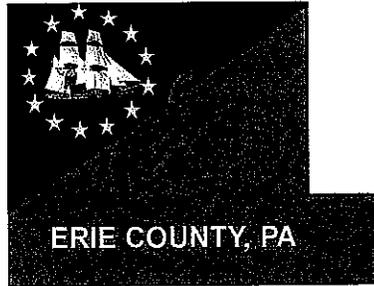


FINANCE AGENDA

Erie County Council

www.eriecountygov.org



Phil Fatica, Chairman
Carol Loll, Vice Chairperson
Jay Breneman
Edward T. DiMattio, Jr.
Kyle Foust
Andre Horton
Fiore Leone

January 23, 2014

4:00 p.m.
Room 114A

Presentation by Attorney Roger Richards regarding the Erie County Convention Center Authority (20 min.)

1. Ordinance Number , 2014, "Approving A Certain Project And The Financing Thereof, Briefly Describing The Same, Determining The Realistic Estimated Useful Life Of The Project And Stating The Estimated Project Completion Date; Stating The Maximum Aggregate Principal Amount Of The Bonds Or Notes To Be Issued By The Erie County Convention Center Authority To Be Secured By A Certain Guaranty Agreement Of The County Of Erie As Described Herein And Stating That The Debt Thereunder Is To Be Incurred As Lease Rental Debt As Defined In The Pennsylvania Local Government Unit Debt Act, 53 PA. Cons. Stat. §8001 *Et Seq.*, As Amended; Authorizing And Directing Officers Of The County To Prepare And Verify A Debt Statement Required By Section 8110 Of The Debt Act And A Borrowing Base Certificate And Directing The County Clerk To File Such Statement And Certificate, Together With A Certified Copy Of This Ordinance And Proofs Of Publication, With The Pennsylvania Department Of Community And Economic Development And To Pay Any Necessary Filing Fees; Authorizing And Directing The Manner Of Approval, And The Execution And Delivery, Of The Guaranty Agreement By The County; Stating The Maximum Annual Amounts Of Principal And Interest To Be Paid Under The Guaranty Agreement, Covenanting The Payment Thereof And Pledging The Full Faith, Credit And Taxing Power Of The County Therefor; Authorizing The Officials Of The County To Take Other Appropriate Action; Repealing All Ordinances Inconsistent Herewith And Stating The Effective Date Of This Ordinance"
Page 3
2. Ordinance Number , 2014, "2014 Capital Project Fund Supplemental Appropriation Of \$180,000 And Creation Of Line Item For Sale Of Vacant Land Near County Public Safety Building"
Page 11
3. Ordinance Number , 2014, "2014 Children & Youth Services Fund Budget Revised Expenditures Of \$18,000 And Creation Of Catholic Charities Greenburg Court Ordered Placement Line"
Page 14
4. Resolution Number , 2014, "Approval Of The 2014 Operating/Capital Budget Of The Erie County Convention Center Authority"
Page 17
5. Resolution Number , 2014, "Ratifying The Sale Of Erie County Real Property Parcel Number 40-017-078.0-099.03 (Part of)"
Page 24
6. Reappointment of Dr. Carolynn Masters to the Erie County Board of Health.
Page 45

7. Reappointment of Richard A. Ortoski, D.O. to the Erie County Board of Health.
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8. Sale of Parcels from Repository for Unsold Properties:
Index Number: 15-020-018.0-136.00

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9. Analysis of General Fund Unassigned Fund Balance
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ORDINANCE NUMBER __-2014

APPROVING A CERTAIN PROJECT AND THE FINANCING THEREOF, BRIEFLY DESCRIBING THE SAME, DETERMINING THE REALISTIC ESTIMATED USEFUL LIFE OF THE PROJECT AND STATING THE ESTIMATED PROJECT COMPLETION DATE; STATING THE MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF THE BONDS OR NOTES TO BE ISSUED BY THE ERIE COUNTY CONVENTION CENTER AUTHORITY TO BE SECURED BY A CERTAIN GUARANTY AGREEMENT OF THE COUNTY OF ERIE AS DESCRIBED HEREIN AND STATING THAT THE DEBT THEREUNDER IS TO BE INCURRED AS LEASE RENTAL DEBT AS DEFINED IN THE PENNSYLVANIA LOCAL GOVERNMENT UNIT DEBT ACT, 53 PA. CONS. STAT. §8001 *ET SEQ.*, AS AMENDED; AUTHORIZING AND DIRECTING OFFICERS OF THE COUNTY TO PREPARE AND VERIFY A DEBT STATEMENT REQUIRED BY SECTION 8110 OF THE DEBT ACT AND A BORROWING BASE CERTIFICATE AND DIRECTING THE COUNTY CLERK TO FILE SUCH STATEMENT AND CERTIFICATE, TOGETHER WITH A CERTIFIED COPY OF THIS ORDINANCE AND PROOFS OF PUBLICATION, WITH THE PENNSYLVANIA DEPARTMENT OF COMMUNITY AND ECONOMIC DEVELOPMENT AND TO PAY ANY NECESSARY FILING FEES; AUTHORIZING AND DIRECTING THE MANNER OF APPROVAL, AND THE EXECUTION AND DELIVERY, OF THE GUARANTY AGREEMENT BY THE COUNTY; STATING THE MAXIMUM ANNUAL AMOUNTS OF PRINCIPAL AND INTEREST TO BE PAID UNDER THE GUARANTY AGREEMENT, COVENANTING THE PAYMENT THEREOF AND PLEDGING THE FULL FAITH, CREDIT AND TAXING POWER OF THE COUNTY THEREFOR; AUTHORIZING THE OFFICIALS OF THE COUNTY TO TAKE OTHER APPROPRIATE ACTION; REPEALING ALL ORDINANCES INCONSISTENT HERewith AND STATING THE EFFECTIVE DATE OF THIS ORDINANCE

WHEREAS, the Erie County Convention Center Authority (the "Authority") an authority created and existing under the provisions of the Third Class County Convention Center Authority Act (Alternative Provision), 16 Pa. Stat. Ann. §2399.51, et seq., as amended (the "Act") desires to (i) acquire real estate and construct a limited service convention center hotel thereon (such real estate and hotel are hereinafter together referred to as the "Hotel"); and (ii) construct a parking garage (the "Parking Garage") nearby to the Hotel (the Hotel and the Parking Garage are hereinafter referred to as the "Facility"), which Facility is to be located immediately adjacent to the Authority's Bayfront Convention Center in Erie, Pennsylvania; and

WHEREAS, the Authority has presented extensive evidence to Erie County (the "County") that, and the County hereby finds that, the construction and operation of the Facility will (i) substantially increase tourism and economic activity in the County, (ii) substantially increase the demand for hotel rooms over and above the existing hotel capacity in Erie County; (iii) substantially benefit the lodging and hospitality industry throughout Erie County as a whole; (iv) be fully consistent with the legislative findings set forth in Section 2399.52(a) of the Act; and (v) substantially accomplish and further the legislative policy set forth in Section 2399.52(b) of the Act; and

WHEREAS, the Authority has received written notification from the Secretary of the Office of the Budget of the Commonwealth of Pennsylvania (the "Secretary") that the Commonwealth has authorized the release of \$25,000,000 in Redevelopment Assistance Capital Program funding (the "RACP Funding") for use by the Authority in connection with the funding of certain costs of the Facility; and

WHEREAS, the Secretary has notified the Authority that the Commonwealth has allocated \$5,000,000 of the RACP Funding to its 2013 funding round and will further allocate \$5,000,000 to future funding rounds until the full amount of the RACP Funding has been fully allocated pursuant to a grant agreement to be executed between the Authority and the Commonwealth (the "Grant Agreement"); and

WHEREAS, the Authority has determined to issue bonds and/or notes in the maximum aggregate principal amount of \$60,000,000 (such bonds and notes, collectively, the "2014 Bonds"), to undertake a project (the "Project") consisting of (i) the acquisition, design, construction, equipping and furnishing of the Facility, (ii) the establishment of necessary reserves and other funds for the benefit of the 2014 Bonds and the Facility, and (iii) the payment of necessary and proper costs of issuance and costs of sale of the 2014 Bonds; and

WHEREAS, in order to secure the payment of the principal of, and interest on, the 2014 Bonds the Authority shall assign and pledge to its lender, or to a trustee appointed for the benefit of owners of the 2014 Bonds, all revenues, rentals and moneys of the Authority derived from or in connection with the Facility (the "Facility Revenues"); and

WHEREAS, to further secure the payment of the 2014 Bonds, the Authority shall assign and pledge to its lender, or to a trustee appointed for the benefit of owners of the 2014 Bonds, the full amount of the RACP Funding; and

WHEREAS, to further secure payment of the 2014 Bonds, the County will execute and deliver its guaranty agreement (the "Guaranty Agreement") whereby the County will unconditionally guarantee the payment, as and when due, of the principal of and interest on the 2014 Bonds and pledge its full faith, credit and taxing power to discharge all of its obligations under the Guaranty Agreement; and

WHEREAS, the execution of the Guaranty Agreement will constitute the incurrence of lease rental debt by the County within the meaning of the Pennsylvania Local Government Unit Debt Act, 53 Pa. Cons. Stat. §8001 et seq., as amended (the "Debt Act");

NOW, THEREFORE, BE IT ENACTED BY THE COUNTY COUNCIL OF THE COUNTY OF ERIE, PENNSYLVANIA (THE "GOVERNING BODY"), AS FOLLOWS:

Section 1. Approval of Project and Financing Thereof; Realistic Estimated Useful Life of Project; Estimated Project Completion Date. The County hereby approves the Project, as described above, and the financing thereof. The realistic estimated useful life of the Project is hereby determined to be in excess of 40 years. The estimated completion date for the Project is December 31, 2015.

Section 2. 2014 Bonds Secured by Guaranty Agreement; Incurrence of Lease Rental Debt. The maximum aggregate principal amount of the 2014 Bonds to be secured by the Guaranty Agreement is \$60,000,000. The Governing Body hereby authorizes and directs the incurring of lease rental debt of the County, pursuant to the Debt Act, in the maximum aggregate principal amount of \$60,000,000, to be evidenced by the Guaranty Agreement.

Section 3. Debt Statement and Borrowing Base Certificate. The County Executive or the Finance Director of the County (or other authorized officers or officials of the County) are hereby authorized and directed to prepare and verify the debt statement required by Section 8110 of the Debt Act and to prepare or cause to be prepared a borrowing base certificate and the Finance Director or the County Clerk of the County is hereby authorized and directed to certify to the Pennsylvania Department of Community and Economic Development a transcript of the proceedings as required by Section 8111 of the Debt Act, and to pay any filing fees required under Section 8203 of the Debt Act.

Section 4. Annual Amounts Payable Under Guaranty Agreement; Covenant to Pay Such Amounts. The maximum annual amounts of principal and interest covenanted to be paid by the County under the Guaranty Agreement are as set forth in *Schedule I* attached hereto and made a part hereof. The final amounts of principal and interest payable by the County under the Guaranty Agreement will be determined and fixed by the County after the Authority has finalized the terms of a proposal for the purchase of bonds or notes. For this purpose, the Chair of the Governing Body (or the Chair of the Finance Committee of the Governing Body acting in the absence or incapacity of the Chair of the Governing Body) is hereby authorized and directed to fix the final amounts of principal and interest payable under the Guaranty Agreement. The County hereby covenants with the Authority's lender, and/or with owners of the 2014 Bonds, that the County shall (i) include the amounts payable in respect of the debt under the Guaranty Agreement for each fiscal year in which such sums are

payable in its budget for each such year, (ii) appropriate such amounts from its general revenues, for the payment of the amounts payable in respect of its Guaranty Agreement, and (iii) duly and punctually pay, or cause to be paid from such revenues, to the extent of its obligations under the Guaranty Agreement, the amounts payable in respect of its debt under the Guaranty Agreement, at the dates and places and in the manner stated in the Guaranty Agreement according to the true intent and meaning thereof. For such budgeting, appropriation and payment in respect of its debt under the Guaranty Agreement, the County pledges its full faith, credit and taxing power. This covenant shall be specifically enforceable; subject, however, as to the enforceability of remedies, to any applicable bankruptcy, insolvency, moratorium or other laws or equitable principles affecting the enforcement of creditors' rights generally. Nothing in this Section shall be construed to give the County any taxing power not granted by another provision of law.

Section 5. Conditions of the County. The following are conditions precedent to the County's obligation to execute and deliver the Guaranty Agreement:

A. The Guaranty Agreement and all related documents to be executed by and on behalf of the County (collectively, the "County Documents") shall be in form and substance acceptable to the Chair of the Governing Body (or the Chair of the Finance Committee of the Governing Body acting in the absence or incapacity of the Chair of the Governing Body).

B. All documents evidencing the financing of the 2014 Bonds (the "Bond Documents") shall be in form and substance acceptable to the Chair of the Governing Body (or the Chair of the Finance Committee of the Governing Body acting in the absence or incapacity of the Chair of the Governing Body).

C. The County Documents and the Bond Documents, as appropriate, shall include provisions (i) requiring a notice to the County prior to September 1 of any year in which the Authority anticipates a debt service deficit to occur in the next calendar year; (ii) requiring an annual submission to the County, prior to the adoption of the County's annual budget, of projected Project cash flows for the ensuing calendar year; (iii) requiring the approval of the County with respect to any future borrowings of the Authority relating to the Project; (iv) allowing the County to monitor the monthly operations of the Project; (v) requiring notification to the County in the event that the Authority anticipates potential cost overruns related to the Project; (vi) requiring quarterly meetings between representatives of the County and the Authority to review the progress of the Project; (vii) requiring utilization of a project labor agreement for the Project acceptable to the County; (viii) requiring the Authority to submit its annual budget and audit report to the County each year for review by the Governing Body; (ix) requiring that the Facility Revenues only be utilized in connection with the Project; (x) requiring the Authority to assume the defense of, and indemnify the County against, any expenses relating to any litigation which may be commenced against the County arising out of the County's execution of the County Documents and the performance of the County's obligations thereunder; and (xi) providing such other protections as the County shall require.

D. All documents evidencing the RACP Funding, including but not limited to the Grant Agreement, shall be in form and substance acceptable to the Chair of the Governing Body (or the Chair of the Finance Committee of the Governing Body acting in the absence or incapacity of the Chair of the Governing Body), and such officer shall have received satisfactory assurances that the full amount of the RACP Funding shall be available to fund the Project.

Section 6. Execution of the County Documents. The County Executive (or the Finance Director acting by reason of the County Executive's absence or incapacity) is hereby authorized and directed, upon receipt of approval from the Pennsylvania Department of Community and Economic Development, to execute and deliver the County Documents, in the form finally approved by the Chair of the Governing Body (or the Chair of the Finance Committee of the Governing Body acting in the absence or incapacity of the Chair of the Governing Body), the execution of the County Documents to be conclusive evidence of such approval, and the County Clerk of the County is hereby authorized and directed to affix thereto the corporate seal of the County, to attest the same and to deliver the County Documents to their intended recipients.

Section 7. Legislative Findings. The recitals to this Ordinance are hereby incorporated by reference as if fully set forth herein, and shall constitute the legislative findings of the County.

Section 8. Incidental Actions. The County Executive (or the Finance Director acting by reason of the County Executive's absence or incapacity) is hereby authorized, directed and empowered on behalf of the County to execute any and all papers and documents and to do or cause to be done any and all acts and things necessary or proper for the carrying out of the provisions of this Ordinance.

Section 9. Repealer. All ordinances or parts of ordinances inconsistent herewith be and the same hereby are repealed.

Section 10. Effective Date. This Ordinance will become effective on the earliest date permitted by the Debt Act.

[SIGNATURE APPEAR ON THE NEXT PAGE]

Duly adopted by the County Council of the County of Erie, in lawful session assembled,
on _____, 2014.

[SEAL]

COUNTY COUNCIL OF THE COUNTY OF
ERIE, PENNSYLVANIA

By _____

Dr. Kyle Foust, Chair

Attest:

Fiore Leone, Vice Chair

County Clerk

Phil Fatica

Carol J. Loll

Edward T. DiMattio

Jay Breneman

André R. Horton

Approved by:

County Executive

SCHEDULE I

MAXIMUM ANNUAL AMOUNTS PAYABLE UNDER GUARANTY AGREEMENT

CERTIFICATE

I, the undersigned, County Clerk of the County of Erie, Pennsylvania hereby certify that the foregoing and attached is a true copy of an Ordinance which was duly enacted by the affirmative vote of a majority of all the members of the County Council thereof at a meeting held on the date of the execution thereof; that due notice of such meeting was given and the meeting was at all times open to the public; that such Ordinance was duly recorded; that this Ordinance is still in full force and effect as of the date hereof; that the vote upon said Ordinance was called and duly recorded upon the minutes of the County Council; and that the members of the County Council voted in the manner following:

	Yes	No	Abstain	Absent
Dr. Kyle Foust	_____	_____	_____	_____
Fiore Leone	_____	_____	_____	_____
Phil Fatica	_____	_____	_____	_____
Carol J. Loll	_____	_____	_____	_____
Edward T. DiMattio	_____	_____	_____	_____
Jay Breneman	_____	_____	_____	_____
André R. Horton	_____	_____	_____	_____

WITNESS my hand and seal of the County Council of the County of Erie this ___ day of February, 2014.

COUNTY OF ERIE

[SEAL]

By _____
County Clerk

ORDINANCE NUMBER ,2014

**2014 Capital Project Fund Supplemental Appropriation Of \$180,000 And
Creation of Line Item For Sale Of Vacant Land Near County Public Safety Building**

BE IT ENACTED by the County Council of the County of Erie pursuant to Article II, Sections 3B (1), 3B 2 (b) and Article VIII, Section 8 of the Erie County Home Rule Charter, and certified by the County Executive that this 2014 Capital Project Fund Budget supplemental appropriation of \$180,000 and creation of line item for sale of vacant land near County Public Safety Building are hereby approved as outlined on the attached Exhibit A.

This ordinance shall be effective immediately upon adoption.

COUNTY COUNCIL OF THE
COUNTY OF ERIE, PENNSYLVANIA

Attest:

Douglas R. Smith
County Clerk

Kyle Foust, Chairman

Date: _____

Fiore Leone, Vice Chairman

Jay Breneman

Approved by:

Edward T. DiMattio, Jr.

Kathy Dahlkemper,
County Executive

Phil Fatica

Date: _____

André R. Horton

Carol J. Loll

**Exhibit A
 2014 Capital Projects Fund
 Supplemental Appropriation of \$180,000
 and Creation of New Line Item for
 Sale of Vacant Land at Public Safety
 Building Site**

<u>Account Title</u>	<u>Account Number</u>	<u>Amount</u>
<u>Total Revenue</u>		
Appropriation to Fund Balance	080-080010-099500	180,000
Sale of Land	080-080010-098630*	(180,000)
Total Revenue		<u><u>0</u></u>

* Denotes creation of a new line item



COUNTY OF ERIE

OFFICE OF ADMINISTRATION

KATHY DAHLKEMPER
COUNTY EXECUTIVE

LUIGI PASQUALE
MANAGER OF PROCUREMENT

E-MAIL lpasquale@eriecountygov.org
www.eriecountygov.org

To: Kathy Dahlkemper, County Executive
County Council Members

From: Luigi Pasquale

Date: January 15, 2014

Subject: Rationale for Sale of Vacant Public Safety Property

In June of 2006, the County purchased 20 acres of land at a cost of \$275,000 or \$13,750 per acre for the Public Safety Building. Last year, the State Police approached County officials and requested that the County sell them 10 acres of vacant land at the site. The State Police want the property to construct a new barracks, crime center and motor pool. They are also considering renting space on the County's tower. At that time the state agreed to get an appraisal of the property and get back to the County once their project was approved.

Erie Appraisal Associates Inc. appraised the 10 acres of land on Pagan Road at a value of \$180,000 or \$18,000 per acre. The appraisal was reviewed by the Director of the Assessment Department and he has reported that the appraisal is accurate.

The estimated cost of construction is \$10,750,000. The state is currently in the process of bidding out the architectural services for the project. They have offered to purchase the property for the appraisal price of \$180,000 and have drawn up an agreement of sale which will be reviewed by the County Solicitor before the January 23rd Finance Committee Meeting.

The Administration is requesting that County Council waive the Purchasing Code, and sell the property to the State Police for \$180,000.

ORDINANCE NUMBER , 2014

**2014 Children & Youth Services Fund Budget Revised Expenditures Of \$18,000 And
Creation Of Catholic Charities Greenburg Court Ordered Placement Line**

BE IT ENACTED by the County Council of the County of Erie pursuant to Article II, Sections 3B(1), and 3B 2 (f) of the Erie County Home Rule Charter, that these 2014 Children & Youth Services Fund Budget revised expenditures of \$18,000, and the creation of Catholic Charities Greenburg Court ordered placement line are hereby approved as outlined on the attached Exhibit A.

This ordinance shall be effective immediately upon adoption.

COUNTY COUNCIL OF THE
COUNTY OF ERIE, PENNSYLVANIA

Attest:

Douglas R. Smith
County Clerk

Kyle Foust, Chairman

Date: _____

Fiore Leone, Vice Chairman

Jay Breneman

Approved by:

Edward T. DiMattio, Jr.

Kathy Dahlkemper,
County Executive

Phil Fatica

Date: _____

André R. Horton

Carol J. Loll

Exhibit A 2014 Children & Youth Services Fund Budget Revised Expenditures for the Creation of Expense Line Item due to Court Ordered Placement

<u>Account Title</u>	<u>Account Number</u>	<u>Amount</u>
<u>Total Expenditures</u>		
Catholic Charities Greensburg	046-099000-706723*	18,000
New Beginnings at Cove Forge	047-099000-700617	(18,000)
Total Expenditures		<u><u>0</u></u>

* Denotes creation of new line item.

To: Kathy Dahlkemper, County Executive
County Council Members

From: Mary Ann Daniels

Date: January 16, 2014,

Subject: Rationale for Creation of Budget Lines

The attached Exhibit A reflects a line item creation to the 2014 Children and Youth Fund budget.

This line item needs to be created due to court ordered placements of children into a facility that were not used during the creation of the budget. Budget transfers will be used to transfer funds for these newly created line items.

This is a common occurrence with the Children and Youth Fund budget. Court ordered placements of children often occur to facilities that have never been used, thus requiring a new line item. Budget transfers from existing placement expense lines that are either being underutilized or not used this year will fund this new placement expenses.

There is **0.00** increase or decrease in County funds projected at this time.

If you have any questions, please contact me at your convenience.

RESOLUTION NUMBER . 2014

**Approval of the 2014 Operating/Capital Budget of the
Erie County Convention Center Authority**

BE IT RESOLVED by the County Council of the County of Erie that the Operating Capital Budget for the Erie County Convention Center Authority for the year ending December 31, 2014, attached hereto as Exhibit A, is hereby approved.

On the motion of _____, seconded by _____, this resolution was passed on this _____ day of _____, 2014 by a vote of ____ - ____.

APPROVED BY:

Kyle Foust, Chairman
Erie County Council

Kathy Dahlkemper,
County Executive

Date: _____

ATTEST:

Douglas R. Smith
County Clerk

Date: _____

Erie County Convention Center Authority

Operating/Capital Budget

For the Year Ending December 31, 2014

Approved: November 21, 2013 Board meeting

Unanimous: Ciacchini, Doolin, Marnen, McCormick, Mosco, Richards, Sinnott, White, Whitehair

EXHIBIT A

Erie County Convention Center Authority

Operating Budget Summary

For the Year Ending December 31, 2014

	Budget <u>2013</u>	Projected <u>2013</u>	Budget <u>2014</u>
Revenues:			
Gross Operating Revenues	6,925,195	7,187,378	8,255,185
Room Tax Revenue	<u>2,602,273</u>	<u>2,419,153</u>	<u>2,420,000</u>
Total Revenues	<u>9,527,468</u>	<u>9,606,531</u>	<u>10,675,185</u>
Expenses:			
Personnel and Fringe Benefits	4,395,270	4,439,684	4,859,017
Contractual Services	1,131,971	1,173,766	1,331,841
Utilities	751,893	818,016	859,681
Supplies	1,167,665	1,395,392	1,403,192
All Other Expenses	<u>444,494</u>	<u>325,933</u>	<u>342,710</u>
Total Operating Expense	<u>7,891,293</u>	<u>8,152,791</u>	<u>8,796,441</u>
Operating Margin before Other Income (Expense)	<u>1,636,175</u>	<u>1,453,740</u>	<u>1,878,744</u>
Other Income/(Expense)			
Interest Income	3,000	27,661	12,500
Other Revenue	43,000	50,928	41,700
(Interest Expense)	<u>(297,423)</u>	<u>(315,017)</u>	<u>(328,742)</u>
Net Income (Loss) before Depreciation/Amortization	<u>1,384,752</u>	<u>1,217,312</u>	<u>1,604,202</u>
Depreciation/Amortization Expense	<u>3,500,000</u>	<u>3,164,988</u>	<u>4,812,000</u>

Erie County Convention Center Authority

Operating Budget Summary

For the Year Ending December 31, 2014

	Erie Insurance Arena	Warner Theatre	Jerry Uht Park	Bayfront Convention Ctr	Administration	Total
Revenues:						
Gross Operating Revenues	3,742,884	643,775	267,919	3,135,583	465,024	8,255,185
Room Tax Revenue	<u>(90,235)</u>	<u>259,920</u>	<u>147,258</u>	<u>397,267</u>	<u>1,705,790</u>	<u>2,420,000</u>
Total Revenues	<u>3,652,649</u>	<u>903,695</u>	<u>415,177</u>	<u>3,532,850</u>	<u>2,170,814</u>	<u>10,675,185</u>
Expenses:						
Personnel and Fringe Benefits	1,849,393	635,537	237,826	2,136,261	0	4,859,017
Contractual Services	650,447	74,989	49,255	314,280	242,870	1,331,841
Utilities	382,337	74,991	99,385	301,968	1,000	859,681
Supplies	574,467	43,986	27,161	757,578	0	1,403,192
All Other Expenses	<u>206,005</u>	<u>77,442</u>	<u>5,000</u>	<u>47,763</u>	<u>6,500</u>	<u>342,710</u>
Total Operating Expense	<u>3,662,649</u>	<u>906,945</u>	<u>418,627</u>	<u>3,557,850</u>	<u>250,370</u>	<u>8,796,441</u>
Operating Margin before Other Income (Expense)	<u>(10,000)</u>	<u>(3,250)</u>	<u>(3,450)</u>	<u>(25,000)</u>	<u>1,920,444</u>	<u>1,878,744</u>
Other Income/(Expense)						
Interest Income	0	0	0	0	12,500	12,500
Other Revenue	10,000	3,250	3,450	25,000	0	41,700
(Interest Expense)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>(328,742)</u>	<u>(328,742)</u>
Net Income (Loss) before Depreciation/Amortization	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>1,604,202</u>	<u>1,604,202</u>
Depreciation/Amortization Expense	<u>2,280,000</u>	<u>322,000</u>	<u>405,000</u>	<u>1,585,000</u>	<u>220,000</u>	<u>4,812,000</u>

Erie County Convention Center Authority
Projected Actual Operating Summary

For the Year Ending December 31, 2013

	Erie Insurance Arena	Warner Theatre	Jerry Uht Park	Bayfront Convention Ctr	Administration	Total
Revenues:						
Gross Operating Revenues	2,686,553	657,175	262,382	3,117,030	464,238	7,187,378
Room Tax Revenue	<u>301,954</u>	<u>251,786</u>	<u>122,903</u>	<u>400,814</u>	<u>1,341,696</u>	<u>2,419,153</u>
Total Revenues	<u>2,988,507</u>	<u>908,961</u>	<u>385,285</u>	<u>3,517,844</u>	<u>1,805,934</u>	<u>9,606,531</u>
Expenses:						
Personnel and Fringe Benefits	1,483,238	639,744	217,865	2,098,837	0	4,439,684
Contractual Services	468,271	77,037	43,081	291,724	293,653	1,173,766
Utilities	339,858	74,169	97,847	305,141	1,001	818,016
Supplies	515,159	42,297	25,211	812,725	0	1,395,392
All Other Expenses	<u>192,573</u>	<u>78,887</u>	<u>4,732</u>	<u>43,129</u>	<u>6,612</u>	<u>325,933</u>
Total Operating Expense	<u>2,999,099</u>	<u>912,134</u>	<u>388,736</u>	<u>3,551,556</u>	<u>301,266</u>	<u>8,152,791</u>
Operating Margin before Other Income (Expense)	<u>(10,592)</u>	<u>(3,173)</u>	<u>(3,451)</u>	<u>(33,712)</u>	<u>1,504,668</u>	<u>1,453,740</u>
Other Income/(Expense)						
Interest Income	0	0	0	0	27,661	27,661
Other Revenue	10,592	3,173	3,451	33,712	0	50,928
(Interest Expense)	0	0	0	0	(315,017)	(315,017)
Net Income (Loss) before Depreciation/Amortization	0	0	0	0	<u>1,217,312</u>	<u>1,217,312</u>
Depreciation/Amortization Expense	<u>990,535</u>	<u>319,041</u>	<u>402,474</u>	<u>1,236,361</u>	<u>216,577</u>	<u>3,164,988</u>

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Erie County Convention Center Authority

Capital Budget Detail

2014

Erie Insurance Arena:		
Mower	12,000	
Underground Sprinkler	25,000	
Soundcraft Podium	5,000	
Man Lift	12,000	
Radios	1,500	
Ice floor cover	10,000	
Pipe/Drape/Skirting	4,500	
Core Switch	30,000	
Contingency	<u>5,000</u>	105,000
Warner Theatre:		
Large Capacity Commercial Vacuum	2,500	
Carpet Cleaner	1,000	
(2) Bagless Vacuums	2,000	
6 HP Snow Blower	1,500	
Ice Machine	<u>3,000</u>	10,000
Jerry Uht Park:		
Sound System	40,000	
Batting Tunnel Heaters	15,000	
Outfield Wall Pads	<u>10,000</u>	65,000
Bayfront Convention Center:		
Queen Marys (2)	2,500	
Convection Oven	9,000	
Serveware/Mixer	3,000	
Riding Carpet Machine	15,000	
Salt Spreader	2,500	
LCD Video Projectors	4,000	
Radios	1,000	
Retractable Stanchions	2,000	
Carpet Tile	6,000	
Mixing Board	1,000	
LED Lighting	20,000	
Cisco VoIP Phones	1,800	
Standard table Linens	2,000	
Specialty Table linen/Chair Covers	4,000	
Mower	<u>20,000</u>	93,800
Administration		
Network Replacement	7,000	
Desktop Replacement	8,000	
Core switch Components	<u>7,500</u>	22,500
Bayfront Place		
Complete Cap/Cover Elements		<u>75,000</u>
		<u>371,300</u>

Erie County Convention Center Authority

Statement of Cash Flows

For the Year Ending December 31, 2014

Cash Generated from Operations

Net Income Before Depreciation/Amortization	1,604,202	
Charges in Working Capital:		
Decrease in Deferred Naming Rights Revenue	<u>(14,706)</u>	
Cash Generated from Operations		1,589,496

Cash Generated (Used) from Financing Activities:

Principal due on Long-Term Debt:		
Northwest Savings Bank Term Loan	(261,624)	
Marquette Savings Bank Term Loan	(405,257)	
City of Erie	(125,170)	
Kansas State Bank	(21,302)	
Grise Mortgage Note	(30,716)	
Peterson Mortgage Note	<u>(34,088)</u>	
Total		(878,157)

Cash (Used) in Investing Activities:

Capital Budget Expenditures:		
Erie Insurance Arena	(105,000)	
Warner Theatre	(10,000)	
Jerry Uht Park	(65,000)	
Bayfront Convention Center	(93,800)	
Other - Admin	(22,500)	
Bayfront Place	<u>(75,000)</u>	
		<u>(371,300)</u>

Increase in Cash Reserve Position 340,039

Reserve Allocation:		
Escrow - 823 State Purchase	50,000	
Escrow - Marquette License Fees	19,932	
Unrestricted Reserve Growth	<u>270,107</u>	
Total		<u>340,039</u>

RESOLUTION NUMBER . 2014

**Ratifying The Sale Of Erie County Real Property
Parcel Number 40-017-078.0-099.03 (Part of)**

WHEREAS, Erie County desires the sale of real property, part of Parcel Number 40-017-078.0-099.03, to the Commonwealth of Pennsylvania acting by and through the Department of General Services with a principal address of North Office Building, Room 515, 401 North Street, Harrisburg, Pennsylvania, 17120-0500, with the approval of Pennsylvania State Police; and

WHEREAS, the agreed upon purchase price for the ten-acre tract of land is \$180,000, payable to the County in full at the time of closing; and

WHEREAS, the General Assembly, through Act 82 of 2010, appropriated funds for acquiring land for, and constructing a new headquarters facility, garage, crime lab and aviation hanger in Erie County, for the use of the Pennsylvania State Police; and

WHEREAS, the County desires to waive Article III, Sections 2 (c) (1) and 2 (e) (1) of the County Purchasing Code in order to keep costs low and to facilitate the sale for the eventual construction of the State Police facility, also known as Project Number DGS218-3.

NOW, THEREFORE, BE IT RESOLVED by the County Council of the County of Erie that the sale of Real Property Parcel Number 40-017-078.0-099.03 is hereby approved on the attached Agreement of Sale marked Exhibit A.

On the motion of _____, seconded by _____, this resolution was passed on this _____ day of _____, 2014 by a vote of ___ - ___.

APPROVED BY:

Kyle Foust, Chairman
Erie County Council

Kathy Dahlkemper,
County Executive

Date: _____

ATTEST:

Douglas R. Smith
County Clerk

Date: _____

DRAFT

AGREEMENT OF SALE

LMP-201_- _

By and Between

COUNTY OF ERIE

And

**COMMONWEALTH OF PENNSYLVANIA,
DEPARTMENT OF GENERAL SERVICES**

Project No. DGS 218-3
New State Police Troop E Headquarters
Summit Township, Erie County

This Agreement of Sale (“Agreement”), dated _____, 2013, is entered into by and between the **County of Erie (“Seller”)**, a third-class county of the Commonwealth of Pennsylvania, with a principal address of 140 West 6th Street, Room 106, Erie, PA 16501,

AND

the Commonwealth of Pennsylvania, acting by and through the Department of General Services (“Buyer”), with a principal address of North Office Building, Room 515, 401 North Street, Harrisburg, Pennsylvania, 17120-0500, with the approval of Pennsylvania State Police.

BACKGROUND:

A. Pursuant to *Act 82 of 2010*, the General Assembly appropriated funds for acquiring land for, and constructing, a new headquarters facility, garage, crime lab and aviation hangar in Erie County for the use of the Pennsylvania State Police, also known as *Project No. DGS 218-3 (“Project”)*.

B. The Buyer has identified a certain tract of land containing 10 ± acres, located at the intersection of Pagan Road and Flower Road in Summit Township, Erie County, Pennsylvania, as suitable for the Project. This tract of land, depicted at *Exhibit A* (attached hereto and incorporated herein), is a portion of a larger parcel containing 20

EXHIBIT A

acres, more or less, which was acquired by the Seller by deed dated June 29, 2006 and recorded at Book 1340 Page 1788.

C. The Seller desires to sell to the Buyer, and the Buyer desires to purchase, this 10 ± acre tract of land, together with all improvements on and appurtenances to such tract, and including all of the Seller's right, title and interest, if any, in all coal, gas, oil, mineral and timber rights on or underlying this tract. This 10 ± acre tract of land, the improvements, the appurtenances, and any coal, gas, oil, mineral and timber rights will be collectively referred to in this Agreement as the "**Premises.**"

In consideration of the covenants and provisions contained in this Agreement, and intending to be legally bound, the parties agree as follows:

(1) **INCORPORATION OF BACKGROUND CLAUSES.** The background clauses appearing above are incorporated into this Agreement by reference.

(2) **AGREEMENT TO SELL AND PURCHASE.** The Seller agrees to sell and the Buyer agrees to purchase the Premises on the terms and conditions set forth in this Agreement.

(3) **PURCHASE PRICE.** The purchase price for the Premises shall be \$180,000.00 (One Hundred Eighty Thousand and 00/100 Dollars) ("**Purchase Price**"), payable by the Buyer to the Seller in full at closing. The Seller agrees the Buyer may pay the Purchase Price to the Buyer's title insurance company, which will in turn pay the Purchase Price to the Seller at closing, less deductions authorized under this Agreement.

(4) **CONTINGENCIES.**

(a) The Buyer may, at its discretion and at its expense, have a title search of the Premises performed within 180 days after the Execution Date (as defined below at Paragraph 22). In the event the Buyer determines, in the exercise of its sole discretion, that title is not of the condition required by Paragraph 11 of this Agreement, the Buyer may, in its sole discretion, void this Agreement.

(b) The Buyer may, at its discretion and at its expense, have one or more environmental studies of the Premises performed within 180 days after the Execution Date. In the event any environmental report is unsatisfactory to the Buyer, the Buyer may, in its sole discretion, void this Agreement.

(c) The Buyer may, at its discretion and at its expense, have an engineering study of the Premises performed within 180 days after the Execution Date. In the event the engineering report is unsatisfactory to the Buyer, the Buyer may, in its sole discretion, void this Agreement.

(d) Within 180 days after the Execution Date, the Buyer may, at its discretion and at its expense, determine whether utility services adequate for the Buyer's intended use are reasonably available to the Premises. In the event the Buyer determines, in the exercise of its sole discretion, that such utility services are not reasonably available, the Buyer may, in its sole discretion, void this Agreement.

(e) Within 180 days after the Execution Date, the Buyer may, at its discretion and at its expense, determine whether the zoning of the Premises is acceptable to the Buyer. The Buyer shall be the sole judge of the acceptability of the zoning. If the Buyer determines that the zoning of the Premises is not acceptable, the Buyer may, in its sole discretion, void this Agreement.

(f) The Seller shall endeavor, at the Seller's expense, to obtain subdivision of the Premises. In the event the Seller is unable to obtain final, non-appealable subdivision of the Premises within 180 days after the Execution Date, the Buyer may, in its sole discretion, void this Agreement.

(g) The Buyer may, in its sole discretion and at its expense, endeavor to obtain any rezoning of the Premises required for the Buyer's intended use. In the event the Buyer elects to seek such rezoning and is unable to obtain final, non-appealable rezoning of the Premises within 180 days after the Execution Date, the Buyer may, in its sole discretion, void this Agreement.

- (h) The Buyer may endeavor, at its discretion and at its expense, to secure any approvals required under applicable zoning laws and regulations to construct the Project (including but not limited to a communications tower) on the Premises. The Seller agrees, upon the request of the Buyer, to execute all instruments and documents reasonably required to be executed by the Seller to enable the Buyer to secure such approvals. In the event the Buyer is unable to secure such approvals, each on a final, non-appealable basis, within 180 days after the Execution Date, the Buyer may, in its sole discretion, void this Agreement.
- (i) The Buyer may, at its discretion and at its expense, have subsurface investigations of the Premises performed within 180 days after the Execution Date. If the Buyer determines that it wishes to conduct such investigations, including but not limited to performing test borings of the Premises, it shall have the unrestricted right and privilege to enter upon the Premises for those purposes effective as of the Execution Date. Should these investigations prove unsatisfactory to the Buyer, the Buyer may, in its sole discretion, void this Agreement.
- (j) Within 180 days after the Execution Date, the Buyer may, at its discretion and at its expense, determine whether the size of the Premises is sufficient to accommodate the Project. The Buyer shall be the sole judge of the acceptability of the size of the Premises. If the Buyer determines that the size of the Premises is not acceptable, the Buyer may, in its sole discretion, void this Agreement.

(5) **CLOSING.**

(a) Unless otherwise agreed by the parties in writing, closing shall occur on a date mutually acceptable to the parties within 90 days after the completion (or waiver by the Buyer) of each of the items stated in Paragraph 4 of this Agreement, provided that neither the Buyer nor the Seller has exercised any right it may have to void or rescind this Agreement.

(b) At closing, the Seller shall deliver to the Buyer:

- (i) A Special Warranty Deed conveying the Premises to the Buyer, which deed shall be duly executed by the Seller and in proper form for recording;
- (ii) A certificate duly executed by the Seller stating that all representations and warranties of the Seller set forth in this Agreement remain true and correct as of the date of closing;
- (iii) The originals, or if originals are not available, copies of all Certificates of Occupancy, licenses, permits, authorizations, and approvals required by law or issued by governmental authorities having jurisdiction over the Premises, if there are any such documents; any and all plans, specifications, and project manuals for the Premises; any and all guarantees, bonds and warranties with respect to the Premises (together with original counterparts of such instruments);
- (iv) Such affidavits and other documents as the title insurance company selected by the Buyer shall reasonably require;
- (v) Possession of the Premises, including delivery of all keys to the Premises (any buildings shall be in broom-clean condition, free from debris);
- (vi) A valid assignment of any and all: original warranties and guaranties from any manufacturers or installers of any fixtures or equipment installed at the Premises; permanent certificates of occupancy and other licenses, permits, authorizations, consents, certificates, and approvals required by any governmental authorities having jurisdiction over the Premises; plans, specifications and project manuals for the Premises; utility deposits and utility agreements (if the Buyer elects to assume such agreements); any rights to use of the site plans; zoning and annexation approvals and amendments thereto; guaranties

and warranties that the Seller may have received in connection with any work or services performed or equipment installed in the construction of any improvements at the Premises; and all related documents reasonably requested by the Buyer; and

(vii) Any other documents required by this Agreement to be delivered by the Seller.

(c) At closing, the Buyer shall deliver to the Seller:

(i) The Purchase Price, less any deductions authorized under this Agreement;

(ii) Such affidavits and other documents as the Buyer's title insurance company shall reasonably require; and

(iii) Any other documents required by this Agreement to be delivered by the Buyer.

(6) **DEFAULT OF BUYER.** Should the Buyer violate or fail to fulfill and perform any of the terms or conditions of this Agreement, then and in that case, the Seller may terminate this Agreement, and in such event, both parties shall be released from further liability or obligation under this Agreement, and this Agreement shall become null and void. The foregoing shall be the Seller's sole remedy and any other remedies by contract or at law or in equity are prohibited.

(7) **DEFAULT OF SELLER.** In the event that the Seller cannot convey title to the Premises to the Buyer at closing in accordance with the requirements of this Agreement, closing does not occur as provided in this Agreement, or the Seller is otherwise in default in the performance of the provisions of this Agreement that are to be performed on or before the date of closing, the Buyer may, in its sole discretion: (a) disregard such default and perform this Agreement by accepting the title and the Premises in such condition as the Seller can convey with abatement in the Purchase Price for monetary liens of an ascertainable amount; (b) be reimbursed by the Seller, upon demand, for all reasonable out-of-pocket expenditures made by the Buyer in connection with the proposed acquisition of the Premises and, upon such reimbursement, this Agreement shall terminate and the rights and liabilities of the parties under this

Agreement shall terminate; or (c) seek specific performance of the obligations of the Seller set forth in this Agreement. For any post-closing default of the Seller, the Buyer may pursue any cause of action available against the Seller under applicable law, including but not limited to an action for specific performance.

(8) **TRANSFER TAXES.** The Buyer is exempt by law from paying real estate transfer taxes; such exemption shall not relieve the Seller from liability for the full amount of such taxes. The Seller shall pay all transfer taxes unless this transaction is exempt from such taxes under applicable law.

(9) **REAL ESTATE TAXES.** The Buyer is immune from the payment of real estate taxes. There shall be no apportionment of real estate taxes. The Seller shall pay any real property taxes payable for the tax year of each taxing authority during which closing occurs.

(10) **APPORTIONMENTS.** Water, sewer, gas, and electrical charges, if any, shall be apportioned between the parties as of the date of closing.

(11) **CONDITION OF TITLE.** The Seller shall convey to the Buyer fee simple title to the Premises. The title to the Premises shall be good and marketable, such as will be insured by any responsible title insurance company, licensed to do business in Pennsylvania, at regular rates, free and clear of all liens and encumbrances, except the following: (a) taxes and assessments (both general and special), not yet due and payable; (b) easements, conditions, exceptions, reservations, restrictions, and similar encumbrances of record, if any; and (c) any state of facts known by the Buyer or that an accurate survey and/or personal inspection of the Premises would disclose; provided the matters referred to at clauses (b) and (c) do not prohibit or hinder the intended use of the Premises by the Pennsylvania State Police.

(12) **ENVIRONMENTAL MATTERS.** The Seller represents, warrants, and agrees as follows:

- (a) The Seller is not aware of and shall not allow any Hazardous Substances (as such term is defined in this subparagraph) to be used,

generated, treated, stored, recycled, released, disposed of, spilled, leaked, discharged, pumped, poured, emitted, emptied, injected, leached, dumped or allowed to escape (any such event, a “**Release**”) on or at the Premises. The term “**Hazardous Substances**” includes but is not limited to any hazardous, toxic, or polluting substance or waste, including petroleum products, used and waste fuel, and radioactive waste.

(b) No notification of a Release of a Hazardous Substance pursuant to any federal, state, or local environmental law, regulation, or ordinance has been filed as to the Premises.

(c) The Premises are not listed or proposed for listing on the National Priorities List promulgated pursuant to the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”), nor listed on the Comprehensive Environmental Response, Compensation, and Liability Information System (“CERCLIS”) or on any state list of sites requiring environmental investigation or cleanup.

(d) The Seller has not received, and to the best of the Seller’s knowledge, after due inquiry, no one else has received any request for information, notice of claim, demand, or other notification that it is or may be potentially responsible with respect to any investigation or cleanup of a Release of a Hazardous Substance at the Premises.

(e) The Seller has not used, generated, treated, stored for more than 90 days, recycled, or disposed of any Hazardous Substance on the Premises, nor, to the best of the Seller’s knowledge, has anyone else done so.

(f) No Hazardous Substance has been or is being Released at, on, or under the Premises.

(g) No oral or written notification of a Release or threat of Release of a Hazardous Substance has been filed by or on behalf of the Seller.

(h) No polychlorinated biphenyls (PCBs), asbestos or urea formaldehyde-based insulation are or have been present at the Premises.

(i) No aboveground or underground storage tanks are present at the Premises.

(j) The Seller will not be required to include a notice in the deed to the Premises regarding the presence or disposal of Hazardous Substances at the Premises pursuant to 35 P.S. Section 6018.405 of the Pennsylvania Solid Waste Management Act, 35 P.S. Section 6020.512(b) of the Hazardous Sites Cleanup Act, or pursuant to federal law.

(k) There are no environmental liens on the Premises and no government actions have been taken or, to the best of the Seller's knowledge, are in process or pending which could subject the Premises to such lien.

(l) No consent, approval, or authorization of, or registration or filing with any person, including any governmental environmental authority or regulatory agency is required in connection with the execution and delivery of this Agreement or the consummation of the transaction contemplated by this Agreement.

(m) To the best of the Seller's knowledge, no environmental inspections, investigations, studies, audits, tests, reviews, or other analyses have been conducted of the Premises.

(13) **ADDITIONAL REPRESENTATIONS AND WARRANTIES.** The Seller represents and warrants to the Buyer:

(a) The Seller has complied and the Premises are in compliance with all applicable laws, ordinances, regulations, statutes, rules and restrictions relating to the Premises.

(b) The present zoning classification of the Premises under the zoning ordinance of Summit Township is R-2 Residential; and to the best of the Seller's knowledge, the current construction, operation and use of the Premises do not violate any zoning, subdivision, building or similar law, ordinance, order or regulation, recorded plat, or any certificate of occupancy to which the Premises is subject. To the best of the Seller's knowledge, all occupancy and use certificates which are required for the current use and occupancy of the Premises are in full force and effect and any such certificates of occupancy from any state, county or local

authorities having jurisdiction over the Premises will be delivered by the Seller to the Buyer at or prior to closing.

(c) The Seller has received no notice from any governmental authority having jurisdiction over the Premises requiring or calling attention to the need for any work, repairs, construction, alterations or installations on or in connection with the Premises because of uncorrected violations of any applicable building, safety or fire ordinances.

(d) The Seller has not received any notice from any insurance company that has issued a policy with respect to the Premises or from any board of fire underwriters (or other body exercising similar functions) claiming any defects or deficiencies in the Premises or suggesting or requesting the performance of any repairs, alterations, or other work to the Premises.

(e) To the best of the Seller's knowledge, all public and private utilities and franchises (including but not limited to telephone lines) required for the current operation of the Premises are adequate and available to the Premises, are not subject to any moratoria and either enter the Premises through dedicated public streets adjoining the Premises or, if such utilities pass through adjoining private land, they do so in accordance with valid public or private easements, which will accrue to the benefit of the Buyer.

(f) There is no action, suit or proceeding pending or, to the knowledge of the Seller, threatened against or affecting the Seller with respect to the Premises or any portion thereof or relating to or arising out of the ownership, management or operation of the Premises in any court or before or by any federal, state, county, township or municipal department, commission, board, bureau or agency or other governmental instrumentality.

(g) Seller has not received any notice of any condemnation proceeding or other proceeding in the nature of eminent domain in connection with the Premises, and, to the best knowledge and belief of the Seller, no such proceeding has been threatened.

- (h) All contractors, subcontractors and other persons or entities furnishing work, labor, materials or supplies for the Premises have been paid in full and there are no claims against the Seller or the Premises in connection therewith.
- (i) The undersigned represent and warrant that they have full power and authority to execute and deliver this Agreement on behalf of the Seller.
- (j) There are no contracts for goods or services affecting the Premises.
- (k) All public improvements in, on and with respect to the Premises are installed and have been fully paid for, and the Seller has received no notice of any assessment for public improvements.
- (l) There are no third-party rights of use or occupancy for any portion of the Premises now in effect or hereafter to come into effect, and there are no trespassers in possession of any portion of the Premises.
- (m) The Seller has no knowledge of any defective condition, structural or otherwise, with respect to the Premises; and any heating, ventilating, and air conditioning, plumbing, sprinkler, electrical and drainage systems, elevators and roof, and any other fixtures, equipment, and systems at or serving the Premises are in good condition, repair, and working order.

(14) **COSTS.** The Seller agrees to pay for the preparation of the Deed and any subdivision costs; otherwise, each party shall be solely responsible for its own legal expenses. All costs and expenses relating to the Buyer's title examination or the purchase of title insurance shall be the responsibility of the Buyer.

(15) **SURVEY.** The parties agree and acknowledge that they have visually inspected the Premises. The Buyer may have the Premises surveyed at its expense.

(16) **ASSIGNMENT.** The Buyer may assign its rights under this Agreement without the prior written consent of the Seller.

(17) **CARE OF PREMISES.** From and after the Execution Date until the date of closing, the Seller shall:

- (a) Keep the Premises in as good condition as on the Execution Date.
- (b) Materially comply with all federal, state and municipal laws, ordinances, regulations and orders or notices of violations relating to the Premises, except that compliance may be postponed while the Seller is in good faith contesting the validity of said orders or notices.
- (c) Not enter into any lease or other possessory arrangement regarding the Premises, without the Buyer's prior written consent.
- (d) Not voluntarily transfer or encumber the Premises or any part of the Premises.

(18) **INDEMNITY**. The Seller shall indemnify and hold the Commonwealth of Pennsylvania, its departments, agencies, boards and commissions harmless from and against any and all suits, claims, demands, actions, losses, damages, deficiencies, obligations, debts, fines, penalties, liabilities, costs and expenses (including without limitation court costs and reasonable attorney's fees) resulting from or relating to any misrepresentation or breach of warranty on the part of the Seller contained in this Agreement or in any agreement, statement or certificate furnished or to be furnished to the Buyer pursuant to this Agreement or in connection with the transactions contemplated by this Agreement.

(19) **BROKERAGE**. The Buyer and the Seller each mutually represent to the other that neither of them has employed the services of a real estate broker or agent in the furtherance of this Agreement.

(20) **NOTICES**. All notices required or permitted under this Agreement must be in writing and will only be deemed properly given and received (a) when actually given and received, if delivered in person to a party who acknowledges receipt in writing; or (b) one business day after deposit with a private courier or overnight delivery service, if such courier or service obtains a written acknowledgment of receipt; or (c) three business days after deposit in the United States mails, certified or registered mail with return receipt requested and postage prepaid. All such notices must be transmitted by one of the methods described above, if to the Seller at the address set forth in the preamble to this Agreement, and if to the Buyer to Chief, Real Estate Acquisition and Disposition

Division, Bureau of Real Estate, Department of General Services, North Office Building, Room 503, 401 North Office Building, Harrisburg, PA, 17120-0500, with a copy to: Chief Counsel, Department of General Services, North Office Building, Room 603, 401 North Street, Harrisburg, PA 17120-0500, or, in either case, at such other address(es) as either party may notify the other of according to this Paragraph.

(21) **MISCELLANEOUS.**

(a) At all times after the Execution Date, the Buyer and its agents or representatives shall have the unrestricted right and privilege to enter upon, survey, examine, and make test borings in or upon the Premises.

(b) The Seller agrees to furnish to the Buyer all title data that the Seller may have related to the Premises, including but not limited to deeds, maps, surveys, plans, abstracts, title reports and title policies.

(c) The Seller agrees to furnish at or before settlement, releases, affidavits, or any other data, which may be required by the Buyer, or the title insurance company upon examination of title, in order to remove all objections to title not permitted under the terms of this Agreement.

(d) Within 10 days after the Execution Date, and thereafter promptly upon the request of the Buyer, the Seller shall provide the Buyer with copies of all utility agreements, permits, licenses, and such other documents regarding the Premises as the Buyer may reasonably request.

(22) **EXECUTION DATE.** The date the comptroller for the Buyer signs this Agreement shall establish its execution date ("**Execution Date**").

(23) **CONDEMNATION.** Any taking or condemnation for any public or quasi-public purpose or use by any competent authority in appropriate proceedings or by any right of eminent domain of all or any portion of the Premises between the Execution Date and the date of closing shall, at the Buyer's election, cause a termination of this Agreement. Should the Buyer elect not to terminate this Agreement, then the Buyer will be entitled to all proceeds of any such taking, provided that the Buyer takes title under this Agreement and in that event the Seller will take all actions necessary to assign its interest in such proceeds to the Buyer.

(24) **SURVIVAL**. All representations, warranties and agreements of the Seller contained in this Agreement shall survive closing.

(25) **ENTIRE AGREEMENT/AMENDMENT**. This Agreement contains the entire agreement between the Seller and the Buyer; and there are no other terms, obligations, covenants, representations, statements, or conditions, oral or otherwise, of any kind whatsoever. None of the terms hereof shall be waived, modified or amended except by a writing signed by the person sought to be charged.

(26) **GOVERNING LAW**. The parties agree that this Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Commonwealth of Pennsylvania (without regard to any conflict of laws provisions).

(27) **TIME OF THE ESSENCE**. Time is of the essence of this Agreement.

(28) **RIGHT TO KNOW LAW**

(a) The Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104 (“RTKL”), applies to this Agreement.

(b) If the Buyer needs the Seller’s assistance in any matter arising out of the RTKL related to this Agreement, Buyer shall notify the Seller using the legal contact information provided in this Agreement. The Seller, at any time, may designate a different contact for such purpose upon reasonable prior written notification to the Buyer.

(c) Upon written notification from the Buyer that it requires the Seller’s assistance in responding to a request under the RTKL for information related to this Agreement that may be in the Seller’s possession, constituting, or alleged to constitute, a public record in accordance with the RTKL (“**Requested Information**”), the Lessor shall:

(i) Provide the Buyer, within ten (10) calendar days after receipt of written notification, access to, and copies of, any

document or information in the Seller's possession arising out of this Agreement that the Buyer reasonably believes is Requested Information and may be a public record under the RTKL; and

(ii) Provide other such assistance as the Buyer may reasonably request, in order to comply with the RTKL with respect to this Agreement.

(d) If the Seller considers the Requested Information to include a request for a Trade Secret or Confidential Proprietary Information, as those terms are defined by the RTKL, or other information that the Seller considers exempt from the production under the RTKL, the Seller must notify the Buyer and provide, within seven (7) calendar days of receiving the written notification, a written statement signed by a representative of the Seller explaining why the requested material is exempt from public disclosure under the RTKL.

(e) The Buyer will rely upon the written statement from the Seller in denying a RTKL request for the Requested Information unless the Buyer determines that the Requested Information is clearly not protected from disclosure under the RTKL. Should the Buyer determine that the Requested Information is clearly not exempt from disclosure, the Seller shall provide the Requested Information within five (5) business days of receipt of written notification of the Buyer's determination.

(f) If the Seller fails to provide the Requested Information within the time period required by these provisions, the Seller shall indemnify and hold the Buyer harmless for any damages, penalties, costs, detriment or harm that the Buyer may incur as a result of the Seller's failure, including any statutory damages assessed against the Buyer.

(g) The Buyer will reimburse the Seller for any costs associated with complying with these provisions only to the extent allowed under the fee schedule established by the Office of Open Records or as otherwise provided by the RTKL if the fee schedule is inapplicable.

(h) The Seller may file a legal challenge to any Buyer decision to release a record to the public with the Office of Open Records, or in the

Pennsylvania courts, however, the Seller shall indemnify the Buyer for any legal expenses incurred by the Buyer as a result of such a challenge and shall hold the Buyer harmless for any damages, penalties, costs, detriment or harm that the Buyer may incur as a result of the Buyer's failure, including any statutory damages assessed against the Buyer, regardless of the outcome of such legal challenge. As between the parties, the Seller agrees to waive all rights or remedies that may be available to it as a result of the Buyer's disclosure of Requested Information pursuant to the RTKL.

(i) The Seller's duties relating to the RTKL are continuing duties that survive the expiration of this Agreement and shall continue as long as the Seller has Requested Information in its possession.

SUBJECT TO THE FOREGOING, this Agreement shall accrue to the benefit of and be binding upon the parties to this Agreement and their respective heirs, executors, administrators, representatives, successors and assigns.

[SIGNATURE PAGE IMMEDIATELY FOLLOWS]

IN WITNESS WHEREOF the parties have executed this AGREEMENT OF SALE effective _____, 2013.

Attest:

**SELLER:
COUNTY OF ERIE**

**Name:
Title:**

**Name:
Title:**

**Approved as to form and
legality:**

**BUYER:
COMMONWEALTH OF PENNSYLVANIA
DEPARTMENT OF GENERAL SERVICES**

Chief Counsel, DGS

Secretary

**Approved as to form and
legality:**

**APPROVED:
PENNSYLVANIA STATE POLICE**

Chief Counsel, PSP

Commissioner, Pennsylvania State Police

Approved as to Form and Legality:

Deputy General Counsel

(Chief)(Senior) Deputy Attorney General

Approved:

Approved:

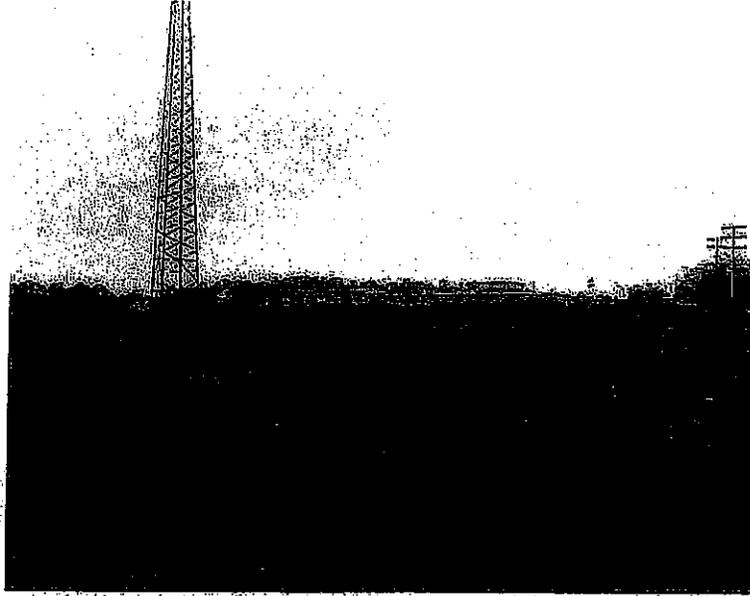
Comptroller: DGS Project #218-3

Governor

EXHIBIT A

Description of the Premises

**MARKET VALUE
REAL ESTATE APPRAISAL
OF:**



10 acres vacant land on Pagan Road

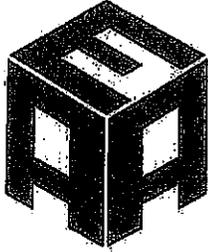
PROPERTY APPRAISED:
Vacant Land
Corner of Pagan Road and Flower Road
Erie, PA 16509

CLIENT:
Commonwealth of Pennsylvania
503 North Office Building
Harrisburg, PA 17125

PREPARED BY:
Gary A. Carmosino, SRA
Erie Appraisal Associates, Inc.
3205 Atlantic Avenue, Erie, PA 16506

Effective Date:
July 9th, 2013

Appraiser File #C15524



ErieAppraisal ASSOCIATES, INC.

real estate appraisal & consulting: commercial | residential | industrial

Friday, August 23, 2013

Michael Showers
Commonwealth of Pennsylvania
503 North office Building
Harrisburg, PA 17125

RE: Property Address: 10 acres vacant land on Pagan Road, Erie, PA 16509

Dear Mr. Showers,

As requested, I have performed an appraisal, which is being presented in a summary report format. The appraisal has been prepared so as to meet current U.S.P.A.P. guidelines. The subject is vacant land. The subject property is further identified as County Tax ID #40-017-078.0-009.03 (part of). The property is located in Summit Township in Erie County, PA.

The purpose of the appraisal is to provide the client with an opinion of market value. The intended use is for possible purchase of the property.

The property has been appraised "as is" in fee-simple estate. The subject was inspected on July 9th, 2013, which is the effective date of the appraisal.

Based on personal inspection of the property and in consideration of all the factors affecting value and analysis of the supporting data of the appraisal, subject only to the limiting conditions and assumptions stated, my opinion of the market value is as follows:

\$180,000

*** One Hundred Eighty Thousand Dollars ***

The estimated exposure time associated with this value opinion is 6 months.

Please feel free to call me with any questions concerning this appraisal.

Sincerely,

Gary Carmosino, SRA
PA State Certified General Appraiser # GA-1192-L



COUNTY OF ERIE

OFFICE OF COUNTY EXECUTIVE

Kathy Dahlkemper
COUNTY EXECUTIVE

MEMORANDUM

TO: Members of County Council

FROM: Kathy Dahlkemper, County Executive

DATE: January 21, 2014

RE: Erie County Board of Health

I hereby convey notice of my reappointment of Dr.Carolynn Masters to the Erie County Board of Health. This term will expire on December 31, 2017.

Thank you.

ar

cc: Doug Smith, County Clerk
File



COUNTY OF ERIE

OFFICE OF COUNTY EXECUTIVE

Kathy Dahlkemper
COUNTY EXECUTIVE

MEMORANDUM

TO: Members of County Council

FROM: Kathy Dahlkemper, County Executive

DATE: January 21, 2014

RE: Erie County Board of Health

I hereby convey notice of my reappointment of Richard A. Ortoski, D.O. to the Erie County Board of Health. This term will expire on December 31, 2017.

Thank you.

ar
cc: Doug Smith, County Clerk
File



COUNTY OF ERIE
DEPARTMENT OF FINANCE
BUREAU OF REVENUE AND TAX CLAIM
ERIE COUNTY COURT HOUSE
140 WEST SIXTH STREET RM. 110
ERIE, PENNSYLVANIA 16501
(814) 451-6206
(814) 451-7484

BARRY GROSSMAN
COUNTY EXECUTIVE

STEVEN A. LETZELTER
DIRECTOR

RE: Sale of Parcel from Repository for Unsold Properties

Mr. Sparber:

Act No. 1998-69 requires that the Erie County Tax Claim Bureau notify each taxing district of any offer to purchase property from the County Repository for unsold properties, and secure the consent of the appropriate districts prior to any such sale. The districts may not unreasonably withhold their consent.

The Tax Claim Bureau has received an offer to purchase the property commonly known as and identified in the assessment records of Erie County as Index 15-020-018.0-136.00 336 E 14 ST 28X124.5 This offer was made by Charles G. Scalise who is willing to purchase that parcel for the sum of \$250.00 **Proceeds of this sale will be applied to costs advanced by the Bureau for collection first, in accordance with Section 205 of the Real Estate Tax Sale Law Act 542 of 1947, as amended.**

Please place this offer to purchase on the agenda for your next regularly scheduled meeting and take official action on this proposed sale. After the meeting, complete the enclosed form and return it immediately to the Erie County Tax Claim Bureau at the above address.

If there are questions or concerns regarding the procedure, the property, or the offer, please contact Jean Rodemaker at the Erie County Tax Claim Bureau at 451-6202.

Thank you,

Steven A Letzelter, Director
Erie County Tax Claim Bureau

TO: Erie County Tax Claim Bureau
Erie County Courthouse
140 West Sixth Street, Room 110
Erie, PA 16501

RE: Property: 336 E 14 ST 28X124.5
Index No: 15-020-018.0-136.00
Offer of: \$250.00 by Charles G. Scalise

At our regular/special meeting on, _____
We took action regarding the sale of the property referenced above from The Erie County Repository,
By the purchaser and for the amount specified. The proposed sale was:

APPROVED

DENIED*

*Please state reason for denial. _____

Signed: _____

For: _____

Date: _____

TO: Erie County Tax Claim Bureau
Erie County Courthouse
140 West Sixth Street, Room 110
Erie, PA 16501

RE: Property : 336 E 14th St.
Index No. 15-020-018.0-136.00
Offer of \$250.00 by: Charles G. Scalise

At our regular/special meeting on, JANUARY 8, 2014
We took action regarding the sale of the property referenced above from The Erie County Repository,
By the purchaser and for the amount specified. The proposed sale was:

APPROVED

DENIED*

*Please state reason for denial. _____

Signed: Bred O'Sal
For: City of Erie
Date: 1/10/14

Jessica Horan-Kunco

Seconded By:

COUNCIL CHAMBERS

January 8, 2014

Erie, Pa.

Resolved, by the Council of the City of Erie, that the proposed Repository sale of property commonly known as 336 East 14th Street and identified by Erie County Assessment Index Number 15-020-018.0-136.00 by the Erie County Tax Claim Bureau to HANDS d/b/a 7E7 LLC with offices located at 7 East 7th St., Erie, PA in the amount of \$250.00 is hereby approved.

JOURNAL

CITY COUNCIL - CITY OF ERIE, PA.

NO.

2013	Ayes	Nays
Brennan	/	
Kwitowski	/	
Horan-Kunco	/	
Jones	/	
Merski	/	
Witherspoon	/	
Winarski	/	

Distribution: 1. Clerk-White 2. Finance-Blue 3. Public Works-Green
4. Public Safety-Yellow 5. Economic & C.D.-Pink 6. Mayor/Misc.-Gold

TO: Erie County Tax Claim Bureau
Erie County Courthouse
140 West Sixth Street, Room 110
Erie, PA 16501

RE: Property : 336 E 14th St.
Index No. 15-020-018.0-136.00
Offer of \$250.00 by: Charles G. Scalise

At our regular/special meeting on, Wednesday, October 23, 2013
We took action regarding the sale of the property referenced above from The Erie County Repository,
By the purchaser and for the amount specified. The proposed sale was:

APPROVED

DENIED*

*Please state reason for denial. _____

Signed: *Rollin J. Smith*

For: The School District of the City of Erie, PA

Date: October 23, 2013

<p>County of Erie Analysis of General Fund Unassigned Fund Balance FYE 12/31/14 As of January 17, 2014</p>

Projected Ending 2014 Unassigned Fund Balance	28,945,009
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<u>Less: Appropriations from Unassigned Fund Balance</u>	
Ordinance # 142 of 2013 for 2014 Supp Approp for Reorganization in Assessment	(6,873)

Total Appropriations from Unassigned Fund Balance	<u>(6,873)</u>
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<u>Plus: Appropriations to Unassigned Fund Balance</u>	
Ordinance # of 2014 Reclassification of Two Positions in District Attorney Department	16,885

Total Appropriations to Unassigned Fund Balance	<u>16,885</u>
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Estimated General Fund Unassigned Fund Balance to date	<u>28,955,021</u>
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Summary

Total Budgeted General Fund Expenditures and Transfers	93,068,934
Less: Pass Thru Grants Originally Budgeted in the General Fund	<u>(75,000)</u>
Net Budgeted General Fund Expenditures and Transfers	<u>92,993,934</u>

One Month's Expenditures and Transfers	7,749,495
Two Month's Expenditures and Transfers	15,498,989

Difference between Estimated GF Unassigned Fund Balance and One Month of Expend & Transfers	<u>21,205,527</u>
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Difference between Estimated GF Unassigned Fund Balance and Two Months of Expend & Transfers	<u>13,456,032</u>
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County of Erie General Fund
Monthly Reconciliation of
Changes to Fund Balance Appropriated
001-000990-099500
As of January 17, 2014

Appropriations from Fund Balance per Excel	(6,873)
Appropriations to Fund Balance per Excel	16,885
Net Appropriations per Excel	<u>10,012</u>
<u>Less: Pending Ordinances for Council Approval</u>	
Reclassof Two Positions in District Attorney Department	(16,885)
Total Net Pending Ordinances	<u>(16,885)</u>
Net change to Fund Balance Appropriated	<u>(6,873)</u>
FMS Budget T Balance	<u>(6,873)</u>

0

County of Erie General Fund
 Current Budget
 As of January 17, 2014

DEPT NO	DEPT NAME	ORIGINAL 2014 BUDGET	2014 BUDGET CHANGES	CURRENT 2014 BUDGET
001000	CONCIL & ELECTIONS	1,403,139		1,403,139
001100	COUNTY CONTROLLER	316,843		316,843
001990	COUNTY EXECUTIVE	253,461		253,461
002010	COMM REL ECON DEV	970,313		970,313
002100	COUNTY SOLICITOR	166,161		166,161
002190	PERSONNEL	398,081		398,081
002300	FINANCE	4,180,763	6,873	4,187,636
002400	ADMIN/ OPERATIONS	5,218,625		5,218,625
002601	HUMAN SRVC SHARED	1		1
002700	OTH GEN GOVT	8,485,387		8,485,387
002810	COUNTY TECH DEPT	1,850,719	(358,776)	1,491,943
003000	COURTS	4,798,432	358,776	5,157,208
003100	MDJ'S	2,710,565		2,710,565
003200	CLK RECORD	2,822,804		2,822,804
003290	SHERIFF	3,098,745		3,098,745
003390	DISTRICT ATTY	3,395,509		3,395,509
003500	CORONER	640,993		640,993
003600	PUBLIC DEFENDER	1,366,126		1,366,126
004000	ADULT PROBATION	5,274,553		5,274,553
004100	CORRECTIONS	16,888,253		16,888,253
004190	JUVENILE PROBATION	3,239,949		3,239,949
005200	VETERANS AFFAIR	227,810		227,810
009000	GRANTS TO ORGANZ	91,000		91,000
020000	TRANSFERS	25,270,702		25,270,702
	Total	93,068,934	6,873	93,075,807

**County of Erie
 Comparison of Change in Monthly General Fund
 Fund Balance Appropriated for the Years
 2014 and 2013**

Change in appropriated General Fund fund balance as follows:

Month	2014	2013
January	(6,873)	(76,273)
February		(151,523)
March		(21,192)
April		(37,102)
May		0
June		(59,588)
July		(3,410)
August		0
September		(67,580)
October		(28,000)
November		(120,836)
December		(162,096)
Total Change in Appropriated Fund Balance Year to Date	(6,873)	(727,600)