

**Redevelopment Authority of the County of Erie (ECRDA)**  
**Minutes of Public Meeting (Virtual meeting)**  
**March 24, 2020**

The Redevelopment Authority of the County of Erie public meeting of March 24, 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 March 22, 2020.

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

**Others via conf call:** Jenna Bickford, Esq., Tina Mengine, Karen Spilko, Linda Robbins.

**Excused:** County Executive, Kathy Dahlkemper.

**Call to Order:** Bill DeLuca, Chairman called the public meeting to order at 8:01am.

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

**Approval of Minutes of February 25, 2020\*:**

Bill DeLuca noted that under 457(b) Retirement account Resolution, minutes should reflect Northwestern Mutual, not Boetger. As there no other comments, he moved to approve the minutes.

**On a motion** by John Laird, and seconded by Harry Eighmy, the minutes were unanimously approved, pending the change.

**Approval of Minutes of March 10, 2020\*:**

Bill DeLuca asked for comments. As there were none, he called for a motion to approve the minutes. **On a motion** by Harry Eighmy, and seconded by Tim McCormick, the minutes were unanimously approved as presented.

**Financial Report\*: ECRDA\***

Linda Robbins reported on the current financials. Board discussion ensued. At this time, Bill DeLuca called for a motion to approve the financials as presented. **On a motion** by Harry Eighmy and seconded by Kate Philips, the financials were unanimously approved as presented.

**Loans in Discussion:**

Tina Mengine noted there are no current loans in the pipeline.

**New Business:**

**Special Loan hiatus program for existing loans\*:**

Tina Mengine noted that in light of the COVID-19 outbreak, the community is coming together to assist businesses and nonprofits. Accordingly, the Authority would like to take \$1M from its Municipal Fund, earmarking it for small/medium business. She outlined (2) programs, the first being a 90-day payment deferral program for current loan clients who inquire. To date, we have three, R&D6, Bliley Technologies and Emkey/Mid-American. Board discussion ensued. The plan is to defer payments, up to 90 days, putting it at the end of the loan as a balloon payment. Jenna will prepare a standard one-page modification. The Board gives Tina full authority to approves these as she feels appropriate and Tina will provide a weekly report. At this time, Bill DeLuca called for a motion to approve based on this criterion. **On a motion** by John Laird, seconded by Harry Eighmy, the special loan hiatus program was unanimously approved as presented.

**Special Emergency Loan Program\*:**

Tina Mengine indicated that we currently have \$2.7M in our Municipal Revolving loan fund account. She proposes taking \$1M from this account to set up an Emergency Loan Fund to help local businesses negatively affected. The criteria is: 25 or more employees will be handled by the County Redevelopment Authority and businesses with 25 or less employees will be handled by Bridgeway Capital through their Funding grant through ECGRA. The plan is to give 0% interest loans, up to \$50,000 with a term of 1-3 years. Applicants can fill out an online application due to go live in the next 24 hours, agreeing to pay a one-time loan processing application fee of \$350.00. The money would be used to cover UCC filing of \$84.00, with the remainder being for us. Loan documents have been prepared by Attorney Bickford, including UCC filing information and personal guarantees. Tina is asking for approval to take \$1M out of the revolving loan fund, the ability to approve them internally, bypassing loan committee/Board approval. Board discussion ensued. **On a motion** by Kate Philips, seconded by Harry Eighmy, the Board voted unanimously to approve the Special Emergency Loan program criteria.

**Banking signatory change approval\*:**

Tina Mengine indicated that we are seeking Board approval for Tina Mengine to be a temporary sole check signer during this time. We are asking to amend the current resolution from (2) to (1) signature. Board discussion ensued. It was determined that if, for any reason, Tina is unable to sign, Bill DeLuca may do so. **On a motion** by Kate Philips, seconded by John Laird, the Board unanimously approved the signatory resolution as presented.

**Tina Mengine – CEO Updates:**

Tina thanked the Board for their continued support during this difficult time. She noted that we will be processing PIDA loans with the help of Larry Bossolt, on an emergency basis under their Emergency COVID-19 program. We remain certified to do so until April 30<sup>th</sup>. These loans will be up to \$100,000 at a rate of 1%. PIDA will be providing special documentation that may require a special meeting. Updates to follow.

Tina indicated that Emkey/Mid-American is looking for an Article 9, sale of assets. As such, she has requested a document from them outlining their plan, which she shared with Jenna Bickford. Jenna explained, as a result of her discussion with Jim Toohey that more information is needed. She had a call with Keith Farrell who explained that Mid-American, having little assets, with the exception of their book of business which generates approximately \$200,000 annual gross. The book of business, valued with a multiplier of three, is approximately \$600,000. Currently, the only secured creditors for Mid-American are the RDA and one of Mid-American's entities Asset Acquisition, a Norwegian entity formed to purchase the Northwest note; of which we share a 1<sup>st</sup> lien position. The plan is to transfer all of these assets to this entity, in exchange for paying off the Northwest note, close to \$2M. Our note of \$225,000 would continue to be paid over time. Jenna noted that the guarantees from Emkey Energy and the personal guarantee from Oivind Risberg would need to stay in place. Jenna indicated we would need to figure out how the note we have with this new entity is a legal obligation and have a re-affirmation of the guarantees. Board discussion ensued. It was determined that more information is needed. Updates to follow.

**Adjournment:**

With no other business to discuss, Bill DeLuca moved to adjourn. **On a motion** by John Laird, seconded by Tim McCormick, the meeting formally adjourned at 8:57am.