

**CITY OF ERIE REVITALIZATION AND IMPROVEMENT ZONE AUTHORITY
BOARD OF DIRECTORS MEETING**

January 15, 2025

100 State Street, Suite 700, Erie, PA 16507

Attendees: Matthew Wachter, Matthew Good, Daria Devlin, Joseph Vendetti, Carla Higgins, Katrina Vincent, Cathryn Morris-Easterling, Michael Raftis, and Roger Richards (via Teams)

Also attending: Brian Cressman, Esq., James Walczak, Esq., Julie Pecoraro, Drew Whiting and Corey Cook from EDDC, Katie Nagle from Senator Dan Laughlin's office, and Sheila Sterrett.

1. Call to Order. Meeting was called to order at 3 p.m. by Matthew Wachter.
2. Public comment. No public comment. Daria Devlin stated that she had received numerous requests from the public for virtual access to the meeting and requested that a virtual option for the public be available for future meetings. Matthew Wachter noted that there are some potential risks in offering an open meeting link but agreed that it is something they may consider in the future if a way to do so securely can be determined.
3. Review of Minutes. A motion to approve minutes from the December 18, 2024 meeting was made by Matthew Good, seconded by Daria Devlin, and approved unanimously.
4. Discussion of Approval Letter. Matthew Wachter noted that the approval letter was included in the packet given to Board Members for their review.
5. Discussion of Committee Appointments. Matthew Wachter stated that he had a number of Board Members reach out to him regarding serving on committees. He stated that Michael Raftis, Roger Richards, Katrina Vincent, Carla Higgins, and Cathryn Morris-Easterling expressed interest in sitting on the Development Committee. He stated that Ms. Devlin and Ms. Morris-Easterling expressed interest in sitting on the Communications Committee.
6. Discussion of Hiring of Advisors. Matthew Wachter discussed the current status of the hiring of advisors. FourScore Group submitted a proposal and a meeting is scheduled next week to discuss the proposal. FourScore would be responsible for completing all tasks listed in the approval letter as well as provide the economic analysis that the state requires when a project is proposed. Michael Raftis stated that other CRIZ projects have utilized FourScore Group's services and that a multi-year engagement would be helpful, after which the services could possibly be brought in house. Mr. Raftis stated that FourScore Group is not cheap but that they do good work. Mr. Wachter stated that the proposal they submitted was for five years but believes a three year term would be more reasonable. The other advisor to be retained is Randy Patterson, who has experience with the Lancaster CRIZ.

Mr. Wachter stated that the money to pay these advisors will come from the funds received from the Erie Community Foundation. Carla Higgins requested that FourScore Group create a video or presentation describing their services for those on the Board who are not as familiar with their work. Attorney Cressman stated that their services go above and beyond accounting services and will consist of a lot of "boots on the ground" work in

engaging the people who will be affected by the CRIZ. He also noted that they have a good working relationship with the State.

Daria Devlin requested adding to the contract with FourScore Group that there are resources already available in Erie to assist with their efforts and that perhaps there be subcontracting funds allocated for Erie businesses.

7. Discussion of Ethics Act Requirements. Attorney Cressman discussed the filing that must be made by each Board Member, which was given to the Board Members in their packets. Attorney Cressman stated that the Authority has to keep them on file and have them available in case the state wants to review. It is an annual filing requirement. It was decided that the Board Members should submit their filings to MIJB and MIJB will keep them on file for the time being.
8. Old Business / New Business. Drew Whiting and Corey Cook from EDDC presented the Flagship Commons project that they are requesting be funded by the CRIZ. He stated that this project is needed to tie together the first phase of the EDDC project, as the building to be renovated sits between two already renovated buildings. He said that it is important because the project serves to signal the revitalization of Downtown Erie, which will further encourage others to invest in the City. The finished project will include Class A office space, hospitality, and retail, as well as a vestibule that can be used for public events. It will also turn 5th Street into a pedestrian friendly cultural center of the City. He discussed the demand for office space in the City. He stated that it is a \$24 million project, with \$6 million being funded by local stakeholders and additional funding through lines of credit. He stated that there is a \$6-8 million gap in funding and this is what the CRIZ would be used for. He stated that the EDDC has never received any public funding. If the project stays on track it can be delivered by the end of 2026.

Corey Cook discussed the specific construction schedule, with main construction to get underway April 1. Mr. Whiting stated that they need to close their loan to keep up with the construction bills and that come April, there may be construction bills that they cannot pay.

Katrina Vincent asked what projects could be scaled back if the funding did not come through. Mr. Whiting answered that nothing could be scaled back. Michael Raftis noted that the EDDC projects downtown have triggered other revitalization efforts in the city.

Matthew Wachter stated that they should meet with the Development Committee to put together a proposal which discusses the impact of the project and how the CRIZ can support it. Attorney Cressman noted that this project was included in the CRIZ application and DCED had no pushback on it. Ms. Vincent asked about the timing of the approval of projects and Mr. Wachter stated that it can be anywhere from 45 days to one year for the state to approve projects.

Matthew Good asked that Mr. Whiting remind them of who the EDDC local stakeholders are and he named Erie Insurance, UPMC, Gannon University, Mercyhurst University, Erie Bank, Marquette Savings Bank, Northwest Savings Bank, PNC, Plastek, AHN/ St. Vincent, and National Fuel, along with some smaller businesses and Mr. Hagen.

Attorney Walczak asked what the ownership structure would be. Mr. Whiting stated that EDDC would be the developer and property manager. The question was raised as to whether the CRIZ could hold equity and Attorney Walczak stated that it has never been done before and that because a lot of these projects are much bigger than projects funded by other CRIZ Authorities, Erie will be a test case for what the state will approve. Mr. Whiting stated that even though CRIZ funding would not be provided until 2026, the commitment of funding from the CRIZ could serve as collateral for additional loans to see them through the construction.

Daria Devlin then presented another project that will be requesting CRIZ funding: Schoolhouse Apartments at Washington Square, which is a project to house the homeless. She stated that the EDDC project will not be successful if this project isn't successful, as there is a dire need to house the homeless in downtown Erie. She stated that the assessment of homelessness in Erie shows that it is a solvable problem.

She noted that this project is based on a "housing first" philosophy. Through this project, BUILD would transform the former Erie School District Administration Building into 22 one-bedroom apartments for use by the homeless. Supportive services would then come to the residents at the apartment building and the use of the supportive services would be a requirement for living in the apartment building. Because the CRIZ will not fund solely residential projects, there is 12,000 square feet allocated to commercial space in the building, which Ms. Devlin stated would hopefully be used to support the mission of the project. She noted that CHN of Cleveland is also building additional units with a similar purpose on an adjacent lot but the projects are separate and not dependent on each other.

Ms. Devlin stated that the hope is that the occupants will be issued housing vouchers and that the occupants will be able to stay in the housing as long as they are able to pay the rent. She stated that the City Housing Authority has not been very helpful in the securing of vouchers but the County has. She stated that BUILD will be the owner, developer, and manager of the property. They are hoping to break ground in the summer and that it should be a six month construction process. They are working with PFM on financing options and PFM has stated that they will most likely close on the loan in the fall. The funding that they are requesting from the CRIZ will be for the purposes of debt servicing.

Matthew Good stated that CHN has a proven track record of reducing homelessness and is glad to see that these projects are in the works for Erie. He also stated that the commercial space in the building could be used to provide job opportunities for the residents.

9. Discussion of personnel matters. Matthew Wachter stated that it was not necessary to hold an executive session for the discussion of personnel matters regarding hiring of administrative staff. He stated that he has received interest from five candidates for the Executive Director position and that if anyone else knows of any other possible candidates to let him know. He stated that he, Roger Richards, and Matthew Good would gather the resumes and they would like to fill the position within the next two months. He also mentioned that in addition to an Executive Director, they are looking to hire a bookkeeper,

who may also serve as an Assistant. He noted that the Authority can use 5% of funding for operational matters, which includes the renting of office space.

Carla Higgins asked if the state provides a job description for the Executive Director position and Mr. Wachter said no. But he stated that the job would require someone with a knowledge of finance, communication skills, the ability and willingness to work with the public and the state, and the ability to recruit potential developers.

10. Meeting Adjourned. The meeting was adjourned at approximately 4:15 pm. A motion to adjourn was made by Carla Higgins, seconded by Matthew Good, and approved unanimously.