

Redevelopment Authority of the County of Erie (ECRDA)
Minutes of Public Meeting
January 28, 2020

The Redevelopment Authority of the County of Erie public meeting of January 28, 2020 at 8:00 am in the Boardroom at 1314 Griswold Plaza, Erie, PA 16501 pursuant to a legal ad in the Erie Times on January 12, 2020.

Members Present: Bill DeLuca, John Laird, Kate Philips and Tim McCormick via conf call.

Members Excused: Harry Eighmy.

Others in attendance: County Executive, Kathy Dahlkemper, Jenna Bickford, Esq., Tina Mengine, Krista Ikirt, Karen Spilko and Linda Robbins.

Call to Order: Bill DeLuca, Chairman called the public meeting to order at 8:02 am.

Hearing of the Public: Bill DeLuca asked for public comment. No members of the public provided public comment.

Approval of Minutes of December 17, 2019*:

Bill DeLuca asked for comments. Karen Spilko was asked to add herself as attending and under CIBA/Better's property, it should read "The goal is For EDCEC to pay off the loans to ECRDA." As there were no other changes, Bill DeLuca called for a motion to approve the minutes. **On a motion** by John Laird, and seconded by Bill DeLuca, the minutes were unanimously approved pending this change.

Financial Report*: ECRDA

Linda Robbins presented the current year end financials, Balance Sheet and Profit and Loss reports. Board discussion ensued. At this time, Bill DeLuca called for a motion to accept the financials as presented. **On a motion** by John Laird and seconded by Tim McCormick, the financials were unanimously approved as presented.

Loans in Discussion*:

Tina Mengine noted there are no loans to be presented this month.

New Business:

Cooperation Agreement*:

Tina Mengine said that work is beginning on Cooperation Agreements with all related affiliates. As Jay Alberstadt continues work on them, she expects this item on the February agenda.

CIBA modification vote*:

Jenna Bickford commented that the Board approved modifying our current loan to EDCEC at the last meeting, allowing us to pay off the CIBA loan. As modification documents reflect, this takes the outstanding loan to EDCEC to \$274,288.48, while incorporating interest accrued on the EDCEC loan and CIBA loans. Interest rate stays the same at 2.75%. No payments are due for 12 months, during which time we anticipate selling of the property. The maturity date remains the same at 6/1/2022. Jenna recommends revisiting if the property does not sell, to extend the date out. As discussed at the last meeting, the Board wishes to add an additional fee the ECRDA would keep from the sale. The provision would state that upon the sale of the property, ECRDA will get 2% of net proceeds, approved by EDCEC at its last meeting. If ECRDA Board approves, Jenna will proceed to close. **On a motion** by John Laird, seconded by Tim McCormick, the Board voted to accept the Modification Agreement as presented.

Smith Provision loan approval*:

Krista Ikirt noted that Smith Provision has requested a modification to their existing PIDA loan which the ECRDA Board packaged for them a few years ago. Smith Provision plans to move their banking from First National to Northwest Savings. We need an approval to send a formal written request to PIDA to do this. Board discussion ensued. **On a motion** by John Laird and seconded by Tim McCormick, the Board approved the written request to PIDA.

Election of Officers*:

Bill DeLuca commented that we are due to elect for the 2020 calendar year. The Board recommends the slate remain the same, being Chairman -Bill DeLuca, Vice-Chairman – John Laird, Kate Philips - Secretary and Harry Eighmy – Treasurer. Board discussion ensued. **On a motion** by Bill DeLuca and seconded by Tim McCormick, the Board voted unanimously to approve the current slate as it stands for the 2020 year.

Loan committee*:

Bill DeLuca commented that Tim McCormick has held a seat on loan committee in 2019. As we move into 2020, Harry Eighmy will be appointed to fill that seat. **On a motion** by Bill DeLuca and seconded by Tim McCormick, the Board voted unanimously to approve Harry Eighmy' s seat on the loan committee for the 2020 year.

Old Business:

The Board discussed an upcoming retreat. Tina and Don Moore will work with Karen to button down dates. Updates to follow.

The Board discussed updates regarding the Better's property sale. Tina indicated that we have a signed commitment letter from In-City Farms for full asking price. We anticipate a signed agreement by mid-February. Updates to follow.

Summit Township Sewer Authority Loan:

Jenna Bickford commented that at last month's meeting the Board approved a \$400,000 loan for Summit Township Sewer Authority for infrastructure upgrades. The Board approved the loan to be secured by the full faith and credit. Summit Township, which would give the full faith and credit is not involved in the loan and does not history guarantee loans of the sewer authority. For this type of financing, the alternative is a pledge of the revenues, which is common. So, when they charge for the sewer fees, revenues that come in would be pledged to pay down the loan, which would be used as the collateral. The issue with a revenue pledge is that PNC has 2 outstanding financings to the sewer authority and those will not be paid off for approximately 2 year. As such, they don't have the ability to pledge. As there is not a lot of other collateral the sewer authority would have, a lien can be taken on the infrastructure, although impractical. ECRDA has (2) options: (1) To go back and request that they pull in Summit Township and the township guarantees it and obtains DCED approval. Option (2) is ECRDA taking a pledge of the revenues, behind PNC for two years. Discussion ensued. **On a motion** by John Laird and seconded by Kate Philips, the Board voted to accept Option (2). Tim McCormick, being opposed, abstained.

Tina Mengine – CEO Updates:

Tina announced that the Open House for the new building is scheduled for Friday, January 31, 2020, 5-7 pm. Hard invitations will be mailed out the first week of January 2020, followed by (2) emails. We expect a good turnout.

Tina attended a DEP meeting regarding Erie Coke. It was determined that it is not a super fund site, just a traditional brownfield, as they work through wastewater and ground ash issues. This leaves it in the Port Authorities hands.

We continue to work with EPA. A meeting with their contractor AMO is planned for 2/12 at ECRDA offices to select properties.

Erie Mill and Press may be interested in giving us their property.

On February 4th, She, Krista, Jay and Jenna have plans to present to County Council of 2/4.

On February 11th Senator Laughlin is holding a Municipal Grant workshop that she and Krista plan to present at.

Krista Ikirt gave an overview of her recent trip to Pittsburgh with other members of Erie. She indicated the only (2) cities have successfully done a TRID in PA. They are the East Liberty section of Pittsburgh and just outside Philadelphia. Kathy Dahlkemper asked the difference between a TRID and a CRIZ. Krista indicated she would research this for and update her.

Executive Session:

At 8:41am, Bill DeLuca moved to executive session. All recording ceased and Karen was dismissed.

Adjournment:

After executive session and with no other business to discuss, Bill DeLuca formally adjourned the meeting at approximately 10:30am.