



Erie County Gaming Revenue Authority

Minutes of the Board of Directors' Meeting

June 18, 2020

This meeting is held via Zoom due to Governor Wolf's orders to stay at home during the time of this COVID-19 crisis.

CALL TO ORDER

The Board of Directors' Meeting of the Erie County Gaming Revenue Authority was held on June 18, 2020 via Zoom with a link that was provided to all Board members by the Executive Director. An agenda containing the Zoom link to this meeting was posted on the ECGRA website and at 5240 Knowledge Parkway, Erie, PA 16510. Legal Notice of the meeting was given through an advertisement appearing in the Erie Times-News. The meeting was called to order by the Chair.

ROLL CALL

Mr. Barney, Mr. Bagnoni, Mr. Cleaver (via phone – late, then joins via Zoom), Mr. DiPaolo, Ms. Hess, Mr. Paris, and Mr. Sample. Mr. Lee, Mr. Wachter and Dr. Wood are also present.

APPROVAL OF THE AGENDA

Mr. Sample makes a motion to approve the agenda as presented. Mr. Bagnoni seconds the motion. There is no discussion of the agenda. Motion carries 6-0.

APPROVAL OF MINUTES – May 2020

Mr. Bagnoni makes a motion to approve the minutes as to be amended. Mr. Sample seconds the motion. There is no further discussion on the minutes. Motion carries 6-0.

DIRECTOR'S COMMENTS

Mr. DiPaolo: Mr. Chairman, I would like to make a comment. I have a question about the face masks that we paid for through Penn State that we have been providing to the nonprofits and they are charging for the masks now that they are selling them to the public. I don't know whether that's true or not; Perry, if you know if it is true. But I would think that if in fact they are selling the masks, unless

there is some kind of a deal, shouldn't we be reimbursed some of the money that we gave them? That's just a question I would like answered if at all possible, if you know.

Dr. Wood: Sure, I can tell you what I do know. I think it's important to clarify that it is a face shield and not a face mask; I know that is a technicality. There are two different projects – the face mask project which hasn't gone to manufacturing yet, and the face shield project. We still have face shields available through Project Face Shield and because we have been authorized to spend up to \$20,000, we have extensively marketed it through the nonprofit network. We put it out through public safety and human services and of course what we did most recently with the public educators. All folks, if they want masks at no cost, just have to go to the ECGRA website and sign up (audio goes out) and pick up the masks at no cost.

If they are charging, well I'll give you one example, the Cleveland Clinic ordered 100,000 of those face shields through the manufacturers that produced them because they really liked the design of them. They did charge Cleveland Clinic; anyone outside of Erie County is being charged. If someone goes directly to the manufacturers and asks to buy them, they are going to sell them those face shields but if they go through ECGRA, they will get them at no cost as part of our Project Face Shield. So, they just need to be directed to go to our website.

As a Board member, you should know we have a database of over 5,000 contacts through Robly; we also went through the Nonprofit Partnership and the Erie Community Foundation to promote it there so multiple sources have promoted that if you want these face shields, all you have to do is fill out a form on the ECGRA website.

Mr. DiPaolo: The only reason I'm bringing this up, Perry, is the fact that on the last group of face masks that we gave to all the schools, there was some question on whether or not we are just going to give it to anybody that asks; I know Whitey brought it up and I think someone else did as well. If in fact they are charging any organization such as the Cleveland Clinic, what do they do with the proceeds? That's the question. I realize a nonprofit can ask for these and they can get them, but if they are charging, what happens to the proceeds of that money that they get? That's the only question.

Dr. Wood: I had a conversation with them about that as well because the whole point of the project was to do it at cost in order to help the community. The manufacturers have recouped their costs, the designers have recouped their costs, ECGRA subsidized the mold in order to make that happen to the tune of \$15,000 - \$20,000. They said if there are excess profits from the project, they would like to return it to ECGRA and actually have it go into the COVID-19 Response Fund.

Mr. DiPaolo: That's fine. That's all I wanted to know. Thank you.

Mr. Cleaver: I do have just one thing, if you can hear me.

Mr. Paris: Yes, we can hear you.

Mr. Cleaver: Ok. Perry, we had talked about, what's that girl's name – I can't think of it right off hand, but she does the media. Have you sat down with her and worked out some kind of agreement or contract deal, so we know where we stand with her?

Dr. Wood: Yes, she did submit something like that to me and I didn't have it ready for this meeting.

Mr. Cleaver: That's fine. I was just reading the minutes and it was brought up. That's fine; when it happens, it happens. I just didn't know if we had (phone service cuts out). First of all, in the article I read (phone service cuts out again).

Mr. Paris: Whitey, you keep cutting out. Can you hear us because we can't hear everything you're saying.

Mr. Cleaver: I can hear you. Never mind. I'll (service cuts out again).

Dr. Wood: Mr. Cleaver, if you don't mind, I will follow up with you via phone and we will have that conversation directly and we'll make sure that we get that agreement to the Board as soon as possible.

Ms. Michali: His called just disconnected.

COMMENTS BY THE CHAIR

Mr. Paris: I just want to thank everyone for still coming to the meetings. It's great that everyone is showing up and I hope that everyone is well and that soon we will be able to do things normally again.

PUBLIC COMMENT

There is no public on the call for comments.

PRESENTATIONS

- a. Maher Duessel – 2019-2020 Audit Review

Mr. Kent: Hi, this is Jeff. I believe Nate is on as well.

Mr. Paris: Good morning. Thanks for being here.

Mr. Kent: Thank you for having us. I know we normally meet in person in the July time frame, but we are happy to be here and see everybody to go through the 2019-20 audit results. At this point, the report is in draft form, but it has been reviewed and it is in shape to move forward to the next step to finalize once you all have a chance to review and discuss.

We prepared a short PowerPoint to show some of the highlights, but if you see anything in this draft report that you have questions on, please let us know. I will stick to the PowerPoint for the purposes of our conversation. The second page shows the reports that we issue as far as process. These include the financial statements themselves along with the footnotes and with any audit that we do we issue a letter of Communication to Those Charged with Governance that just goes through communications that we are required to make under our professional standards; we will hit the highlights of those communications within this handout. I also want to point out that outside of the audit, throughout the year, we have done quarterly reviews, and this is the second year that we have done that. So, there is that as well that you are seeing those quarterly statements in the same format as the year-end report.

The next couple pages just go through the topics of our communication letter that I mentioned, our responsibility to issue an opinion on the financial statements based on the fair presentation of the financial statements; so, we're performing a financial statement audit. The letter talks about the financial statements and your related internal control systems. Although we look at them as part of the audit, they are your responsibility as far as the accuracy of the numbers and the adequacy of your controls.

In terms of accounting policies, your footnotes describe your significant accounting policies; there is nothing really to note in terms of changes as far as new standards or anything like that. The letter points out that within your financial statements the most significant estimate is the evaluation of your Notes Receivable. The Note balance and your estimate for Uncollectables did not change throughout the year so there was no real activity on the Notes. Given the size of the balance, that is a significant estimate.

There are three disclosures that are listed that are of significance that it's good for you to be aware of their content: the first two are not new disclosures – the description of the funds held at the Erie Community Foundation; those funds are just disclosed in the footnotes but not reflected as assets on your financial statements. The notes describe the value at the end of the year of those funds at about \$12.4 million.

As I mentioned the Notes Receivable balance didn't change; most of your Notes are not normal amortizing Notes where there is not new principal that is required every year or every month so there were no new Notes or required payments throughout the year so the balance didn't change so the footnote descriptions are pretty consistent with what you would have seen in the past.

There is a new general footnote related to COVID-19; pretty much every set of financial statements that are being issued in this time period include some kind of disclosure related to it so it just talks about the event and the uncertainty related to it in terms of not necessarily knowing the future financial impact of it.

The next page shows the rest of that communication letter and it's pretty exception based. I'm happy to report that there were no difficulties, no disagreements; we received everything we needed to get through all of our procedures. We certainly thank Perry and Tammi for their help throughout the process. Most of our audits these days are being done remotely; we were able to be pretty consistent as in past years with the logistics of your audit; we did some remote work and we were able to be onsite for a little bit a well.

Page 5 is a summary of results in terms of the report that we are issuing on your financial statement will be an unmodified or clean opinion, so certainly the type of opinion you want to receive from us. Pages 6 and 7 are the summary of the financial statement information. Page 6 is the Summary Statement of Net Position, so your total Net Position being shown as Restricted at the end of fiscal year is about \$15.9 million; that was an increase of about \$800,000-\$900,000 from the previous year. I mentioned no change in the Notes Receivable balance and the rest of your assets are sitting there in cash at about \$10.6 million.

The next page shows the Income Statement Activity for the year; your revenue of about \$4.5 million is pretty consistent, your grants were down quite a bit but those often fluctuate, and the other category of Other Types of Expenses – the biggest types of that are Salaries and Professional Services. The main change from the previous year was a decrease of about \$500,000 relates to in 2019 you had a Provision for Uncollectable Loans recorded as an expense related to a new loan that was issued and when you had applied your normal provision against it, that's what created that expense in the previous year. That is what accounts for the other fluctuation.

Are there any questions on the numbers? The last page is just contact information. I am certainly happy to go through any questions you all may have on the numbers or the audit process or results.

Mr. Lee: Good morning. This is Gary Lee with the County of Erie. Thank you for the overview. I have one question – you stated about the \$500,000 from a previous loan initiative – can you give us a little more information on that?

Mr. Kent: Yes. With a loan portfolio you have to evaluate it for collectability and because of the nature of the loans, they are not normal amortizing loans and are often due in lump sums, your typical provision that you apply to most loans is I believe around 20%. So, there was a loan issued last year and in applying that normal provision for uncollectables, it created the expense.

Mr. Lee: Perry, this may be for you, what loan was that involving or was it involving multiple loans?

Dr. Wood: If you look at Note #6, that lists all the Notes Receivable. Any time we do a new Note Receivable, like Jeff said, 20% of the loan increases the size of the Reserve for Uncollectability. In essence, if it goes up \$500,000, it's just a prorated amount based on those loans.

Mr. Kent: I believe that specific one was for the \$2.5 million to Bridgeway Capital. It is nothing specific related to that loan other than your starting point is that 20% and to the extent that there is some issue that might lead you to change an allowance and increase it whether it be a default or one of the borrowers are in financial difficulty, you go through those considerations in order to determine if you need to change it, but that is typically where you start.

Dr. Wood: Gary, it's paragraph six under Note #6.

Mr. Lee: I want to make sure I'm looking at the right document – I'm looking at Draft 6/15/20; this is the Draft of the Financial Statements. I don't have what you are showing on the screen.

Dr. Wood: Correct, there is a PowerPoint on the screen as opposed to the actual draft document that you have in front of you.

Mr. Lee: Thank you. Perry, what page would that have been on?

Dr. Wood: Page 8.

Mr. Lee: Thank you.

Dr. Wood: If I could just add to what Jeff was saying, the Notes did not change dramatically. Note #5 is the Irrevocable Gift to the Foundation – those numbers were updated to reflect current market value. There is nothing new in Notes Receivable from the perspective of language, just updates in numbers. Note #7 is the Simple IRA contributions so those numbers would have been updated; what ECGRA put in and what the employees put in. As Jeff mentioned, Note #8 is brand new and Jeff, I would imagine that this brand new COVID language is going to be in a lot of audits this year.

Mr. Kent: Yes, pretty much everything that has been issued since March has had some type of language like this in it. It might vary based on any known impact but there is general language related to COVID.

Dr. Wood: Basically, it's contextual language. The main sentence, if I could read it to the Board is, there is a lot of language here about COVID and then it says, "There has been no immediate impact to the Authority's operations. A future potential impact may include disruptions or restrictions on our employees' ability to work. Operating revenues are not expected to change as the Pennsylvania Race Horse Development and Gaming Act dictates that the Authority receive 1 percent of slot machine gross revenues or \$10 million a year. The future effects of these issues are unknown."

Mr. Kent: The other potential impact would be that you don't know what the impact of it will be on your borrowers. So, there may certainly be an effect on their ability to pay.

Dr. Wood: Hence the Reserve for Uncollectable Notes.

Mr. Kent: That is correct.

Meeting is temporarily suspended due to Zoom time limit. Meeting resumes after approximately one minute.

Dr. Wood: While we're waiting for people to get logged back on, let me take this opportunity to talk about the audit which is one of the most important historical documents that we have at ECGRA; it is a snapshot in time of where we are financially. The other document is the Annual Report, which we are going to ask you to discuss and approve today. Please note that this is a draft of the audit, so this is your opportunity as a Board member to ask the auditors questions – not just today, but if you want to you can contact the auditors separately. You can also contact the staff and ask clarifying questions. The audit is a key part of our checks and balances here at ECGRA so this document that you have on your Board Effect says "Draft" for a very important reason. There is still the ability to ask questions about it; we are not asking you to pass it today. We are asking you to take a look at it though and ask those questions within the next two to three weeks so we have time before the next Board meeting to finalize the audit and ask you to vote on it officially at the July Board meeting; we will put it in Resolution form. If it passes in Resolution form at that time, it becomes the official financial record of ECGRA and goes to our various liaisons at Erie County government as well as going into storage here at ECGRA as a key snapshot in time; an Authority artifact, if you will.

Jeff, was there anything else you needed to cover?

Mr. Kent: No, I think I covered everything.

Dr. Wood: Are there any questions from the Board for Jeff or Nate? If not, I will just reiterate that if anyone on the Board wants to reach out to the staff, the treasurer, or the auditors directly and ask questions that they're not comfortable asking right now, we want to encourage them to do so and get those questions answered.

Mr. Kent: We are absolutely available for any questions that you might have.

Dr. Wood: Gentlemen, thank you very much for your time. We appreciate it.

Mr. Kent: Thank you for having us.

COMMITTEE REPORTS

- a. Treasurer's Report: Mr. DiPaolo: Mr. Chairman, I would like to make a motion. Dale does a terrific job with this every month but I think to expedite, if anybody has any questions, maybe they can ask Dale. But I would like to make a motion that we accept it as prepared.

Mr. Bagnoni seconds the motion. There is no further discussion of the Treasurer's Report. Motion carries 7-0.

Mr. DiPaolo: Good job, Dale. Thanks.

- b. Strategic Planning Committee: Mr. Paris: I know we did not have a meeting but that we are planning to hold a meeting very soon to discuss some things.

Dr. Wood: Tammi, do we have the next meeting on the books for Strategic Planning?

Ms. Michali: Yes, the meeting is scheduled for this coming Tuesday, June 23rd at 10:00am. I will be sending you all the agenda and the summaries and applications to review. I know Tom did send those already, but this way you will have them all in one place. I will also be sending you the Zoom link and necessary information to get you logged in.

Mr. DiPaolo: Tammi, just so you know, I can't make that meeting. That's when I volunteer at the food pantry.

Ms. Michali: I will note that. Thank you.

- c. Update from County Council: There is no representative to give a report.
- d. Update from County Executive's Office: Mr. Lee: Thank you, Mr. Chairman. I am going to report on a high level, but I am going to give pause for questions as I go through because there are quite a few key initiatives going on at the County.

As most of you should know, and I think everyone does, the Erie Community College plan was passed last Thursday at their Board meeting which was done virtually. This was an interim Board meeting just to discuss about the Erie Community College application. As many of you know, that application has been in the works for three years as far as with Harrisburg. We were told initially that it would be anywhere from 12-18 months, but it looks as if we are on our way to getting it finalized. Now, the reason I say it looks as if is because the vote came down to nine for it and six against it; this was an interim vote. The official vote will be at their next Board meeting that they are planning on July 8th or 9th or both dates maybe; it will be by the 9th for sure that they plan to call an official vote. At that time, it is required that everyone who would like to cast their official vote, they have to be a part of the meeting. So, we have to make sure that the nine individuals that voted for it will be present virtually at the meeting, so that is very important.

County Council, Empower Erie, and the Administration has been a fantastic collaboration; there has been some very challenging sections of that process but we made it through and we're very excited about that.

The next steps for the actual Community College is going to be naming the Board of trustees. That Board will consist of nine individuals; each Councilperson gets to appoint an individual, so that would be seven from County Council, and then the County Executive and the Administration appoints the last two spots. We then have 60 days from the time of the official approval which would be July 9th, we have 60 days to name the Board and get them in place. The Administration will be doing our process publicly; we will be requesting individuals who may be interested to submit a letter of interest and a resume so that we can go through it and make a determination as to who would be the best for the Board. Are there any questions about the Community College?

Hearing none, I'm going to move on to the Summer Jobs Program. As I stated during our last meeting, we will be having the Summer Jobs Program, but it will be modified this year due to COVID-19. The Administration decided to let it be employer driven. We have 25 employers that will be participating; typically we have between 55-60 but with what's been going on with the COVID-19 pandemic, it is completely understandable. We are looking to have approximately 50-60 students that will be participating in the program. The Department of Health will be doing a workshop specifically for COVID-19 for the employers as well as for the employees just to make sure everyone is on board. It's going to be everything we have been talking about like social distancing, masking, the importance of washing hands with soap and water, having hand sanitation stations and things of that nature.

There are going to be two start dates – the first start date is this coming Monday, June 22nd and then there is going to be another start date at the beginning of July. GECAC decided that that would be the most feasible way to execute the program. The program will end August 14th. We're excited about the program; we didn't really want to stop the program and wanted it to be driven by the employers. Are there any questions about the Summer JAMS program?

Mr. Sample: Yes, Gary. Is that in the City of Erie only because I know that nobody in Corry has been contacted, even the people who had employees last year. We've tried to reach out to GECAC and have had no response.

Mr. Lee: Dave, thanks for sharing that with me. I will follow up with GECAC. The reports that I have been receiving state that they have been working with the rest of the county, particularly with Union City and Corry and down in that area. It appears that there may be a disconnect. I will follow up with them to find out what is going on.

It is for the entire County; in fact, the last report that I had seen showed that there were more employers outside the City of Erie than inside the City of Erie. I will reach out to them and follow up. Thanks for sharing that with me.

Mr. Sample: You and I have discussed this several times and there has been little to no interaction with previous employers and that was the thing that I requested of you to get to GECAC that they needed to contact people.

Mr. Lee: Based on the feedback that I received from GECAC is that they had been doing that.

Mr. Sample: I would be interested to see who they talked to because I know that the Corry Redevelopment Authority, they typically take two or three, and I was just told the other day that they had heard nothing about it.

Mr. Lee: Again, I will follow up. When you talked about you and I, that was in previous years; we didn't talk about it recently.

Mr. Sample: We talked about it this year. I encouraged you to make sure that the County was as represented as the City. You said that you would talk to GECAC - and I'm sure that you did - because the day that you went over the statistics you said that it was much higher in the City than in the County.

Mr. Lee: I'm not going to spend a lot of time belaboring this point. But in the past, the goal is to try and get 50% participation inside the City of Erie and 50% participation outside the City of Erie. The fact of the matter is that traditionally it has been 60% inside the City and 40% outside the City which includes Union City, Corry, North East, Girard, and other areas. There has been a push to try and get more employers outside the City of Erie. Again, the information that I was shown for their outreach included Corry. So, there appears to be a disconnect that I will follow up on. Again, traditionally it has been higher in the City because more employers have participated in the City of Erie. That's where we are with that. Were there any other questions about the Summer Jobs Program?

Mr. Barney: Gary, I have two questions. One is, you stated two different start times but only one ending time; is everybody not going to have the same opportunity to make the same amount of money?

Mr. Lee: That's a good question, Dale. Yes, they will have the opportunity to make the same amount of money. The way it is set up is they are required to do approximately 35 hours a week. It all depends on the scheduling but some of them may be stretched out a little longer and some will be condensed as far as what the employers need, but there is only six weeks as far as participation. The time frame that we have set is more than six weeks, so the goal is to be able to complete it by August 14th. Even though there are two starting dates, the program only goes six weeks so some will complete it prior to the 14th and some will complete it closer to the 14th.

Mr. Barney: Thank you. My other question is I know that at one time we were speaking on raising the rate from minimum wage; what is the rate this year?

Mr. Lee: We're still working on that, but we are planning on having a decision soon. The feedback that we received, because we wanted to look at this very methodically and very closely, the feedback I got from GECAC is that employers are paying about \$8.75 - \$9.00. The County was not prepared to go that high. If we are going to go higher, it would be \$8.25, but that decision will be made before the end of the week. We will either keep it at the \$7.25 minimum wage or we will go up one dollar to \$8.25. It's leaning more toward the \$8.25 to be honest with you based on everything that is going on with COVID-19 and the budget that we have, we have the funds to cover it.

Mr. Barney: Super. I think \$8.25 would be great. Thank you, Gary.

Mr. Lee: Thank you for your input. Are there any other questions on the Summer Jobs Program?

The last part that I will cover is the CARES funding. Many of you know that the State received money from the CARES Act; the State received approximately \$4.9 billion. One

billion of that had the opportunity to go to counties with 500,000 residents or more and out of the 67 counties in Pennsylvania, that means that seven counties could go directly to the U.S. Treasury Department and draw down their funds. The other 60 counties will have to go through the State to draw down their \$3.9 billion.

The State just recently released the guidelines and it was a very tight schedule; they gave less than a week to submit the information, it was general information. The County submitted our application yesterday; we are entitled to \$24,358,828 and we're looking forward to that money. Here's the catch to that – there are different categories that we can utilize the money for: small business, nonprofit, tourism, broadband, human services, those are just name a few. But you have to meet the criteria.

What is the criteria? The State is still developing that criteria and we're still working with the State. This is like a moving target. The money has to be given out to the various municipalities and organizations before the end of 2020, so it's a very tight timeline. We're looking at the guidelines because the catch to this is that if the County does not stay within the guidelines and make sure that we have accountability to the organizations that we're releasing this money to, we are on the hook for it. meaning, if they came in and did an audit and said, "This was only for COVID-19 expenses. You gave this money and they're using it to adjust their revenue. You shouldn't have done that." Then whatever money we gave out, say \$2 million, the County would be on the hook for that \$2 million. You can imagine that we're going to be sure that our guidelines are very, very tight and that they are very, very specific driven. That's where we are.

The State says that money will be in hand for the County before July 15th so they are working on a very tight timeline to get us the money. Then again, we will have to distribute those funds based on the guidelines from the State and based on our own mechanisms as far as checks and balances before the end of this year. Are there any questions about the CARES funding for the County?

Dr. Wood: I have had several Board members asking about this. Would that be the funding that could potentially reimburse us for our COVID-19 grants?

Mr. Lee: Here's the thing, because the guidelines have not been released, I have to answer that by saying I don't know. That is something that as we get more information from our finance team and as they talk with individuals – and I can bring that question up – because as we speak right now, I really do not know.

Dr. Wood: Thank you.

Mr. Lee: Thank you, Mr. Chairman.

REPORT OF THE EXECUTIVE DIRECTOR

Dr. Wood: Good morning, everyone. In your Executive Director's packet, you are going to see a couple of things. One is I was invited to give an update at the County Council finance committee meeting on May 21st on the COVID-19 Response Fund. I can tell you that it was a very good meeting and they asked a lot of good questions. Council is extremely happy with the work that we have done with that Response Fund and of course the newest round of that is going to be found in Resolution 12, 2020 which asks you to retroactively pass another round of approvals.

Next, you will see information from the Girard Borough about the business recovery grant that is part of our Mission Main Street grant to Girard Borough. Many of the Mission Main Street grants are now pivoting from façade improvements to mini grants for small businesses to get them on an e-commerce platform or other types of improvements they need to do to get back up and running once we get back into the green phase. I put the entire application in there for you to look at; it's kind of a model of how our Main Streets are looking at using our funds; it's really only about \$10,000 that they're using but I think it's an innovative use of the funds.

You will see a press release in there about Project Face Shield which we discussed extensively today. We are at a total of 44 projects funded through that COVID Response Fund to date; we're asking you to approve four of them today although we approved 20 of them throughout the month of May, which shows you what a busy month we had. The last thing you'll see in there is media clippings.

Let me move on to say that one of the things we have to approve today is the Annual Report. The Annual Report is not a legal document but it's an important informational document. You will see a copy of it there as an attachment to Resolution Number 13, 2020. This is important because it's a nice snapshot in time of what ECGRA has done in the past year. We distribute that along with the audit to all of our counterparts such as Erie County government.

Let me wrap up my report by talking about an initiative that is very important here at ECGRA and that is small business development. As we inch closer to the green phase, we have seen the State government take action here and put out a \$225 million stimulus program for small businesses in the Commonwealth; \$25 million of that is guaranteed for forbearances so the pot is really at about \$200 million. The interesting thing about this pot of money is it shows how much faith the State government has in CDFIs. There are 17 CDFIs in the Commonwealth that have been charged with distributing this \$200 million; \$100 million of it is going to what we are calling main street businesses and the other \$100 million is going to businesses owned by racial minorities. The grant also shows commitment to historically disadvantaged businesses both in the main street historical corridors and also owned by racial minorities, which does not include white women, so we are not using the term minority-owned but rather racial minorities according to the DCED guidelines.

I made a phone call to the two CDFIs that we have a relationship with here in northwest Pennsylvania – that would be Bridgeway Capital and The Progress Fund – and after extensive discussions we have offered to be an outreach partner for them to make sure that the small businesses in downtown Erie, the Borough of North East, the City of Corry, Union City and Girard, and all the other commercial corridors we service know about these grants and have an opportunity to go and apply for them.

There were a lot of concerns in the beginning because only two CDFIs directly and two CDFIs indirectly service Erie County that we would not get our fair share. After multiple conversations with Rep. Bizarro's office, and it should be noted that Rep. Bizarro is one of the sponsors of this bill, we are taking steps to make sure that Erie County is protected. It really helped that we have preexisting relationships with those two CDFIs so we're able to get information quickly and timely and we were drafted to be an outreach partner.

Here's what I know about the program so far. It is for businesses that are under \$1 million in revenue, that have less than 25 employees, and are of course located and incorporated within the State of Pennsylvania. Half of the money is for businesses owned by racial minorities that the guidelines that we're expecting to come out some time around July 1 that the funds will be released in approximately four tranches at approximately \$50 million per tranche. This is important because one of the things I asked them was, "What if Erie County isn't getting their fair share, what am I going to do as a major advocate for small business in our area to ensure that they do?" The CDFI representative said that their software will be tracking by region and on each tranche, they will adjust to make sure that there is a level of fairness as it's applied across the Commonwealth. We will also be monitoring to make sure that that is the case.

What do businesses need to do? There is an application process that is forthcoming that is designed to be very simple but if you know of a business that wants to take advantage of this they will need their most recent tax documents available electronically; so probably 2018-19 tax year, and they

need a copy of their corporate documentation so anyone who is incorporated through the Commonwealth of Pennsylvania, they would have to have that corporate documentation electronically available.

Rep. Bizarro's office has asked us to co-host a Zoom informational session with them for our business community and because we have extensive relationships with Main Street groups and Renaissance Block groups, we will be reaching out to those folks who have business contact lists for the commercial corridors. We'll talk to the chamber, we'll talk to the traditional entities and we are going to prepare an informational session so the Representative can talk about the legislation, so ECGRA can talk about CDFIs and their importance in this process, and finally the CDFIs themselves will participate in the informational session. We hope to do that as soon as the application comes out and we will be promoting it heavily. Does anyone have any questions for me about that program?

Mr. Lee: I have a question, Perry? First of all, I would like to thank you for all of your diligence on this particular program. I am familiar with it; I had asked questions when they were in the beginning stages even before they put out the guidelines about how we would protect Erie County. It was shared with me that it would not be regionally as far as money being allocated. So, I'm glad to hear that you are on top of that.

Once you have the date if you could just be sure that the Administration and County Council is aware of it. The reason I say County Council is because Andre Horton; he has been working and I know you talked with him on several occasions about what ECGRA could perhaps do, but he is working on this from the County side and I'm going to be joining him in working on this as well. In particular, what kind of grant programs and loan programs we can make accessible for minority-owned companies. So that we are all on the same page and that there is no duplication, I think that it would be great for us to be included when you have the date determined. I'm really glad to hear about it.

Please let me know from the Administration's standpoint if there is anything we can do. Our biggest concern is one of yours which is making sure that Erie County gets its fair share and the money doesn't disappear and it becomes what it becomes. That's great; I'm glad to hear the update and all the great work you are doing as it pertains to this initiative. Thank you.

Dr. Wood: Thank you. I am making a note of it to follow up with you as soon as we get a date on it. Are there any other questions for me? Thanks for your time, folks.

SOLICITOR'S REPORT

Mr. Wachter has nothing to report.

OLD BUSINESS

Dr. Wood: Tim and I have been working on the Erie Center for Arts & Technology closing. That's relevant for a couple of reasons. 1) That's a \$500,000 MRI and it's been a very complicated process as we learn about New Market Tax Credits and 2) the Erie Center for Arts & Technology has been asked to take over the Tech After Hours program. I think that's a discussion we're going to have to have. I am going to ask them to make a formal request to us, but we still have \$66,000 left in the Tech After Hours program. Daria was basically quarterbacking it along with the gentleman from Central Tech back when it was there. If they are going to be taking that program over, we should have a conversation with them about moving the rest of those funds over to the Erie Center for Arts & Technology, but I'll wait until I get a formal request from Daria on that.

The other thing to mention under Old Business is that there is still \$370,000 left in Reserve Funds for the Erie County Community College effort. They have contacted me and asked for a potential drawdown on that in the near future. I told them that there has been a lot going on and a lot of moving parts to this, so I asked if they would mind coming in and giving us an update. They are scheduled to come to our Strategic Planning Committee meeting on Tuesday and give us an update on the progress they have made and what they want to use the funds for with the next drawdown.

We're not asking you to vote on this, it's just that it has taken so long that I think it would be good for us to have an update from Empower Erie. I'm not sure who they are going to send to the meeting, but it will be someone from that nonprofit.

Mr. Lee: Just so the Board is aware, Erie County, the Administration, and County Council are going to have to really work on what Empower Erie's role will be as we move forward because once we name the Board of Trustees, Erie County essentially steps out of it except for the aspect of funding which we of course will be looking at very closely to make sure that the money is executed properly. It really becomes the responsibility of the Trustees to run the college, to hire the new president whoever he or she may be. So, it will be interesting, and I think the Board has to pay very close attention to what Empower Erie may be proposing. I don't know because I haven't spoken to them, but I just want to make sure that it is in lock-step with the County and how the County sees this pan out. Thank you, Perry, for that update.

Dr. Wood: Thank you.

NEW BUSINESS

- a. Resolution Number 12, 2020 – Resolution to fund applicants selected through the Immediate Human Relief Grant Program as part of the Erie County COVID-19 Response Fund.

Dr. Wood reads the resolution.

Mr. Bagnoni makes a motion to adopt the resolution. Mr. Barney seconds the motion. There is no further discussion of the resolution. Motion carries 7-0.

- b. Resolution Number 13, 2020 – Resolution to Adopt the 2019-2020 Annual Report.

Dr. Wood reads the resolution.

Mr. Barney makes a motion to accept the Annual Report into record. Mr. Bagnoni seconds the motion. There is no further discussion. Motion carries 7-0.

Mr. Sample moves to adjourn.