and slots local share assessment amount collected plus the slot machine license operation fee amount collected over Summit Township's budget limitation.

Erie County: \$2,630,079.61
Land Bank Jurisdiction: \$332,788.66

An ACH for the 2nd quarter of 2023 payment in the amount of \$2,962,868.27 should be deposited in your bank account within 7 - 10 business days. This payment includes the slots local share assessment of \$462,868.27 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 let me know.

Thank you.

Jennifer Heckert | Division Chief
PA Department of Revenue
Bureau of Fiscal Management | Gaming Division
1147 Strawberry Square | Harrisburg PA 17128
Phone: 717.346.4004 | Fax: 717.787.6738
E-mail: jeheckert@pa.gov
www.revenue.pa.gov

2,630,079.61
COUNTY x.55 = 1,446,543.79
ECGRA x.45 = 1,183,535.82

Our mission is to fairly, efficiently and accurately administer the tax laws and other revenue programs of the Commonwealth of Pennsylvania.

August 2023

Meeting with Executive Director
Ongoing Social Media Management
Ongoing Consulting
August Comms

IMPLEMENTED

- 9 Total August posts
- 5 Total graphics created
- Strategic Marketing Planning with Kate Philips and Executive Director
- 2022–23 Annual Report
- Loan Committee Presentation

IN PROGRESS | 2023 Grant Releases and Graphics

- Holiday Graphics
- 2022–23 Annual Report Graphics
- Economic Impact Report rollout
 - Press release
 - PowerPoint presentation
 - Social media graphics

IN PLANNING

- Parks Fields & Trails 2 year report
- ECGRA Playbook
- Roadshow Tours



Strategic Planning Committee Meeting

August 28, 2023
11:00am – 1:30pm
5240 Knowledge Parkway

AGENDA

ECGRA would like to recognize County Councilman Terry Scutella in attendance as the liaison to the Erie Airport Authority

11:00am - Noon

PRESENTATION

Erie Regional Airport Authority

- Jake Rouch, Vice President of Economic Development, Erie Regional Chamber & Growth Partnership (ERCGP)
- James Grunke, President & CEO, ERCGP (tentative)
- Derek Martin, Executive Director, Erie Regional Airport Authority (ERAA)
- Dan Gianelli, Chair, ERAA Board
- Brian Slawin, Board Member, ERAA Board

Noon – 12:45pm

Lunch Break / Discussion of Community Facilities Funding

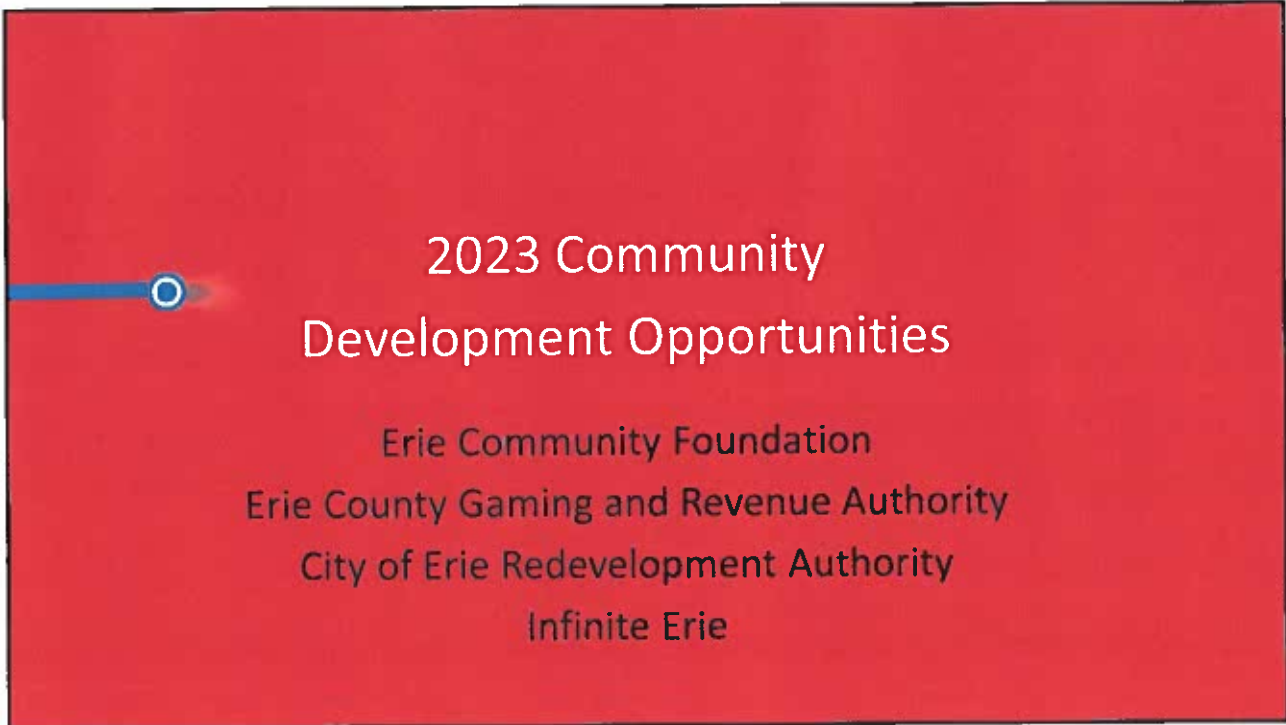
12:45pm – 1:30pm

PRESENTATION

All Aboard Erie

- Brian Pitzer
- Bill Hutchinson

GOOD OF THE ORDER



2023 Community Development Opportunities

Erie Community Foundation
Erie County Gaming and Revenue Authority
City of Erie Redevelopment Authority
Infinite Erie

1



Agenda

- Welcome and Introductions – Karen Bilowith, President & CEO, The Erie Community Foundation and Perry Wood, Executive Director, ECGRA
- Best Practice Highlight - Youngstown Neighborhood Development Corporation
- Infinite Erie Neighborhoods and Main Streets Portfolio
 - Overview – Kim Thomas, Executive Director, Infinite Erie
 - Burton School Revitalization – Daria Devlin and Gary Horton
 - Community Land Trust/Affordable Housing Efforts – Anna Frantz, Executive Director, Our West Bayfront
 - Construction Trades Training Pilot Program
 - Rural Main Street Revitalization – Chuck Gray, Executive Director, Impact Corry
 - Presque Isle Gateway Corridor – Kim Clear, Millcreek Supervisor
- Next Steps and Closing – Karen Bilowith and Perry Wood

2

Infinite Erie Action Team

The Infinite Erie Action Team consists of the following partner organizations:

- ecrda: Erie County Redevelopment Authority
- ECGRA
- Erie Insurance
- The Erie Community Foundation
- EBWS
- Commonwealth of Pennsylvania
- City of Erie
- JEFFERSON EDUCATIONAL SOCIETY
- DIVERSE erie
- ERIE REGIONAL CHAMBER AND GROWTH PARTNERSHIP
- UECDC: Quality of Life Learning Center
- HAMOT HEALTH FOUNDATION
- GEEDC: Greater Erie Economic Development Corporation
- erle: Infinite Erie Learning Center

3

Erie's Community Plans Move from plan to action

The following community plans have moved from plan to action:

- Erie Refocused
- Erie Downtown Master Plan
- East Bayfront Neighborhood Plan
- OWB Community Plan
- Northwest Pennsylvania CEDS Strategy
- ERCGP Target Industries
- Erie Forward
- Impact Corry Community Strategic Plan
- Active Erie Transportation Plan
- Emerge 2040
- Embrace Millcreek
- ERCGP Pipeline Report
- Port Authority Master Plan

4

Community Impact & Leadership

A Framework for Shared Goals

Adopting the Framework can help raise **collective ambition** by intentionally **aligning** resources, and investments into manageable, measurable, and meaningful goals.

Collective Impact/Shared Goals

Adopting the Framework: A Model for Erie

Graphic provided by Altair Real Estate - do not duplicate

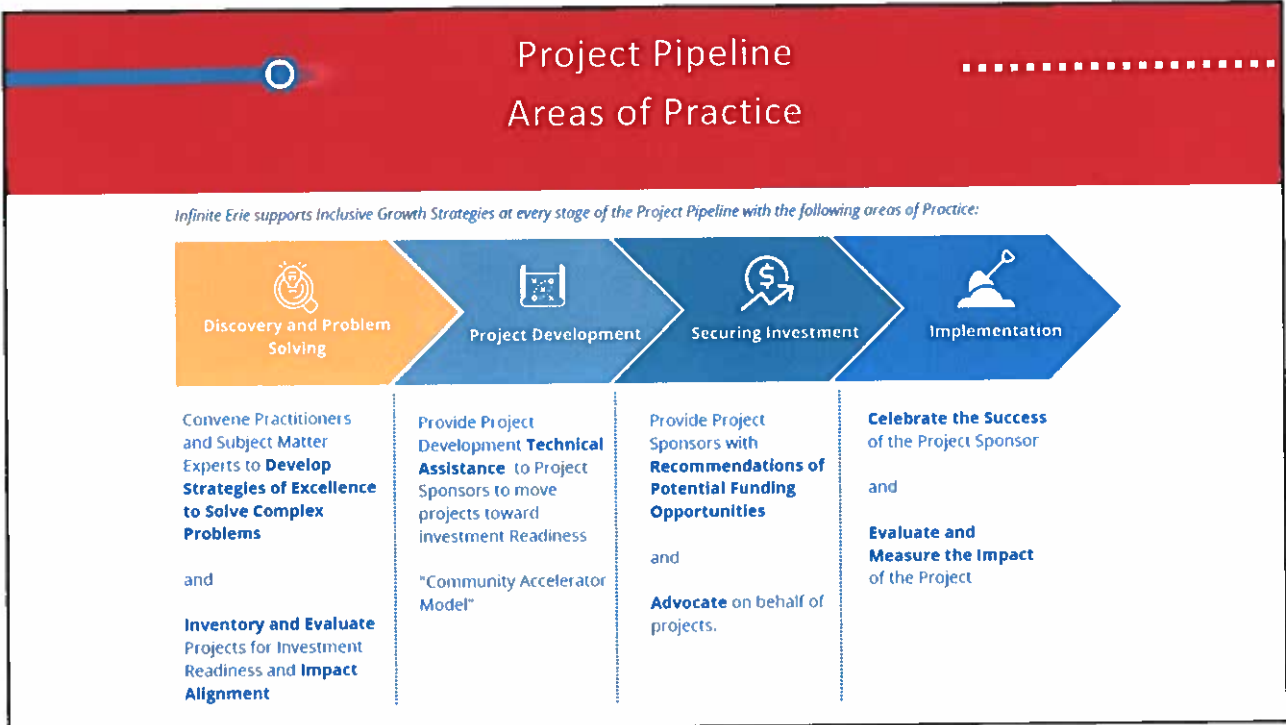
5

Impact Framework Alignment

Inputs <small>What is the task or activity?</small>	Outputs <small>What is the deliverable of the task or activity?</small>	Outcomes <small>What is the difference?</small>
<ul style="list-style-type: none"> • Pilot Training and Construction Partnership • Launch the Cornerstone Community Land Trust • Targeted Neighborhood Redevelopment Fund • Partnerships for Neighborhood Redevelopment • Burton School Project Development • Permanent Supportive Housing Development • Erie County Main Streets • Presque Isle Gateway Redevelopment 	<p>50 Quality Housing Units for 30% AMI or less populations</p> <p>100 Quality Housing Units Available for 80% AMI or more populations</p> <p>150 families are placed in permanent affordable homes</p> <p>No less than 5 neighborhoods have no less than one (1) vendor carrying healthy and affordable food</p> <p>20 Commercial Properties in Neighborhoods Redeveloped and Reactivated with at least 1 locally owned business in each participating neighborhood or Main Street Community (Partner with Inclusive Entrepreneurship D1)</p> <p>25 Students graduating from Pilot Training and Construction Programs</p> <p>8 Families trained in financial literacy and / or home ownership pathways</p>	<div style="display: grid; grid-template-columns: 1fr 1fr; gap: 10px;"> <div style="border: 1px solid #ccc; padding: 5px;"> <p style="font-size: x-small; text-align: center;">Owner Occupied Housing</p> <div style="text-align: center;"> <p style="font-size: x-small;">Goal: Increase Erie County Owner-Occupied housing rate by 2% over 5 years</p> </div> </div> <div style="border: 1px solid #ccc; padding: 5px;"> <p style="font-size: x-small; text-align: center;">Property Improvement</p> <div style="text-align: center;"> <p style="font-size: x-small;">Goal: 10% of Properties in Erie County Commercial Corridor & neighborhoods improve in value over 5 years</p> </div> </div> <div style="border: 1px solid #ccc; padding: 5px;"> <p style="font-size: x-small; text-align: center;">Healthy & Affordable Food Access</p> <div style="text-align: center;"> <p style="font-size: x-small;">Goal: 3 neighborhoods with 6 vendors (program as USDA) Limited access to healthy and affordable foods in 5 years</p> </div> </div> <div style="border: 1px solid #ccc; padding: 5px;"> <p style="font-size: x-small; text-align: center;">Chronic Homelessness</p> <div style="text-align: center;"> <p style="font-size: x-small;">Goal: Impact 150 people in Erie County and ultimately reduce chronic homelessness to 0 persons in 5 years</p> </div> </div> </div>

Example provided by Altair Consulting Group

6



7

Youngstown Neighborhood Development Corporation

YOUNGSTOWN NEIGHBORHOOD DEVELOPMENT CORPORATION

Transforming neighborhoods, changing lives

The Youngstown Neighborhood Development Corporation (YNDC) is a multifaceted neighborhood development organization launched in 2009 in partnership with the City of Youngstown and The Raymond John Wean Foundation to catalyze strategic neighborhood reinvestment in neighborhoods throughout the city.

YNDC works to transform neighborhoods into meaningful places where people invest time, money and energy into their homes and neighborhoods; where neighbors have the capacity to manage day-to-day issues; and where neighbors feel confident about the future of their neighborhood.

8



August 16, 2023

Perry Wood
ECGRA
5340 Fryling Road, #201
Erie, PA 16510

Dear Perry,

What an incredible evening!

On August 12, 2023, the Erie Humane Society team came together with over 2,000 guests for the 4th annual Rock & Rescue Charity Concert featuring triple platinum recording artist, Niko Moon.

Amidst the music and celebration, we were honored to award our third service dog, Theo, to Army National Guard veteran, Tim Crowley. Proceeds from the night's celebration not only help to support the mission of the Erie Humane Society but also provides funding to train one service dog annually to be awarded to a local community veteran.

Nights like this would not be possible without the generosity and support of our sponsors. Your kindness has helped us to create a landmark event that the community looks forward to each summer. We are full of gratitude for the continued growth and success of this concert and look forward to another breakthrough year in 2024. Stay tuned for our 2024 concert announcement in early November!

We are so grateful for you and your support of the Erie Humane Society.

Sincerely,

Nicole Leone
Executive Director

Thank you for your support of this concert, it was another incredible evening!

Farm Heritage Days happening Aug. 12-13

Enjoy North East to present Farm Heritage Days, a mega market and two-day celebration of agriculture from noon to 7 p.m. each day in Gibson and Heard parks.

Axe Women Loggers of Maine, a team of world-champion choppers, logrollers and axe throwers, will perform three shows daily at noon, 3 and 5 p.m.

In between those shows, listen to country music by Dan Baney; classic rock by Grand Larceny; and bluegrass by Generic Grass. Sunday afternoon, stop by for line dancing lessons and then stick around for Night Shift to try out those new moves.

Check out the tractor and farm equipment show noon to 5 p.m. in Heard Park. (Open to all ages and models, no registration required.)

Saturday there's hands-on science fun for kids from STEM & Vine and Sunday a petting zoo with ducks, rabbits, chickens, piglets, goats and more from Pony Parties LLC.

Check out homesteading demos daily and live chainsaw sculpture artist on Sunday.

Nearby at 25 Vine St., the North East Historical Society and North East

Arts Council will host an Open House from 1 to 7 p.m. Saturday featuring art by Ross Peters and a photography show featuring numerous local amateur and professional pieces that showcase North East, its people, places, nature and agriculture.

And of course, the food vendors and trucks, locally grown produce and all the favorite Open Market vendors with unique crafts, jewelry and more will be on site.

Farm Heritage Days is free to attend and wouldn't be possible without the generous support of sponsors including: 4 NINE Place, North East Athletic Club, Pennock's Cub Cadet & Stihl by Dan & Jean Bennett, ECGRA, Orton & Orton Attorneys at Law, Trolley Line Vineyards, North East in Bloom, BC Auto Repair, Grape Coast Property Management, NFI Empire, Rossbacher Insurance Service, Arundel Cellars & Brewing Co., Walker's Tree and Ground Services and Lawnworks.

For more information on the event, becoming a vendor or participating in the tractor and equipment show, email info@nechamber.org.

Friday, August 4, 2023

Homeowners receive \$100K in Renaissance Block funding

BY CHLOE FORBES
chloe@thecorryjournal.com

Renaissance Block grants are back as Impact Corry announced the next round of funding got the final OK. On Wednesday, Impact Corry notified 24 homeowners on the School House Block waiting list that a \$100,000 chunk-of-change would push them to the finish line.

Renaissance Block is a home beautification grant that matches dollar for dollar up to 50% of what a homeowner invests into home improvements. For example, if a property owner spends \$500, a \$250 reimbursement will be made.

In 2019, the Renaissance Block grant funds first became available through the Erie County Gaming Revenue Authority (ECGRA). By early 2020, four neighborhoods were earmarked for grant money based on certain criteria — consecutive houses wanting to participate, neighborhood organization, effective communication between neighbors and community investment and more.

The cluster of homes dubbed “School House Block” was first out of the four neighborhoods to receive funds for renovations. That area is comprised of homes between Wayne and North Center streets, from East

Bond and East Irving streets to East Frederick Street.

After the first round of funding, interest skyrocketed, and the waiting list grew. With the new round of funding, the waiting list shrank from 92 properties to 39.

Michelle and Bob Conda live in Cincinnati, Ohio, but travel to Corry frequently to visit Michelle’s mother, Mary Burrows.

The Condas purchased property in Columbus, but with the housing market peaking at a high, it was proving difficult to build. Instead, they made the decision to sell the Columbus property and purchase a fixer-upper in Corry. ◀ See Funding, P.2

Funding

(Continued from front page)

The house, located on Wright Street, needed more than a facelift at first.

The duo already replaced windows and gutters on the house and fixed the furnace and water heater. Now, they’re onto fixing the siding. Currently, there’s outdated brown, wooden siding that these funds will help to replace.

The Condos are now no. 12 on the waiting list and will most likely be funded in the next round.

“Corry has some beautiful houses, they just need some TLC — tender, love and care,” Michelle said.

She said grants motivate people like them to get going on projects and beautify the area at the same time. For them, it’s a no-brainer.

“A rising tide lifts all

ships,” Bob said. “If people keep up their homes, it’ll have a positive snowball effect.”

The projects completed with Renaissance Block funding have to be improvements seen by street traffic or passersby.

The program is designed to address and reverse housing blight in Erie County as problems with deteriorating and code-deficient residential structures are far-reaching. It’s meant to incentivize private investment.

So far, over \$200,000 has been invested into projects in Corry using Renaissance Block programming.

Charles Gray, executive director of Impact Corry, said so far, the program funded the revival of over 42 homes in Corry. Before a property uses the money, it is evaluated, then again after the project is complete.

Gray said there have been multiple properties that increase in value by one or two ranks. Besides increasing property value, other advantages include improving the tax base and beautifying the area.

“When a place isn’t welcoming, do you go back there? No,” Gray said, mentioning that the charisma to bring people into the community is a driving force.

“I believe this program is so great because we care about them and live by them — we’re neighbors,” she said, noting the relationships made in the program.

This year, she’s having all the families meet at the same time during an information session. That way, homeowners can coordinate projects to get better deals on resources.

For example, if three

people need new windows, they could all go to the same contractor and get a better deal. It saves money for the homeowners and the funding pool.

With the newest investments, those awarded funding this round and last round had positive feedback and thanked Impact Corry for its role in facilitating funds. Gray said she’s hoping to bring on a new employee so that Impact Corry can maintain efforts like this throughout the city.

She highlighted all the nonprofits in the area working to improve downtown, saying it’s an effort by everyone.

Next week, residents are able to help local nonprofits by donating on Erie Gives Day, set for Aug. 8.

Gray said that for nonprofits in Corry, donations can be game changing.

Homeowners prepare for Ren. Block projects

BY CHLOE FORBES

chloe@thecorryjournal.com

Homeowners are ready to renovate as funding comes through for Renaissance Block projects.

On Aug. 2, Impact Corry was awarded \$100,000 for a list of projects downtown. On Aug. 18, the Erie County Gaming Revenue Authority (ECGRA) awarded an additional \$100,000.

Renaissance Block is a home beautification grant that matches dollar for dollar up to 50% of what a homeowner invests into home improvements. For example, if a property owner spends \$500, a \$250 reimbursement will be made.

The reimbursement goes up to \$5,000.

On Wednesday, Impact Corry held an informational meeting for homeowners that will be beginning their projects. Once awarded the funding, homeowners have a year to complete the project.

The initiative is meant to improve curb appeal and property value, so it's for improvements that can be seen from the road. In the group that met on Wednesday, there was a plethora of projects, ranging from redoing driveways and



Chloe Forbes/The Corry Journal

Charles Gray, executive director of Impact Corry, leads an informational meeting on Wednesday at Corry Higher Education Council for homeowners recently awarded funding through the Renaissance Block grant program.

sidewalks to landscaping, repairing roofs and replacing windows and doors.

Charles Gray, executive director of Impact Corry, said this is the first time they've done informational meetings

with all of the homeowners. The purpose is to do paperwork and answer questions all at once, and for those residents with similar projects to work together if they want to.

◀ See Projects, P.2

Projects

(Continued from front page)

For example, if a group of homeowners is working toward replacing windows, they may be able to get a better deal ordering in bulk. As part of their applications, homeowners have to get bids for any contract-

ing work, but some homeowners may choose to do it themselves.

The grant reimburses labor and materials through contractors, but only material costs are reimbursed if the homeowner does it himself/herself.

Gray mentioned there is a partnership with Sherwin Williams for painting materials that allows home-

owners in the program to receive discounts. She also explained code compliance to the group and offered various resources.

One homeowner asked, "Can we get our projects started now?" To which Gray responded with a resounding, "Go for it."

Randy McClenahan is one of those homeowners who is kicking off a project with

this money.

"The program is pretty good," he said. Why? "Because my wife said so," he replied.

His wife, Ann McClenahan chuckled and said they're happy to have their project paid for, adding that it's a great way to improve everyone's houses and the appearance of Corry.

**Transmittal Memo to Pension Plan's
Governing Board Advising of 2024 MMO**

Date Presented: September 21, 2023

To: ECGRA Board of Directors

From: ECGRA Staff

Subject: The 2024 Minimum Municipal Obligation (MMO) for the
Pension Plan

Act 205 of 1984, as amended, governs the funding requirements for all municipal pension plans. The law requires the Chief Administrative Officer of each municipal pension plan to inform the governing board of the municipality of the plan's expected financial obligation for the coming year. This must be done by the last business day in September.

The calculation of the 2024 plan cost, or the MMO, required an estimate of the 2023 W-2 wages of the employees covered by the plan. I have indicated on the attached worksheet my best estimate of the same. Questions on the pension cost calculation may be addressed to either myself or the Pennsylvania Municipal Retirement System at 800-622-7968.

The MMO is the municipality's 2024 bill for this pension plan and must be paid by December 31, 2024. The obligation must be met with general fund monies or with any General State Aid to Municipal Pensions to which we may be entitled to under Act 205.

Attachment: 2024 MMO Worksheet

The Minimum Municipal Obligation Worksheet (MMO)
For The
Erie County Gaming Revenue Authority Pension Plan (25-999-1 N)

For Plan Year 2024

Estimated 2024 W-2 Payroll
For Covered Plan Members: (A) 239,683

Contracted Employer Contribution Rate
Expressed as a Decimal: (B) 0.0800

RESULT: (A) * (B) = (C) 19,175

Administrative Charge (PMRS Determined)
of Plan Members times \$20: (D) 60.00

MINIMUM MUNICIPAL OBLIGATION

Equals (C) + (D) (MMO) 19,235

Prepared By: TAMMI MICHALI (Name) Tammi Michali (Signature)
OFFICE MANAGER (Title) (814) 897 - 2690 (Telephone #)

Please complete the above worksheet with your best estimates and return only one copy to the Pennsylvania Municipal Retirement System by October 4, 2023. Forms can be submitted electronically to RA-RSCOMPLETEDFORMS@pa.gov. The official copy must be shared with the plan's governing board by the last business day in September.

RESOLUTION NUMBER 14, 2023

Resolution to authorize the executive director and solicitor to engage with the appropriate officials at Erie County to discuss performing an annual reconciliation of gaming local share distributions

BE IT RESOLVED that, ECGRA, in the implementation of its mission to promote economic and community development in partnership with federal agencies, the Commonwealth of Pennsylvania, and other entities in national and state government, the board of directors of the Erie County Gaming Revenue Authority, pursuant to the Economic Development Financing Law and the Erie County Gaming Revenue Authority Bylaws, resolves to authorize the executive director and solicitor to engage with the appropriate officials at Erie County to discuss performing an annual reconciliation of gaming local share distributions.

On the motion of _____, seconded by _____.

This resolution was passed on the 21st day of September 2023 by a vote of _____ - _____.

ERIE COUNTY GAMING REVENUE AUTHORITY

Chairman, Erie County Gaming Revenue Authority
September 21, 2023

ATTEST:

Secretary, ECGRA

RESOLUTION NUMBER 15, 2023

**Resolution to enter into agreements with twenty-two (22)
Erie County Community Facilities
as part of the Building a Better Future**

Whereas, the Strategic Planning Committee reviewed funding proposals and made funding recommendations in support of community facilities as they relate to ECGRA’s Strategic Plan and community goals;

Whereas, there were twenty-four (24) applicants for Community Assets funding and the Board of Directors affirms that twenty-two (22) applicants have met the threshold for funding including being in good standing with taxing bodies and other reporting requirements;

Whereas, these applicants for Community Facilities and the Board of Directors affirms that the Building a Better Future guidelines suggest that these funds are intended to have a generational impact for the communities they serve throughout Erie County;

Whereas, the eligible applicants are awarded grants totaling \$1,875,285 to the extent outlined in the attached Exhibit “A”;

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Erie County Gaming Revenue Authority, pursuant to the Economic Development Financing Law and the Erie County Gaming Revenue Authority Bylaws, resolves to enter into agreements with twenty-two (22) Erie County Community Facilities so they may flourish, create an economic impact on the region and continue to enrich the quality of life for Erie County residents.

On the motion of _____, seconded by _____.

This resolution was passed on 21st day of September 2023 by a vote of ____ - ____.

ERIE COUNTY GAMING REVENUE AUTHORITY

Chairman, Erie County Gaming Revenue Authority
September 21, 2023

ATTEST:

Secretary, ECGRA



2023 Building a Better Future Recipients



COMMUNITY FACILITIES

Organization	ARPA Amount	ECGRA Amount	Award Amount
Bodhi Gardens Initiative	\$57,620.00	\$28,380.00	\$86,000.00
Booker T. Washington Center	\$83,750.00	\$41,250.00	\$125,000.00
Borough of Edinboro	\$16,750.00	\$8,250.00	\$25,000.00
Boys & Girls Club of Erie	\$43,698.00	\$21,523.00	\$65,221.00
Community Shelter Services	\$70,815.00	\$34,879.00	\$105,694.00
Corry Higher Education Council	\$39,865.00	\$19,635.00	\$59,500.00
Eagle's Nest Leadership Corporation	\$83,750.00	\$41,250.00	\$125,000.00
Edinboro Market	\$83,750.00	\$41,250.00	\$125,000.00
GECAC	\$9,165.00	\$4,515.00	\$13,680.00
Harvest 912	\$10,050.00	\$4,950.00	\$15,000.00
Impact Corry	\$83,750.00	\$41,250.00	\$125,000.00
Inner-City Neighborhood Art House	\$83,750.00	\$41,250.00	\$125,000.00
International Institute of Erie	\$86,430.00	\$42,570.00	\$129,000.00
John F. Kennedy Center	\$83,750.00	\$41,250.00	\$125,000.00
Journey: Healing Together	\$16,750.00	\$8,250.00	\$25,000.00
Martin Luther King Center	\$83,750.00	\$41,250.00	\$125,000.00
Mercy Center for Women	\$67,000.00	\$33,000.00	\$100,000.00
Mercy Hilltop Center	\$66,330.00	\$32,670.00	\$99,000.00
Northwestern Community Youth Center	\$12,395.00	\$6,105.00	\$18,500.00
Sarah A. Reed Children's Center	\$57,620.00	\$28,380.00	\$86,000.00
St. Martin Center	\$50,250.00	\$24,750.00	\$75,000.00
YMCA of Corry	\$65,212.00	\$32,119.00	\$97,331.00
TOTAL Requested	\$1,256,200.00	\$618,726.00	\$1,874,926.00

RESOLUTION NUMBER 16, 2023

Resolution to authorize an agreement between the Erie County Gaming Revenue Authority, The Erie Regional Chamber and Growth Partnership, and the Fly Erie Fund for \$375,000 mission-related investment (MRI) grant

WHEREAS, ECGRA adopted an Investment Policy in 2014 in which the Authority created an investment strategy known as Mission Related Investments (“MRI’s”) through which ECGRA may make investments that meet the obligations of the Economic Development Financing Law, and which meet the spending and investment Goals of ECGRA and comply with the Asset Class determinations made within the Investment Policy; and

WHEREAS, the investment goals adopted by ECGRA include, but are not limited to, providing “capital to organizations that further the mission of economic and community development in Erie County, Pennsylvania, and one identified Asset Class includes “Alternative Investments” through which ECGRA may invest in “growth, venture and working capital for industry and business,” and

WHEREAS, it is vital for Erie County to maintain a vibrant airport in order to retain and attract business and industry, and the Erie Regional airport Authority (ERI) serves as a vital component of Erie County’s economic and community development system; and

WHEREAS, the ERI receives no operational support from city, county, state or federal government; and

WHEREAS, the proposed Fly Erie Fund is proposed to be a subsidiary 501(c)(3) organization of the ERCGP, and will be funded through a proposed commitment of \$750,000 from the Private Sector, \$750,000 from the Public Sector and \$5,000,000 from ERI Reserves; and

WHEREAS, the ECGRA Board of Directors desires to offer a revocable grant to ERCGP, and its proposed subsidiary, the Fly Erie Fund, LLC, to provide airline subsidies relative to Cost Per Enplaned Passenger (CPE) guarantees/targets, revenue guarantees, and/or marketing campaigns to optimize seat utilization upon ERI securing an additional air carrier to service ERI; and

WHEREAS, such a revocable grant would be considered an investment in industry working and growth capital, and is in accordance with the allowances of the Investment Policy;

NOW THEREFORE, BE IT RESOLVED that the Board of Directors of the Erie County Gaming Revenue Authority, pursuant to the Economic Development Financing Law and the ECGRA Bylaws, awards a mission-related investment to Fly Erie in the amount of \$375,000 subject to contract negotiations with the executive director and legal counsel.

On the motion of _____, seconded by _____.

This resolution was passed on 21st day of September, 2023 by a vote of ____ - ____.

ERIE COUNTY GAMING REVENUE AUTHORITY

Chairman, Erie County Gaming Revenue Authority

September 21, 2023

ATTEST:

Secretary, ECGRA

**FUNDING AGREEMENT BETWEEN
THE ERIE COUNTY GAMING REVENUE AUTHORITY
AND**

**THE ERIE REGIONAL CHAMBER AND GROWTH PARTNERSHIP
AND
THE FLY ERIE FUND**

**FOR A
MISSION RELATED INVESTMENT**

THIS AGREEMENT, entered this ___ day of _____, 2023 by and between the:

Erie County Gaming Revenue Authority, a body corporate and politic organized and existing under the provisions of the Pennsylvania Economic Development Financing Law, 73 P.S. §§ 371 et seq., with offices at 5340 Fryling Road, Suite 201, Erie, Pennsylvania 16510, hereinafter referred to as “ECGRA,”

AND

The Erie Regional Chamber and Growth Partnership, a 501(c)(3) nonprofit organization organized and existing under the laws of the Commonwealth of Pennsylvania, with an address of 1128 State Street, Erie, Pennsylvania 16501, hereinafter referred to as “ERCGP.”

WHEREAS, ECGRA adopted an Investment Policy in 2014 (the “Investment Policy”) in which the Authority created an investment strategy known as Mission Related Investments (“MRI’s”) through which ECGRA may make investments that meet the obligations of the Economic Development Financing Law, and which meet the spending and investment Goals of ECGRA and comply with the Asset Class determinations made within the Investment Policy; and

WHEREAS, the investment goals adopted by ECGRA include, but are not limited to, providing “capital to organizations that further the mission of economic and community development in Erie County, Pennsylvania, and one identified Asset Class includes “Alternative Investments” through which ECGRA may invest in “growth, venture and working capital for industry and business,” and

WHEREAS, the Erie Regional Airport Authority (ERI) operates the Erie International Airport/Tom Ridge Field, and is the only commercial airport facility in Erie County; and

WHEREAS, due to pilot, mechanic and air traffic controller shortages and increased operating costs, traditional air carriers have reduced flights into and out of ERI; and

WHEREAS, it is vital for Erie County to maintain a vibrant airport in order to retain and attract business and industry, and ERI serves as a vital component of Erie County’s economic and community development system; and

WHEREAS, the ERCGP has proposed developing the Fly Erie Fund (hereinafter referred to as “Fly Erie”) for the purpose of subsidizing the operations of ERI for a limited period of time in order to reduce ERI’s Cost Per Enplaned Passenger (CPE) to entice air carriers to return to ERI; and

WHEREAS, ERI receives no operational support from city, county, state or federal government; and

WHEREAS, the proposed Fly Erie Fund is proposed to be a subsidiary 501(c)(3) organization of the ERCGP, and will be funded through a proposed commitment of \$750,000 from the Private Sector, \$750,000 from the Public Sector and \$5,000,000 from ERI Reserves; and

WHEREAS, the ECGRA Board of Directors desires to offer a revocable grant to ERCGP, and its proposed subsidiary, the Fly Erie Fund, LLC, to provide airline subsidies relative to CPE guarantees/targets, revenue guarantees, and/or marketing campaigns to optimize seat utilization upon ERI securing an additional air carrier to service ERI (the “Project”); and

WHEREAS, such a revocable grant would be considered an investment in industry working and growth capital, and is in accordance with the allowances of the Investment Policy.

NOW THEREFORE, on the date first identified above, and in consideration of the mutual promises contained herein and other good and valuable consideration, the receipt of which are hereby acknowledged, the parties hereto, intending to be legally bound hereby, agree as follows.

1. Incorporation. The recitations above are incorporated hereby as if more fully set forth herein.
2. Relationship of the Parties. ECGRA, and the ERCGP are separate and distinct entities who intend to act independent of one another as parties to the within contract. Employees of ERCGP shall not be considered the employees, agents or ostensible agents of ECGRA. The employees of ECGRA shall not be considered employees, agents or ostensible agents of ERCGP.
3. Term. This Agreement shall commence upon the date of the last party to sign the Agreement, and shall continue until December 31, 2026.
4. Revocable Grant.
 - a. ECGRA hereby grants to ERCGP the total sum of Three Hundred and Seventy-Five Thousand Dollars (\$375,000) to fund the Fly Erie Fund and for use to fund the Project (the “Grant”).
 - b. ERCGP may, upon providing ECGRA with writing notification of the same, assign the Grant, subject to the terms and conditions of this Agreement, to the Fly Erie Fund, LLC, or other subsidiary 501(c)(3) organization. In such an event, the Fly Erie Fund shall accept such assignment in writing, and shall comply with all terms and conditions of this Agreement.

- c. ERCGP and/or the Fly Erie Fund shall obtain matching funds, or a binding written commitment for matching funds, in the minimum amount of the Grant prior to requesting a disbursement from ECGRA.
- d. The Grant shall be drawn down through submission of written payment requests to ECGRA in amounts acceptable to ECGRA staff.
- e. In the event that ECGRA or the Fly Erie Fund does not obtain matching funds by December 31, 2026, the Grant is hereby revoked and ECGRA shall have no obligation to provide any funds to ERCGP, the Fly Erie Fund, or the Project.

5. Activities.

- a. Funds received by ERCGP from ECGRA will be utilized to fund the Project.
- b. ERCGP may assign this Agreement to the Fly Erie Fund, LLC, or another subsidiary 501(c)(3) organization, which is charged with facilitating the Project.
- c. ERCGP shall comply with those representations contained within the Erie Air Service Enhancement plan and Fly Erie Fund, except for the timelines included within the document, as submitted to ECGRA and attached hereto as Exhibit A.
- d. ECGRA shall be provided with a seat on the Board of Directors of the Fly Erie Fund, or other subsidiary 501(c)(3) organization which is charged with facilitating the Project.
- e. ERCGP shall not utilize funds supplied by ECGRA to: (1) acquire or finance the acquisition of a project which shall cause the removal of a plant, facility or other business from one area of the Commonwealth to another area of the Commonwealth, unless the secretary of the Department of Community and Economic Development has found that relocation of the plant, facility or other business is necessary in order for the plant, facility or other business to remain competitive or to prevent the plant, facility or other business from leaving this Commonwealth; (2) enter into any agreement to finance the acquisition of a project in excess of the cost of the project; (3) engage in business, trade or commerce for a profit as an owner or lessee of a project, or otherwise; (4) finance any project which will be used in whole or in part for illegal activities; and, (5) finance any project which is not located within Erie County, Pennsylvania.
- f. All such lending shall be made, and ERCGP shall utilize funds provided by ECGRA, pursuant to the following guidelines:
 - (i) Geographic Limitation. ERCGP shall ensure that the funding provided by ECGRA is only used for projects primarily located in Erie County, Pennsylvania, and with the specific condition that such funds shall only be invested within the geographic boundaries of Erie County, Pennsylvania, and may not be invested in any business locations or operations outside of Erie County, Pennsylvania.

- (ii) Internal Leverage. During the Term of this Agreement, ERCGP will obtain at least Three Hundred and Seventy-Five Thousand Dollars (\$375,000) of investment into the Project. Matching funds in an amount equal to the amount of any disbursement request must be committed, and proof of the same must be provided to the Executive Director of ECGRA, prior to any disbursement.
6. Default. Failure to meet any provision of this Agreement shall constitute a Default by ERCGP. In the event of a Default, the Grant shall be determined to be revoked immediately and all remaining Grant funds are to be returned to ECGRA upon demand and this agreement shall be determined to be terminated immediately.
7. Cooperation. ERCGP shall cooperate in every reasonable way with ECGRA to facilitate the purposes and intent of this Agreement. ECGRA shall cooperate in every reasonable way to facilitate the purposes and intent of this Agreement.
8. Indemnification. ERCGP hereby agrees to release, indemnify and hold ECGRA harmless from any claims, damages, losses, law suits, causes of action or demands arising out of the good faith provision of services by ECGRA hereunder, except to the extent that such claims, losses, lawsuits, causes of action or demands are based on the negligence, recklessness, or intentional misconduct of ECGRA and/or its agents, employees, and/or personnel.
9. Right-to-Know Law. The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101 - 67.3104, applies to this Agreement. (the “RTKL”). Upon notification to ERCGP that ECGRA has received a request for records under the RTKL, ERCGP shall fully assist ECGRA in responding to the request. Such assistance shall include, at a minimum, providing ECGRA, within three (3) days, access to, and copies of, any document or information arising out of the Agreement in ERCGP’s possession that ECGRA deems a Public Record (“Requested Information”) and providing such other assistance as ECGRA may request. If ERCGP fails to provide the Requested Information to ECGRA within the required time period, the failure shall be considered an event of default, and ERCGP shall pay, indemnify and hold ECGRA harmless for any damages, penalties, detriment or harm that ECGRA may incur as a result of ERCGP’s failure, including reasonable attorney’s fees incurred by ECGRA in the administration of the Right-to-Know Request and any appeal therefrom. If ERCGP refuses to supply the Requested Information, and the Pennsylvania Office of Open Records, or the Pennsylvania Courts, determines that a record in the possession of ERCGP is a public record, in addition to the foregoing, liquidated damages of \$200 per day will be assessed for each calendar day beyond the date ERCGP was required to provide the record by the Pennsylvania Office of Open Records, or, upon appeal, the Pennsylvania Courts. ERCGP’s duties under this section survive the termination of this Agreement and as long as ERCGP has Requested Information in its possession.
10. Entire Contract. This Agreement constitutes the entire contract between the parties hereto and there are no other understandings, oral or written, relating to the subject matter hereof. This Agreement may not be changed, modified or amended, in whole or in part, except in writing, signed by all parties.

11. Binding Effect. This Agreement and all of its terms and conditions shall extend to and be binding upon the parties hereto, and upon their respective heirs, executors, administrators, successors, and assigns.
12. Limitation on Assignment. This Agreement may only be assigned to the Fly Erie Fund, LLC, (to be created) or another subsidiary 501(c)(3) organization charged with facilitating the Project, after prior written notification of the same is provided to ECGRA.
13. Severability. If any provision of this Agreement shall be held invalid under any applicable laws, such invalidity shall not affect any other provision of this Agreement that can be given effect without the invalid provision and, to this end, the provision hereof is severable.
14. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute but one and the same instrument.
15. Governing Law. This Agreement shall be constructed under the laws of the Commonwealth of Pennsylvania. The venue for any litigation relating hereto shall be the Erie County, Pennsylvania Court of Common Pleas.
16. Notices. Communications and details concerning this contract shall be directed to the following contract representatives:

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

ERCGP
James Grunke, President and CEO
Erie Regional Chamber and Growth
Partnership
1128 State Street, Suite 301
Erie, Pennsylvania 16501

With a copy to:

Timothy S. Wachter, Esq.
Knox McLaughlin Gornall & Sennett,
P.C.
120 West 10th Street
Erie, PA 16501

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, and intending to be legally bound hereby, the parties have set their hands and seals on the date first above written.

ERIE COUNTY GAMING REVENUE
AUTHORITY

By _____
Perry Wood
Executive Director

Attest: _____

2457380.v1

ERIE REGIONAL CHAMBER AND
GROWTH PARTNERSHIP

By _____
James Grunke, President and CEO

2457380.v1

EXHIBIT A

Erie Air Service Enhancement Plan & Fly Erie Fund



PROLOGUE

- This plan was developed after extensive review of financials (past, present, and future projections), review of reports and news articles, discussions with consultants, airline professionals, business leaders, local government, and research on other airport operations.
- This plan has been developed based on the realities of air service today – not 5,10 or 20 years ago. This plan is about a viable path into the future.

PROLOGUE

- Air service is not an entitlement – it is a market driven product. While the demand for the product is significant and verifiable in Erie, the supply is restricted due to variables – which we will review – that are out of our control. Securing supply requires a different approach than any time in our history – and into the foreseeable future.
- This is a plan to change our approach to increase our supply – and it requires collaboration, leadership, commitment, and embracing change. Embracing a new approach – united together – we can compete. If we are divided, we will assuredly fail.

WHAT WE KNOW – National Air Service Challenge

- **STAFFING SHORTAGES**. Pilot, mechanic, and air traffic controller shortages are radically changing flight economics and route planning for air carriers into non-hub airports like Erie.
- **INCREASED COSTS**. Airlines are facing increased costs across the board (staffing, fuel, parts, new aircraft) thereby necessitating a need to operate in the markets which are most cost competitive.

WHAT WE KNOW – National Air Service Challenge

- **MORE SEATS, FEWER DEPARTURES.** In 2023, there will be 31% MORE seats than in 2009 but there will be 7.9% FEWER departures. Why? BIGGER PLANES are where the airlines make money and pilots/crews are being prioritized to bigger planes.

WHAT WE KNOW – Regional Air Service Challenge

- **BIGGER PLANES**. There are 650 active 50-seat jets in service today. All will be gone by end of 2024. The new capacity/cost floor will be 76-seat and larger airliners.
- **NON-HUB AIRPORTS REDUCTION IN SERVICE**. Since 2019, 321 airports (75%) have experienced air service reductions & 16 airports (4.4%) have lost it completely. Nonhub airports have seen the following since 2009:
 - -31.0% departures
 - -14.1% routes
 - +16.3% seats

WHAT WE KNOW – Regional Air Service Challenge

- **PILOT MIGRATION**. Larger airlines have drawn thousands of pilots from regional airlines which were short on pilots BEFORE the pandemic.
- **FEWER AIRCRAFT**. 500 regional aircraft have been parked and aircraft in service operate 20-40% fewer block hours.

WHAT WE KNOW – Regional Air Service Challenge

- **BEST PROSPECTS.** Airport hubs with over 50% of their departures tied to regional air service – both a challenge and an opportunity.
 - Chicago (57%)
 - Charlotte (54%)
 - Detroit (52%)
 - Philadelphia (53%)
 - Washington Dulles (61%)
 - Washington – Ronald Reagan (52%)

WHAT WE KNOW – Erie's Situation

- **PRESENT SITUATION**. As of June 2, 2023, Erie is left with one carrier – American – with 2x daily service to Charlotte, NC on a 50-seat regional jet.
- **LEAKAGE**. ERI presently is losing over 250,000 passengers to neighboring airports in Buffalo, Cleveland, and Pittsburgh.

WHAT WE KNOW – Erie's Situation

- **HIGH CPE.** ERI had one of the nation's highest Cost Per Enplaned Passenger (CPE) (over \$20.00), in spite of reducing its operating budget by nearly 25% (to \$3.1M) since 2018.

2017	\$26.27 (CPE)	85,580 (Enplanements)
2018	\$21.50 (CPE)	95,136 (Enplanements)
2019	\$19.73 (CPE)	106,765 (Enplanements)
2020	\$41.42 (CPE)	43,354 (Enplanements)
2021	\$23.87 (CPE)	66,965 (Enplanements)
2022	\$20.75 (CPE)	62,355 (Enplanements)

- **OPERATIONAL SUPPORT.** ERI receives no operational support from city, county, state or federal government.

Goals

1. Increase airlines, seat volume, route options, and daily/weekly flight options at ERI.
2. ERI steadily reduces its operating CPE to under \$7.00
3. Maximize seat utilization by business and leisure travelers at ERI.
4. Build a capital, operating, and subsidy pool to compete for 10 years.

THE IMPORTANCE OF LEGACY CARRIERS

- Legacy carriers: United, Delta and American.
- Daily flight frequency is critical to business travelers and legacy airlines are the epicenter of daily flights in the US.
- Primary connection to the nation's largest markets & hub airports.
- Primary connection to international markets.
- Legacy carriers have the best "systems" to connect to the US and globe and exponentially grow options for access to Erie when challenges occur during travel.

THE ROLE OF ULTRA LOW-COST CARRIER AVELO?

- Avelo was being pursued BEFORE United's announcement/decision to end Chicago service.
- Generates additional enplanements which:
 - Demonstrates a more robust market to legacy carriers;
 - Generates more passenger facility charges. (\$4.50/enplanement) for ERI.
 - Generates more parking revenues and rental car revenue.
 - Generates more operational revenue in the long term.

THE ROLE OF ULTRA LOW-COST CARRIER AVELO?

- ULCCs are enhancing sustainability among non-hub airports nationwide & provide a benefit to non-business traveler.
- Florida is a top destination for Erie leisure travelers and offers connections to other end destinations in Florida.
- American Airlines is aware they are being pursued and is supportive. American carries an average of five passengers a day from ERI to Orlando.
- Avelo helps us – in part – increase flight options, enplanement volume, and improve financials at ERAA over the long-term.

PROJECTIONS 2024-2026

- CPE – Cost Per Emplaned Passenger. Total costs paid by airline to ERI divided by # of emplaned passengers for that airline in calendar year.
- PFC – Passenger Facility Charge. \$4.50/passenger. Presently in place. Funds are restricted for capital improvements at ERI.
- Any item in **red** is problem/cost financially for ERAA, air carriers, or public/private sector.
- Any item in **green** is good for ERAA, air carriers, or public/private sector.
- Any area in **blue** is a positive improvement in the air service at ERAA in comparison to today's air service.

ERAA INCENTIVE PROGRAM

- ULCC – Provides an ULCC with \$0 CPE for first two years of operation to any carrier servicing Florida.
- Legacy Carrier – Provides a legacy carrier with \$0 CPE for one year for service to a hub not previously serviced by that carrier out of ERI.

ASSUMPTIONS & FORECASTS

2024 – 2X daily flights by American to Charlotte on 50-passenger jet

- Total Seats Available: 36,500
- Total Annual Enplanements: **29,116** AM: 29,116
- Seat Capacity Utilized: **80%**
- ERAA Operating Income/Loss: **\$1,323,520**
- American CPE: **\$14.91**
- ERAA Reserve Expense: **\$1,323,520**
- Public or Private Subsidy: \$0
- PFC Revenue: **\$131,022**

ASSUMPTIONS & FORECASTS

2024 – 2x daily flight to Charlotte by American on 76-passenger jet & Avelo Airlines 4x weekly to Florida to 2 destinations

- Total Seats Available: 91,980
- Total Annual Enplanements: 77,666 AM: 44,251 AV: 33,415
- Seat Capacity Utilized: 84%
- ERAA Operating Income/Loss: \$739,087
- American CPE: \$11.76
- Avelo CPE: \$0
- ERAA Reserve Expense: \$739,087
- Public or private subsidy: \$0
- PFC Revenue: \$349,497

ASSUMPTIONS & FORECASTS

2025 - 2x daily flight by American to Charlotte on 76-passenger jet, 2x daily flights by American/Delta/United to another hub airport on 76-passenger jet & Avelo Airlines 4x weekly to Florida to 2 destinations

- Total Seats Available: 147,460
- Total Annual Enplanements: 121,917 AM: 88,502 AV: 33,415
- Seat Capacity Utilized: 83%
- ERAA Operating Income/Loss: \$446,060
- American CPE - Charlotte: \$7.82
- Legacy CPE – Other Hub: \$0
- Avelo CPE: \$0
- ERAA Reserve Expense: \$446,060
- Public or private subsidy: \$0
- PFC Revenue: \$548,626

ASSUMPTIONS & FORECASTS

2026 - 2x daily flight by American to Charlotte on 76-passenger jet AND 2x daily flights by American/Delta/United to another hub airport on a 76-passenger jet & Avelo Airlines 4x weekly to Florida to 2 destinations

- Total Seats Available: 147,460
- Total Annual Enplanements: **121,917** AM: 88,502 AV: 33,415
- Seat Capacity Utilized: **83%**
- ERAA Operating Income/Loss: **\$101,909**
- American CPE - Charlotte: **\$6.38**
- Legacy CPE – Other Hub: **\$6.38**
- Avelo CPE: **\$10.92**
- ERAA Reserve Expense: **\$101,909**
- Public or private subsidy: **\$164,401** (to get to \$6.00 CPE for Avelo)
- PFC Revenue: **\$548,626**

ASSUMPTIONS & FORECASTS

2026 - 2x daily flight by American to Charlotte on 76-passenger jet AND 2x daily flights by American/Delta/United to another hub airport on a 76-passenger jet & Avelo Airlines 8x weekly to Florida to 2 or more destinations.

- Total Seats Available: 183,960
- Total Annual Enplanements: 155,332 AM: 88,502 AV: 66,830
- Seat Capacity Utilized: 84%
- ERAA Operating Income/Loss: \$141,359
- American CPE: \$6.38
- Avelo CPE: \$6.71
- ERAA Reserve Expense: \$0
- Public or private subsidy: \$47,449 (to get to \$6.00 CPE for Avelo)
- PFC Revenue: \$698,994

DISCUSSIONS LEGACY CARRIERS' DISCUSSIONS

- All three legacy airlines are being pursued for more daily flights.
- American's has added at 3rd daily flight to Charlotte. Best options for another hub are Philadelphia and Dallas.
- United needs regional routes to help fill 200 planes they will be adding in next 24 months. Chicago is a proven route. Could see their return in 2024 or 2025.
- Delta is not a likely option for 3-5 years.

ERAA RESERVE UTILIZATION

- ERAA has a reserve of \$10M. ERAA leadership must be committed to dedicated at least half of this reserve - \$5M – to cover operating losses at the airport over the next 3-5 years.
- Operating cost targets for airlines are dropping nationwide in order to compete for flights. ERI must become known as one of the most cost-effective markets in the US for ALL carriers.
- ERAA will have operating loses of \$1M-\$4M in 2024-2026.

LEAD HEADLINE GOAL: ERIE LAUNCHES \$6.5M FLY ERIE FUND

- Attracts positive attention by bloggers, airlines, media, and regional customer base. Gives politicians and business leaders a leg up to get in the door.
 - ERAA Reserve Fund Commitment - \$5,000,0000
 - Private Sector Commitment - \$750,000 (over 3 years)
 - Public Sector Commitment - \$750,000 (over 3 years)

USE OF FLY ERIE FUND

- **MARKETING.** Sustained effort to promote flying out of Erie so that airlines are successful and ERAA is operationally solid.
- **CPE SUBSIDIES.** As noted in the presentation, ULCCs may need a lower CPE to maintain service. ERAA is prohibited from having two rate schedules for airlines or having contracts with airlines for incentives.
- **REVENUE GUARANTEES.** Common practice to reduce risk for legacy carriers when introducing a new route.
- **LEGAL COSTS.** To negotiate any agreements with the airlines relative to the aforementioned.

STRUCTURE OF FLY ERIE FUND

- **STRUCTURE.** Single entity LLC housed at ERCGP
- **GOVERNING BODY.** Comprised of major investors – makes all decisions relative to use of funding and negotiates all contracts with carriers.
- **ERAA RELATIONSHIP.** Totally independent but works collaboratively on all airline meetings, relationships, and financials
- **STAFFING SUPPORT.** Staffing support from ERCGP at no cost.

Public Face

- Essential that any press about Erie's moves going forward are presented in a positive fashion – regardless of what is going on behind the scenes.
- Airlines are businesses and no business will choose to expand in a location where there is discord. Discord = Instability. Businesses want to operate in areas in harmony and collaboration/unified fronts exist.
- Local media stories are national and international...we must control the narrative.

The Path Forward

Local Strategy & Action Steps

Step 1 – July 2023

Secure 2-year contract extension with American to Charlotte for continued 2x daily service.

- Proposal has been submitted from ERAA
- CPE has gone from \$21 to \$14.68
- Action Timeline: July 2023

The Path Forward

Local Strategy & Action Steps

Step 2 – July 2023

- Extend contract for one year with *Ailveon Pacific* to facilitate meetings with legacy airlines and ultra low-cost carriers. *Ailveon Pacific* has already done the following for ERAA:
 - Conducted the 2018 Leakages Study and 2021 Airport Market Evaluation Study for ULCCs.
 - Provided route development analysis, grant support, and headquarter meeting support. Has already facilitated meetings with United, Delta, and American regarding air service.
 - Prepared the successful 2019 U.S. DOT Small Communities Air Service Development grant (Federal DOT program) for the United/WDC service & 2023 application

The Path Forward

Local Strategy & Action Steps

Step 3 – July 2023

- Create *Fly Erie Fund* and secure financial commitments
 - Private Sector - \$750,000 over 3 years
 - Public Sector - \$750,000 over 3 years
 - ERAA - \$5,000,000 reserve commitment to cover operating losses for 2023-2028

- *Fly Erie Fund would* only for airline subsidies relative to CPE guarantees/targets, revenue guarantees, and/or marketing campaign to optimize seat utilization.

The Path Forward

Local Strategy & Action Steps

Step 4 – July/August 2023

- Secure Avelo Airlines service 4x weekly service to Florida
- Framework of agreement between Avelo & ERAA has been finalized
- *Fly Erie Fund* would potentially be used to support CPE subsidies for Avelo Airlines service starting 2026

The Path Forward

Local Strategy & Action Steps

Step 5 – August-September, 2023

- Create *Fly Erie Fund Outreach Team*
- Survey business & leisure travelers regarding demand and destinations to primary data on the Erie market
- Identify additional target markets via survey data for service beyond Chicago & Detroit (August)
- Pitch American, Delta, & United for additional 2x daily route service for a prioritized list of targeted markets

ACTIONS SINCE JULY 18, 2023

- Direct discussion with Delta Airlines
- Direct discussion with United Airlines
- Scheduled call with American Airlines
- Multiple conversations with Avelo Airlines
- Fundraising plan being finalized and preliminary commitments being secured/discussed.

Goals

1. Increase airlines, seat volume, route options, and daily/weekly flight options at ERI.
2. ERI steadily reduces its operating CPE to under \$7.00
3. Maximize seat utilization by business and leisure travelers at ERI.
4. Build a capital, operating, and subsidy pool to compete for 10 years.

ERIE REGIONAL CHAMBER
AND GROWTH PARTNERSHIP

QUESTIONS

