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ERIE COUNTY COUNCIL – Regular Meeting

Dr. Foust, Chairman, called to order a Regular Meeting of the Erie County Council at 7:00 p.m. at the Erie County Council Chambers, Erie County Courthouse, Erie, Pennsylvania. Following the Pledge of Allegiance, Mrs. Loll recited the following prayer:

“Let us pray. God, our blessings overflow. We want to thank you for your part in the land in which we live. For the small part, we have been entrusted to lead, we ask for your guidance to do our best to find the right answer in all we decide. We join in thanks this day, so our gifts we can share. We join in thanks this day for your part in it all. We ask this not just for today but for a lifestyle that is pleasing to all who watch. Create a clean heart and renew us with a bright spirit. We ask this in your name. Amen.”

Roll Call

The County Clerk called the roll:

Members Present: Dr. Foust, Chairman
Mr. Leone, Vice Chairman
Mr. Breneman
Mr. DiMattio
Mr. Fatica
Mr. Horton
Mrs. Loll

Members Absent: None.

Also Present: Douglas R. Smith, County Clerk
Joseph Maloney, Council CPA
James Sparber, Director of Finance
Sue Ellen Pasquale, Manager of Accounting
Thomas Talarico, Solicitor

Hearing of
The Public

Kelly Edwards, Harborcreek Township; Mr. Edwards owns Lakeview on the Lake Motel, a very small country motel in Harborcreek, right on the lake. He and his wife have owned and operated it for 14 years. He came to the meeting today opposed to the County's authorization of the bond to compete against me with public dollars against my private investment. Mr. Edwards is not originally from Erie, but his wife is and they returned to Erie. He joined the Army, retired from the Army, worked for General Electric in various capacities before deciding to do something on their own. At that time, the only place available on the water was Lakeview on the Lake, which became available and they were able to buy it. They put all of their own money into this investment, with no bond or backing, and he gets very emotional when it comes to the government competing against him. He does not think that it's fair. He then went on to say that the stated purpose of the new hotel is to offer a lower priced alternative to the Sheraton. This is simple to do when the state

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is giving them half the cost of construction, a bond to give them lower than market interest rates, and the CRIZ monies which would give them millions of dollars of additional incentive. He stated it would be very easy to price that hotel in whatever range they want when they are not paying market value for the property. The prices they are talking about with the new hotel puts them squarely in Mr. Edward's market. The Sheraton is a higher priced hotel. They would not be there if the governor wasn't giving them \$25 million. Mr. Edwards had some questions he would like the answers to: He asked that Council get the data from the Sheraton which he feels will prove that the success of the hotel is from the body of water it sits near, not the Convention Center. He asked that Council look at the occupancy and the rev/par, and he would bet that business and leisure travel is the vast majority of the money that comes into the Sheraton, not business associated with the Convention Center. He felt that not only are they competing against him, but against every hotel along the Presque Isle corridor. He stated that another hotel will take away from all the other rooms that could be rented. Everyone will either have to lower their prices or have less customers.

Mark Karuba, City of Erie. He is a late comer to the Home Rule Charter and local government. He was born and raised in Erie, went to East High School. Mr. Karuba stated he is looking for democracy today in this whole process. When local government article to the Constitution PA got enacted in 1968, that was the year he left for college. Prior to that, he was used to hearing about County Commissioners, the Mayor, and City Council. When the Home Rule Charter was passed in 1972, he had left for North Carolina for graduate school, where he remained most of his adult life. Most of his time there was spent in local and state government. In North Carolina, there are 100 counties, 100 sets of County Commissioners, and that was his point of reference for years. He came back to Erie a few years ago. Because of his dabbling in government, he has some sympathy for where Council is at and in a very real sense, Council is being given the opportunity to access \$25 million to do a project that may not have been high on some people's priority list, and may not even be in the public interest. He stated that this money came at the same time when cuts to the Health Department were made, cuts to mental health and developmental disabilities and substance abuse services, when schools are in dire straits, but the juxtaposition of those two things happening at the same time bothered him and bothered a number of people. He commented that he does not know everything about Home Rule Charter or Title 53, but he knows that a lot of things have changed in terms of land use and how decisions get made. It was his understanding that Home Rule that we are supposed to improve citizen access to local government and participation of local government decisions. He again emphasized that he is looking for that democratic process today, looking to find out where the decision making occurred with this proposed project by the Convention Center Authority. Who started this, who knew what, when? Did they wait for Mrs. Dahlkemper to take office because they thought they would have a better chance of passing it? Did she know about it way back when? Did Mr. Grossman know? Who was involved in this planning? It was his understanding that the authorities have a great deal of lateral movement without any supervision of local government. There are some advantages to that, but there is also some accountability issues that, in Pennsylvania, they should answer to. He was looking for some disclosure. There are all these buzz words like transparency, full disclosure, open government, and he was looking for that today. He was looking for some evidence of this, looking for confessions, looking for truth. He wanted to know what happened during this planning process. There was an initial announcement by the Convention Center Authority about this in the fall, trying to sell the public on it immediately in the newspaper. Now, the recent thing is market studies saying we need this and the market will support the Scott project as well as the Authority project and there will be money to go around. They initially said it would not affect the GAF land use plan, but now we are hearing there will be money left over for GAF land use development. He stated he did not know what to believe in all of this, and it was very confusing to someone like him. He felt that something didn't add up to him. He has done his own market study and everyone he talked to said not to use tax dollars to build a motel, it shouldn't be in the works right now.

Chris Scott, Vice President/Owner, Scott Enterprises. Mr. Scott came here to comment on a presentation given by the ECCCA and the individual they hired during the presentation last Thursday. The ECCCA is trying to push the idea to have Erie County Council back and guarantee another publicly funded hotel. He commented that this makes no sense for several reasons: 1. We have a shovel ready site to build a hotel that will fulfill the supposed needs of Convention Center, and room for a second hotel if necessary; 2. Our property would also be on the tax rolls and help

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the desperately needed city schools and tax dollars. The new proposed 200 room Courtyard by Marriott would pay no such taxes. The current Sheraton is operating under unfair competition and charging submarket rates and this will only get worse if the second hotel is built. Kirby Payne, the paid representative from HVS, stated, "The Sheraton is not using price cutting tactics". This could not be further from the truth. First of all, Mr. Payne has very little personal understanding of the hotel market in Erie. He has never lived here, never worked here, and his data was collected using interviews, star reports, and Smith Travel Research. He has no idea what goes on on a daily basis in the hotel market in Erie. Mr. Scott commented that they could cite example after example as to 99% of the time the Sheraton is in direct competition with almost every hotel in this market. They are not, as Mr. Payne said, once in a while discounting rooms to get events here. This is occurring every single day in this market. The Sheraton just recently offered a rate of \$69.00 to Sesame Street Live, undercutting the Scott Enterprise bid and all the other hotels in Erie. For the last two years, they have offered a rate to the Burger King Classic Basketball Tournament in the \$40 range. How can anyone compete with rates in the \$40 range with the Sheraton Hotel? That is not price integrity. This happens day in and day out. Mr. Scott stated that their rates at the Courtyard and Hilton Garden Inn offer to St. Vincent is \$89, the Sheraton charges \$99. Our government rate is \$90, the Sheraton's rate, according to Mr. Payne, is also \$90. At every weekly sales meeting, the Scotts' sale associates are always losing because of the Sheraton charging submarket rates. He asked if this was the idea of the Convention Center when the hotel was built? The idea of the Convention Center was that it would produce so many conventions that there would be overflow rooms from all the conventions brought to town, thus all the hotels would benefit. Unfortunately, that is not the case. Casey Wells stated in the Times News on October 11, 2013, "The new proposed hotel would feature less expensive daily rates than the Sheraton, where rooms can cost as much as \$250 per night with taxes and fees." He felt this statement was extremely misleading. While in the summer on a Saturday might charge this much, the other 95% of the time they are competing with all the privately owned hotels in Erie. Mr. Payne, the hired Convention Center expert, even stated that the rev/par is \$96.64. Basic math would show that it is impossible to charge rates like that. The average rate of the Sheraton is about \$131, nowhere near \$250. The other major hotel issue that he brought up was that the new proposed Marriott Courtyard is to offer even lower rates than the Sheraton. It would be even more competitive with all the other hotels, including the Avalon, the Bel-Air and their Courtyard by Marriott. The other item discussed was the success of the Convention Center. There has been a lack of true city-wide conventions. According to John Oliver, Executive Director of VisitErie, and the Scotts' own analysis, demonstrates that since 2008, there have been eight conventions of city-wide value that had any measurable hotel overflow. This is obviously less than projected. The Authority claims that they need more hotel rooms to attract more conventions, but at what cost. How many more conventions could they really get – three a year? There are many other reasons why there aren't more conventions in Erie, and more hotels is not the main reason. The main reason is the weather, the location as Erie is not centrally located in the state, and issues with very limited flights in and out of Erie airport. CCAP just had their convention here and that was one of the eight conventions noted that was city-wide. They are also coming back in 2017, but they only had 200 rooms when they were here, and they are still coming back. The sole decision making of a conventioner is not because it's connected to a hotel room. At conventions all over the country, attendees don't typically stay at the host hotel. The idea of building more rooms to attract more conventions is not worth putting on the taxpayers back, another \$35 million guarantee, that will not be on the tax rolls. How does this help the desperately needed city of Erie school taxes? It doesn't. The Sheraton does not pay taxes to the School District, and neither will the new hotel. If they wanted a hotel, let Scott Enterprises build it. Their property will pay school taxes and get them what they need. Certainly, adding 200 rooms will hurt the financial success of the Sheraton, and if there is any overflow business to be had, it will go to their new hotel. Shouldn't the taxpayer of Erie be concerned about how this will affect the new asset? In conclusion, Mr. Scott felt that Erie County Council should take a step back, look at all the facts, and ask what the taxpayers of Erie want. A recent survey on GoErie showed that 94.7% of the citizens do not think that building another publicly funded hotel is a good idea.

Nick Scott, Jr., Scott Enterprises. Mr. Scott stated that he is obviously against this as well. The ECCCA wants more hotel rooms so they can host more conventions. They want to do this by

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asking Council and the taxpayers of Erie to guarantee \$35 million. Mr. Scott emphasized that there was no need to do that, and still get the hotel rooms. Scott Enterprises has a shovel ready project, they introduced Harbor Place to the market two months ago. It is a \$150 million private development anchored by two hotels. The two hotels would have more than the 200 rooms that the Convention Center is looking for for their conventioners. Currently, over 40% of the city is made up of not for profit organizations. This puts a huge financial strain on the city and the school district. Obviously, this will not create any tax revenue either. Harbor Place includes offices, parking garage, retail, residential, lake public access, and is a once in a generation opportunity. It has all the perfect ingredients – a private developer with a proven track record that owns the land, an architect that has designed much of the development on the waterfront, and a plan that is in the works. A shovel ready project would change the face of Erie. Scott Enterprises has spent over \$100,000 on design fees, contracted with Hilton Hotels, and started talking with potential tenants for office space. The architects are working on the project now, but unfortunately if this 200 room hotel is approved, it will definitely put Harbor Place in jeopardy. Adding a second 200 room hotel to the market that is publicly funded would make it very difficult for any private developer in the hotel business to succeed. Connecting this hotel to the Convention Center will virtually guarantee that no overflow business gets to any other hotels. The private hoteliers that were asked to collect the tax, in return receiving the benefit of overflow hotel rooms, are being alienated once again. If you look at the projects side by side, the only difference is the connection to the Convention Center. Mr. Scott suggested to Council that they are being asked to guarantee a \$35 million connection, a walkway connected a hotel to a convention center. We all know that this connection is not necessary and not worth \$35 million. Convention Centers all over the country use hotels across the street to help host conventions. A short walk or a short shuttle ride happens all the time. Mr. Scott also commented that Tom Doolin, Roger Richards, and Casey Wells were in the audience, and that Scott Enterprises had the luxury of meeting with them many years ago on this, and telling them that 95% of the time, the Sheraton would act as a privately run hotel and would not host conventions. We now have the luxury of saying we told you so, because that is exactly what happened. Now the ECCCA is here today trying to do this again without any interest in who it will affect. Mr. Scott felt it was not right, it was not fair. They are ready to build it with private funds and he was not sure why the taxpayers are being asked to guarantee this when Scott Enterprises will do it.

Casey Wells, Executive Director, ECCCA. Mr. Wells stated that the Convention Center Authority shared with the Council the data relative to the Convention Center performance and the hotel performance, the number of conventions, and overflow. Those documents speak for themselves. He also wanted to mention to Council that ECCCA has, in fact, asked the County for a guarantee in the past for the Sheraton Hotel. Not one penny of County taxpayer dollars were ever spent on that guarantee. This is the same construction of a project relative to the guarantee, and ECCCA believes that, again, not one penny of County taxpayer dollars will be expended for this hotel either.

Roger Richards, Chairman, Strategic Planning Committee – ECCCA; resides in Council District 2. Mr. Richards stated that this places him in the position of spokesman for the ECCCA, which makes him the target of this debate. He wanted to comment on some of the previous comments made this evening. To Kelly Edwards, Mr. Richards appreciated his comments and remember them from before and he is glad that Mr. Edwards is still in business and complimented him as a private businessman. He further stated that his philosophy is we should always support private enterprise. To Mr. Karuba, Mr. Richards stated that he was very astute in his observations. It appeared to Mr. Richards that Mr. Karuba made some very calculated and educated observations and they were very good. He further commented that it may interest Mr. Karuba to know that Mr. Richards was in fact involved in the Home Rule Charter change in 1978. The Republicans were against it, but he was in the minority, and he supported the change to Home Rule Charter so we could sit here today and have the kind of debate that we are having. That is refreshing because it means that we have the opportunity to have more dialogue and give and take on addressing issues that are of public concern. To the Scotts, Mr. Richards stated that they have been in this position before and he reiterated that ECCCA is happy to meet with the Scotts. To Council, Mr. Richards stated that they have to make a difficult decision and he did not want to reinvent the wheel with the proposals and discussions had before. He suggested that if there are specific questions, there is

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enough time in the next two weeks to address them. If there is anything that Council is lacking in information, Mr. Richards stated ECCCA would be happy to share it with them. He felt that at the Finance Meeting, it was brought to Council's attention every conceivable expert in the country that has critiqued this community to the nth degree. The reason that was done was so Council was not talking to Mr. Richards with a passionate view for the Convention Center Authority, which has a charge to service the entire community – the hotel lodging industry, the community as a whole, and to serve just as Council does, because we are all volunteers, here to make certain that the quality of life in our community is elevated. Mr. Richards stated that there is a passion to do the best thing for the community. He wanted to bring to Council's attention a few minor things that have come to ECCCA's attention since. The first thing was the borrowing capacity of the County. To the County's credit, this County is extremely well managed and has been to date. One of the things that Council should be aware of is that the County's borrowing capacity is significantly higher than this guarantee. Council thus has the opportunity over the lifetime of these bond issues to envision, encompass, and borrow money for other projects that may come before Council. He suggested that Council talk to their consultants and that the County Executive talk to her consultants. The next issue Mr. Richards brought up was timing. Grants like this are extremely hard to get. Mr. Richards commented that when Mrs. Dahlkemper was a congresswoman, he had gone to her to try to find money for the GAF site - \$3 million, for almost four years, and it didn't happen. He stated that ECCCA and others have worked very hard to bring \$25 million back to this community in order to exponentially expand it to provide for at least \$100 million in expansion of private development on the GAF site. He asked that Council not turn away that \$25 million. Mr. Richards expressed that one of the criteria in the \$25 million is a deadline. A commitment and/or representation to the State must be made that ECCCA can fund this project with a matching \$25 million by March 1, 2014. Timing is an issue. Mr. Richards encouraged Council to be expeditious in their decision.

Andrea Bierer, Millcreek Township. Ms. Bierer works at the Mercyhurst Civic Institute as the Coordinator for the Community Action Plan. She wanted to speak to Council regarding the Erie Unified Youth Violence Reduction Initiative. This is a three prong initiative dealing with prevention, enforcement, and re-entry, in order to reduce violence and other problem behaviors in Erie County. Ms. Bierer is actually the coordinator for the prevention prong of this initiative. There was a collaborative that County Council created in 1996 called the Policy and Planning Council for Children and Families. Their initiative works within that structure with the Communities that Care model for evaluating data in the community and deciding what the priority risk and protective factors are, and then coming up with a written strategic plan on how these will actually be addressed in Erie County. The current Community Action Plan was published in June, 2012. There are three priority risk factors, which are factors that are proven to be linked to kids being involved in problem behaviors. Problem behaviors include alcohol, tobacco and other drug usage, teen pregnancy, delinquency, violence, truancy, suicide, and depression. The three priority risk factors in Erie County that are elevated are community disorganization, which revolves around the physical structure of the community such as blighted property, bad lighting, graffiti, etc. The second and third priority risk factors are family conflict and parental attitudes that are favorable towards problem behavior. There are also three priority protective factors, meaning if these factors are present in a child's life, they do better and don't get involved in as many problem behaviors. These factors that are extremely low are community opportunities for pro-social involvement, community rewards for pro-social involvement, and religiosity. Everything about this plan is data driven. It is research for the last 20 years on strategies that work, and they are basically taking them from communities and other research projects and bringing them to Erie. She stated that if Council is interested in seeing the full plan, it is on their website – www.unifiederie.org. This is a community-run project and truly a collaborative. No one entity owns the project, there are more than 60 representatives from around the community who helped write the plan, and it is now being carried out by a group of people. There are three active committees – working committees – community, family, and religiosity. These committees actually help carry out the strategies. Ms. Bierer recognized Mr. David Johnson, Mr. David Deiter, and Mr. Mark Rosenthal, all of whom were in the audience. Ms. Bierer also stated there is a steering committee that is the communication entity to help all three of the “prongs” talk to each other. They also help with communication in the community. The Steering Committee doesn't actually make the decisions, all decisions are made in the committees, which are open for the public to join. Ms. Bierer stated

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she began working with this initiative in January, 2013, commenting that it is the best job she has ever had. Knowing that she is part of something that is actually going to make a difference in Erie County has been the best thing for her. She is before Council today asking for their support and be a part of what the initiative is doing in Erie County.

John Tretter, Erie, PA. Mr. Tretter read the following statement to Council: "I ask you to vote in favor of a bond guarantee for the Convention Center Authority to construct a new hotel west of the Convention Center. The Authority has successfully lobbied the governor and received \$25 million in support of this project. They have a track record of successfully developing the west dock and Sassafras dock, in conjunction with improvements brought about by the Port Authority. They manage Erie Insurance Arena, Jerry Uht Park, and the Warner Theater. I know this guarantee is with taxpayer dollars, but so was all this other development. These saved tax dollars are being used to entice new business to build on existing businesses and develop tourism business for our community, Erie County. Taxpayer dollars have assisted water, sewer, and transportation projects all over the county. Develop Erie is working to build a rail terminal and the Erie Inland Port Project to create new jobs. Where do they get their money? What about the Port Authority and all the improvements they have made, all with public access. These authorities got the ball rolling on waterfront development and the door is open for whomever to capitalize on the development in place. There is a project being talked about now by developers who have been attempting to start a project for a long time and still the ground sits bare. In that same timeframe, all the improvements west of State Street have been accomplished by the Port Authority and Convention Center Authority. That is a track record worthy of continued public support. There always will be nay-sayers, but I can't think where our community would be today if not for the public investments which have so greatly benefitted private businesses. I think that is the reality of the term public/private partnership. Thank you."

Dan Harmon, Millcreek Township. Mr. Harmon stated that he tracks a lot of the RACP money that comes from Harrisburg as it distributes throughout the state and a very large portion of that goes to Philadelphia, Pittsburgh. He stated it is fierce competition to get these kind of dollars into our community and he applauded ECCCA as well as the local delegation for bringing these monies to our community. These are tax dollars that we contribute that are coming back to our community and that is a good thing to see. Mr. Harmon implored County Council to not let this money go elsewhere in the state, let it come back to Erie.

Richard Wagner, Council District 4. Mr. Wagner did not want to be called a "nay-sayer", but stated that private enterprise has to have the ability to function in that area down on the bayfront just like the Convention Center Authority. He stated the generosity of the state, county, and city taxpayers is starving for a return on investment. The Convention Center Authority has received numerous grants and tax incentives to develop their properties and keep them viable. They now want the County to back a \$60 million bond to ensure a low interest rate. If the ECCCA is a solid, well operated and funded organization, your credit worthiness will entitle you to the best in interest rates. If your debt to asset ratio is out of balance, you have to pay for your inefficiencies. The playing field that bayfront development has to operate in has to become fair and balanced. Creating winners and losers is not Council's job. The Convention Center Authority does not pay property taxes on their properties. They receive the proceeds from a hotel/motel tax. They have received from the unrestricted gaming funds numerous grants and millions in state grants, including \$3 million to buy the GAF site, another \$10 million for remediation of the GAF property, and now \$25 million as a down payment to build an affordable alternative to the Sheraton Hotel. Mr. Wagner commented that perhaps the right group to guarantee the bond is the State. They can be the ones to ensure the Convention Center Authority's success in finding affordable financing. Private development has to be allowed to flourish everywhere in our community. The Scott plan seems to bode well for the bayfront and they are willing participants, even with all the costs their organization has to absorb just to compete. The finish line is the same, but unfortunately the starting line is different for public and private endeavors. Council can help fix that. He felt it was time for the Convention Center Authority to become the independent authority they claim to be. They have to quit coming to the well looking for handouts. He suggested they use the money that's been invested already in the Convention Center Authority and grow and become successful and stand on their own. The Scotts are shovel ready, the Convention Center is

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not. He suggested that Council as the Convention Center to take pause, step back, and work with developers to build a cohesive, well flowing project with something for everyone. Hotels should be left to professionals and entertainment can be handled by the Convention Center Authority.

Neil Woods, City of Erie. Mr. Woods thanked Council for the opportunity. Mr. Woods began by saying that the average wage in the hospitality industry is \$14,291. The Convention Center Authority is asking the County and its taxpayers to guarantee \$60 million. That is not chump change. That is added to what is already guaranteed for the Sheraton. Mr. Woods stated that Mr. Richards seems to think that the County has a bottomless well without end for the County's borrowing power, but Mr. Woods asked the County to consider if there are other projects that come up that can provide more substantial jobs for our community. How will that affect the ability for a bond for that type of project. Mr. Woods stated that if this bond guarantee goes forward, or if not, White Lodging Inc., the managers of the Sheraton, probably have an inside track on the hotel that would be built on the west side of the Convention Center. They are not a non-profit organization. They are here to make money. Mr. Woods does not have a problem with that, but Scott Enterprises has exhibited the desire to reinvest in our community. He does not see that from White Lodging. Mr. Woods stated another concern is that White Lodging is getting involved in projects that may be in competition, not just with Erie area businesses, but Erie on a whole, if they got involved with management projects in places that compete with Erie tourism and convention business. He commented that financial institutions are more amenable to government backing of this type of a loan, but he asked what the County and Convention Center Authority are doing in the hospitality business? Risks of these types are the stuff of the competitive marketplace, not government. All of this to shave a few points off a loan?

Gary Horton, City of Erie. Mr. Horton was appealing to County Council to take another look at the gaming funds. He noted there would be another ECGRA board appointment this evening and he felt that the whole gaming issue needs to be reviewed. Prior to legalized gaming, predictions were made about the social ill effects that gaming would create or increase in the community. Violence is rampant, drugs and crime everywhere, and Mr. Horton wanted to know what County investments are made to deal with these challenges. He stated that regional assets needed to be redefined and have basically put organizations that deal on the front lines with the problems in the community out of reach of the gaming funds. He felt that they need to be looked at because the same people get all the other benevolent funding – United Way, Erie Community Foundation (they are the big recipients of the gaming money). He commented that there should be a report card of the total assets to date and a breakdown by receiver so the community can see what organizations have received money. Minorities make up almost 25% of the city and almost 10% of the County, and a high percentage of the gamblers. He wanted to know what, if any, gaming funds are minority organizations or agencies receiving? The front line organizations dealing with neighborhood unrest, violence, and restlessness and hopelessness and idle youth and the rules are unreasonable. There should be summer jobs for kids – gaming could pay for it; there should be anti-violence initiatives – gaming could pay for it. He wanted to know why gaming funds are not being directed to these problems. It has a negative impact on economic development. He asked that both the restricted and unrestricted gaming funds be reviewed to that the opportunity to receive those funds is made fair for all.

Randy Barnes, District 5. Mr. Barnes wanted to speak on what he heard this evening. He did hear an importance of wanting some construction jobs, it sounds like there will be construction jobs, whether this bond is approved or not. It sounds like on the east side of State Street there will be construction jobs if a bond is not approved. Mr. Barnes applauded the Convention Center Authority for planting the seed and building the Convention Center. He felt it was now time for private industry to take over and grow that seed. He has some concerns that when we needed to build the Sheraton, the City of Erie was asked to put up \$3 million, and that's \$3 million that the City has not been paid back yet. He asked that Council please consider private industry and private investment because without them, there would be no County, there would be no taxes collected from these businesses. He felt it was important that these taxes be collected and the only way to get more revenue is to allow private investors to develop this land and pay taxes on it.

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Diana Ames, Director of PA Coalition on Homelessness; Employee at the Mental Health Association. Ms. Ames stated that the conversation being held tonight has been a conversation she has had with her members, asking her questions about how this whole process will work. There was discussion tonight about the Convention Center Authority, discussion about the Scotts, and how the process is going to move forward. She stated that she is blissfully ignorant and one of the reasons she attended tonight's meeting was to try to understand the whole process. She stated she is hoping that Council will listen to the request of her members. They would be very interested if Council would do public hearings so they could have an opportunity to ask questions. She commented that one of the things done in the past several years was voter registration. At this point, there are 150 people that have been registered in the past three years. Some of these people have been interested in working on campaigns, looked into issues that are important to them, the biggest of which is unemployment and obtaining skills and jobs. They are very interested in what's going on in their community and she felt that the public hearings might be something that would be beneficial to them.

County Executive Kathy Dahlkemper thanked all the citizens tonight who have gotten up to speak on this issue. It's an important issue for Council and the Administration and she commented that all are taking this very seriously.

Finance Committee
Report

Mr. Fatica stated that the Finance Committee met on February 6, 2014, and agreed to move on tonight's agenda a number of items for first readings, some of them including resolutions which are read once. First readings include: Ordinance 15, 16, 17, Resolution 6, 7, and 8, a number of appointments and reappointments to various boards in the County, as well as sale of parcels from repository for unsold properties.

Personnel Committee
Report

There were no personnel issues brought to the committee on February 6, 2014, thus there is no report.

First Readings

Mr. Smith gave a first reading of Ordinance Number 15, 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"

Mr. Smith gave a first reading of Ordinance Number 16, 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".

Mr. Smith gave a first reading of Ordinance Number 17, 2014, "2014 Children & Youth Services Fund Budget Revised Expenditures Of \$18,000 And Creation Of Catholic Charities Greenburg Court Ordered Placement Line".

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Resolutions

Mr. Smith gave a reading to Resolution Number 6, 2014, "Approval Of The 2014 Operating/Capital Budget Of The Erie County Convention Center Authority". This was moved by Mr. DiMattio, seconded by Mr. Fatica, and carried in a unanimous roll call vote.

Mr. Smith gave a reading to Resolution Number 7, 2014, "Ratifying The Sale Of Erie County Real Property Parcel Number 40-017-078.0-099.03 (Part of)". This was moved by Mr. Breneman, seconded by Mr. Fatica.

Mr. Leone commented that this resolution was in reference to Ordinance 16, 2014, the sale of a piece of County property. He stated that the piece of property to be sold has not been awarded to architects yet, and there are three that are short listed. Mr. Leone stated he works for an architect firm and because of that, he was going to abstain for voting on this resolution. He stated that even though his company has not been chosen, until they choose an architect, Mr. Leone felt it would be best for him to abstain from voting on this resolution.

Mr. Fatica moved to amend Resolution 7, 2014, to include an amendment to Paragraph C (4) I of the agreement, with the attached paragraph, as well as amending the resolution to accompany the approval of the sales agreement, which all have attached. Mr. Smith has a copy of the necessary documents. This was seconded by Mr. DiMattio. Dr. Foust clarified that essentially if the deal falls through, it makes the State Police put the property back in the order that it was when they took possession.

Dr. Foust asked for roll call on the amendment, and it carried in a 6-0-1 vote, with Mr. Leone abstaining.

Dr. Foust then asked for roll call on Resolution 7, 2014, as amended. This carried in a 6-0-1 vote, with Mr. Leone abstaining.

Mr. Smith gave a reading of Resolution 8, 2014, "In Support of the Erie Unified Youth Violence Reduction Initiative (EUYVRI) and the Community Action Plan". This was moved by Mr. Breneman, seconded by Mrs. Loll and carried in a unanimous roll call vote.

Appointments

Mr. Leone moved to approve the following appointments:

- Reappointment of Dr. Carolyn Masters to a four-year term on the Erie County Board of Health
- Reappointment of Richard Ortoski, D.O., to a four-year term on the Erie County Board of Health
- Reappointment of Dr. Carla Picardo to a four-year term on the Erie County Board of Health
- Appointment of Anthony Logue, Esquire, to the Erie County Gaming Revenue Authority

This was seconded by Mr. Fatica and carried in a unanimous roll call vote.

Sale of Parcels
From Repository
For Unsold Properties

Mr. Leone moved to approve the sale of parcels from repository for unsold properties at index number 15-020-018.0-136.00. This was seconded by Mr. Horton, and carried in a unanimous roll call vote.

Dr. Foust stated there was a lot of discussion and public comment tonight regarding hotels that took up a lot of the meeting, but he encouraged all in the audience to continue this. He emphasized that this is a public hearing, and the public is allowed to speak and give their thoughts. There will be another meeting in a couple weeks where the public will be permitted again to speak. Dr. Foust stated that if the public emails a Council member and have a question or concern, the members would be glad to get back to them. If a member of the public contacts the Council Office, the contact information for the Council members is available. Phone calls are also welcome. He stated that this issue was a contentious one before and it is proving to be so again. He encouraged

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the audience to reach out to their public officials to ask the questions they want investigated to be sure that they get the proper answers.

Mr. Horton also thanked the public for coming out to the meeting. He commented that he sees things a little different and does not perceive tonight's meeting as a public hearing as much as it is a chance for citizens to be heard. With such a hot button issue and very important issue, Mr. Horton felt it deserved to be talked about a little more. There were a lot of stakeholders in the audience, but the one thing he did not see is mass public participation. Moving forward, Mr. Horton wanted to suggest that Council be a little bit more accepting and not as hasty to accept what happened at tonight's meeting as a public hearing.

Dr. Foust did note that no one was rejected to come tonight, the public has been welcome to come to the meetings at any particular time and express their views and they will be allowed to do so in the future. One of the reasons that ordinances are read twice is to make sure that Council does not make a hasty decision.

There being no further business, the meeting adjourned at 8:02 p.m.

Deneé M. Breter, Council Secretary
