



NORTH CENTRAL PENNSYLVANIA REGIONAL PLANNING and DEVELOPMENT COMMISSION

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North Central Board Meeting
Wednesday, May 25, 2022 – 9:30 AM

Members – via Zoom or In Person

Ann Losey	Cameron County
Cliff Clark	Cameron County
Dave Glass	Clearfield County
Jodi Brennan	Clearfield County
Kristy Smith	Clearfield County
Matt Quesenberry	Elk County
Tracy Gerber	Elk County
Eric Wolfe	Elk County
Padraic McGrath	Elk County
Jeff Pisarcik	Jefferson County
Jamie Lefever	Jefferson County
Jim Sleigh	Jefferson County
Carol Duffy	McKean County
Tom Kreiner	McKean County
Richard Fry	McKean County
Susan Zook Wilson	McKean County
Nancy Grupp	Potter County
Doug Morley	Potter County
Jill Martin-Rend	At-large BC3@Brockway
Carolyn Newhouse	At-large Bradford Area Alliance

Staff - via Zoom or In Person

Jim Chorney
Amy Kessler
Christine Perneski
Ed Matts
Shelly Caggiano
Jennifer Hibbard
Brittany Wortman
Mary Lou Jessop

Guests

Jennifer Lench	Deputy Director, DCED
Nicole Muese-Kielkucki	Fourth Economy

Chair Nancy Grupp called the meeting to order at 9:30 AM with a moment of silence followed by the Pledge of Allegiance.

Jim introduced Jennifer Lench, Deputy Director, PA Department of Community & Economic Development, Technology and Entrepreneurship, Center for Strategic Partnerships. Jennifer was recently promoted to the position she now holds so we will be dealing with her more with many of the ARC projects that go on within the region and our PREP and some other programs that we have.

Jennifer stated she was happy to be and thinks it was either 2018 or 2019 when she was here last for the

PREP and Engage! meeting. She is now the Pennsylvania ARC Program Manager, which was held by Neil Fowler, who is now the State Alternate.

Jennifer noted there is a lot of money in Pennsylvania right now, close to \$7 million of area development. If you, or any of your municipalities or any areas in your counties, have the need, reach out to Sherry Dumire at North Central. They are accepting pre-applications now and on a rolling basis as they want to spend that money. ARC, as you probably know, has \$5 billion in the budget over the next five years. They are looking for good projects.

She's happy to be here and learn more about all the good things going on in North Central.

QUORUM/INTRODUCTIONS

Roll call was taken to make sure everyone on the meeting was captured. There was a quorum for the meeting.

MINUTES

With no corrections or amendments to the March 23 and April 27, 2022, Board Minutes, Doug Morley moved to accept the minutes as presented, seconded by Tracy Gerber. Motion unanimously passed.

As there was a scheduling conflict, Tom Johnson of Nimbus-T Global was unable to attend the meeting and we will have him at another meeting to do his presentation.

NEW BUSINESS

Audit & Finance Committee Report/Recommendations

Jim reported that the Audit & Finance Committee met on Thursday, May 12, 2022. The following items were discussed and need approval from this Board.

1. Recommendation to accept Susan Zook Wilson as a new member of the Audit and Finance Committee.

Chair Grupp called for a motion to accept Susan Zook Wilson as a member of the Audit and Finance Committee.

Padraic McGrath moved to accept Susan Zook Wilson as a member of the Audit & Finance Committee, seconded by Carol Duffy. Motion unanimously passed.

2. Recommendation to approve the replacement of the North Central electric panel boxes at the lowest bid of \$7,200 as quoted by Dave Kronenwetter.

The building's electrical panel boxes are the original ones from 1959. We are beginning to have issues because of condensing more people into smaller spaces and limited electrical outlets. As well, we can't find the electrical switches any longer. Therefore, the panel boxes need to be replaced to enable us to upgrade the electric in many of our rooms. We went through the three bids with the Audit and Finance Committee, and this was their recommendation.

Chair Grupp called to a motion to approve the replacement of the North Central electric panel boxes at the lowest bid of \$7,200 as quoted by Dave Kronenwetter.

Jeff Pisarcik moved to approve the motion for the replacement of the North Central electric panel boxes at the lowest bid of \$7,200 as quoted by Dave Kronenwetter, seconded by Richard Fry. Motion unanimously passed.

3. Recommendation to approve the replacement of the Ford Taurus.

This vehicle is about eight years old and has close to 126,000 miles on it. It is at the point where it is starting to cost us money in repairs. Jim talked to the Audit and Finance Committee regarding this, and they recommend approving the replacement of the vehicle.

Dave Glass moved to approve the replacement of the Ford Taurus, seconded by Padraic McGrath. Carol asked if the Board was going to approve a certain amount to be spent.

The stipulation the Audit and Finance Committee made is as long as it is a 'like' vehicle, and we are looking at a sedan. Right now, American auto makers aren't making sedans, so we looked at Toyota, Honda and Hyundai. We looked at the Subaru, but they were out of our price range. The three are similar in price and with the trade in we are looking at around \$17,500. All three vehicles were within \$200 of one another. If you want a specific amount that is what we would be looking at.

Dave added that is why the Audit and Finance Committee didn't choose one because they were so close the Committee didn't feel it was necessary to pick one.

Nancy asked if we wanted to amend the recommendation with a dollar amount or leave it as it was presented.

Carol said it probably should have a dollar amount specified and Dave said he didn't have a problem with that except the way things are changing so quickly perhaps we should put a not to exceed figure in case there is a price change.

Jim said he was okay with that, and do we want to set it a little higher in case something changes between now and the time we actually get the vehicle?

Dave amended his motion adding not to exceed \$19,500 with the trade in. Padraic seconded this amended motion. Motion unanimously passed.

4. Recommendation to approve a one-time retention payment of \$1,500 for the employees of North Central to be made by the end of the fiscal year, June 30, 2022.

The recommendation was to approve a one-time retention payment of \$1,500 to North Central employees.

Chair Grupp called for a motion to approve a one-time retention payment of \$1,500 to North Central employees.

Padraic McGrath moved to approve a one-time retention payment of \$1,500 to North Central employees, seconded by Dave Glass.

When asked what the total of this would be, Jim stated \$45,000 and is in the existing budgets for the remainder of this year and would be allocated to the individual programs that each employee works under.

With no further questions or discussion, the motion unanimously passed.

4. Recommendation to discuss the Roadway and Storm Drain Project's potential funding options.

Jim said the road is in rough shape; and we share this common drive with the Elk County 911 Center as well as WRC which is now Penn Highlands for the two facilities behind the 911 Center, as well as our renters, Keystone Rural Health.

There is an Easement Agreement in place to discuss how these costs are to be distributed. We have obtained three bids to come up with a rough estimate.

When Jim initially took it to the Audit and Finance Committee it was just basically to move the process forward. They requested we talk a little more in detail in regards how we were going to finance the amount.

What we would be looking at is our share of the roadway project, which would basically be from Rte. 948 to the very first Stop sign you come to around the side of our building, and that would be about \$50,000, based on the current bids, and the bids are good at least through this meeting and awarding it. Those were updated from the bids we received a year and a half ago.

On top of that there are two box culverts that work with drainage for the parking lot system that are basically within that area that would be repaved. We are being told by the contractors that those two box culverts definitely need to be replaced or they are going to fall in on themselves and then we would have bigger issues. This would be the ideal time to replace them when the road would be torn up.

The cost of that is going to vary because technically there are four box culverts, two of them are out by the main road, but we're not going to know if they need to be replaced until the road is ripped up and they can get to the drainage system to see if they have been damaged.

We were able to get two quotes from contractors, one to replace just the two box culverts, the other is to replace all four. The high end of that would be another \$25,000 and that is strictly North Central's responsibility. Therefore, North Central would be looking at financing somewhere in the range of about \$75,000.

Two questions were asked, and the first was how are we going to finance it and then how we were going to pay for it?

Jim had Shelly discuss what she has learned regarding the financing options that we have and then Jim will go into how North Central plans to repay that portion back.

Shelly heard back from First Commonwealth Bank. What they have to offer is a mortgage, 20-year amortization, 5-year rate at 4.9%. The origination fee would be around .5% of the loan requested amount which is about \$375. All the other fees that go along with the mortgage would range between \$1,700 and \$5,500 and that does not include the settlement agent fees.

Regarding Northwest Bank, we have an existing Line of Credit with them that is \$250,000. We would consider increasing this by \$75,000, the amount we want to borrow only, so that in case of an emergency we would still have access to our original full \$250,000. It would be increased to \$325,000 for the Line of Credit. The interest per month would be between \$250 - \$300 and we decide what we want to pay on the principal. We are leaning towards a 5-year term. The interest rate on the Line of Credit is a prime plus one. It is currently 5% and that rate is adjusted according to the Federal Reserve.

They also sent, for our own piece of mind, how the interest rates have changed with the prime plus one. Between July 2019 and May 2022, the maximum it has gone up was 5.25% which we felt wasn't too high.

There is also a 5-year loan which would be using a continuing first UCC filing on our general business assets for collateral. The second choice would be an Abundance of Caution Mortgage based on our current assets, but there is no appraisal required. That has a 5.46 APR on it. It offers a ten-year balloon payment, a maximum of 10 years with 5-year balloon payment. The monthly payment with the 5-year amortization is \$1,431. The rate is based on a 5-year borrowing rate plus 2.25% to be calculated two days prior to closing. As of today (May 25) that rate would be 5.46%.

We are still waiting to hear from CNB Bank. They were going to give us some ideas.

Right now, we are looking at the Line of Credit, a mortgage or the loan with the balloon payment.

Jim added we haven't taken this as far as getting applications because we need the Board's approval to move forward with the Road project to begin with. We wanted to have options for the Board as to how we were going to finance that portion of the project. What we are trying to do is minimize the cost; so that is where the two options of increasing the Line of Credit or the 10-year loan with the 5-year balloon options came in. The other banks weren't willing to do the UCC filing. They wanted to do the mortgage, but with the mortgage comes additional costs and fees.

We wanted to give the Board an idea of what we have out there to discuss and know that there are options for us. As far as repayment is concerned, what Jim has done is gone through and looked at our budget primarily for the money we have coming in from our lease agreement with Keystone Rural Health and our cleaning agreement with the Elk County 911 Center. Out of abundance of caution, Jim took the worst-case scenario, which would be the 5-year loan repayment term, put that into the budget and we are still able to do all the projects that we would like to do around the building and be able to make that monthly payment. Long term that is something a cost that we would eventually recoup through our programs through depreciating the asset. However, that is a long-term solution.

That is the information we have right now. When we discussed this with the Audit and Finance Committee, before they were willing to make the recommendation to move forward with the paving project, they wanted to know what our options are.

Padraic is very pleased with the options that Northwest seems to have provided. He's not sure if he processed the difference between the risk on the Line with the rate increases versus the other option.

Jim added that is why they provided Shelly with some historical information as far as what prime is, because it is prime plus one. You always take that chance that the rate could go up significantly. The highest it has been since 2019 has been 5.25% so the rate then would be 6.25%, which isn't that unreasonable. It is a gamble because of the fact it is based off prime; but if you go with a mortgage, and we're not sure how much an appraisal would cost, we were given a range of anywhere from \$1,200 to \$5,000 to do an appraisal.

Padraic noted that was completely reasonable plus it is hard to get an appraisal done in a timely fashion. At least you have the flexibility if the rates start to get a little crazy, you do have the ability of pay some of that off with some of your other disposable cash flow from the rental activity.

That being the case we are talking about five years or less and Padraic realizes it is a large number, but with the savings that we have from not having to go through writing a loan with a regular mortgage, etc., Padraic said he would be inclined to proceed with the Line of Credit findings.

Dave Glass is leery of balloon payments, so he likes the Line of Credit as well.

Jim stated that what we need more than anything is direction where the Board would like us to go regarding the financing. However more so, what we need is approval to move forward with the road project. Where it stands right now is Penn Highlands, according to the Easement Agreement that is in place, is responsible for choosing the appropriate bidder, which we haven't had that conversation yet, which Jim knows is going to be happening shortly. He has had conversations with Greg Bauer from Penn Highlands, and they are fully aware of their responsibility when it comes to the road and choosing the bidder. They are going to have a conversation with us; and Jim wants to be able to tell them that the Board has approved us moving forward with the cost as they stand right now.

If you want us to move towards working with Northwest to address the Line of Credit, there are a couple other options that we are working on that could be a little more attractive than the Line of Credit, but we haven't had confirmation and Jim doesn't feel comfortable sharing that at this time.

Padraic said if that's the case, we need to proceed with this, and he is comfortable with Jim proceeding with that and trying to manage down the risk on the other two box culverts. He is grateful for Jim's coordination of this.

When Dave asked if Jim wanted a motion to proceed with the project, Jim stated that is all we need at this point so when Penn Highlands is ready to pull the trigger and say let's get started, that the Board has approved us for our portion of the payment which should be in the range of about \$75,000. Dave also wanted to know if Jim wanted the Board to approve moving forward and authorizing Jim and his staff to find the best Line of Credit rate or package now as well?

Jim said that would keep the process moving and speed it up if we did approve both.

Therefore, Dave Glass moved to proceed with the project and authorize Jim and his staff to find the best Line of Credit rate or package, seconded by Padraic McGrath. Motion unanimously passed.

Financial Reports

With no corrections or additions to the March and April Financial Statements, Jeff Pisarcik moved to accept the Financial Statements as presented, seconded by Doug Morley. Motion unanimously passed.

A95s

A-95 2755 - DEP File No. WA-33-100A is for the Borough of Sykesville is requesting the right to purchase 300,000 gallons per day as a 30-day average from the City of DuBois. The original application was submitted in 1996 and expired in 2021. This is a request for renewal. No action was required as this was for information only.

Correspondence

There was no Correspondence.

Purchases

There were no Purchases.

Loans

MPSmiles LLC, DuBois Clearfield County, has requested a loan in the amount of \$150,000 from the Appalachian Regional Commission Revolving Loan Fund for 10 years at 2.5% for building renovations and purchase equipment. Renovations to building that was recently purchased to relocate dental practice from leased space. Renovations include an addition, replacement of existing windows, siding and interior finishes. Financing also for the purchase of new equipment including dental chairs, cabinetry, water filtration system, air compressor and an x-ray system. North Central's collateral will be second mortgage on property located at 90 Beaver Drive, DuBois, subject to the first mortgage of Mid Penn Bank, second lien security interest on all business assets subject to the first lien by Mid Penn Bank, as well personal guarantees of Michael and Pamela Spence. Seven full-time jobs will be retained, and three new full-time jobs will be created within three years.

Chair Grupp called for a motion to approve the loan to MPSmiles LLC.

Kristy Smith moved to approve the loan to MPSmiles LLC, seconded by Jodi Brennan. Motion unanimously passed.

Dave's Pro Shop, Inc., St. Marys, Elk County, has requested a loan in the amount of \$70,000 from the EDA CARES Act Revolving Loan Fund for 7 years at .75% for the purchase of equipment. The equipment to be purchased is a new 6-head high precision embroidery machine to create greater efficiencies and speed in fulfilling orders that are necessary to address staffing shortages. North Central's collateral will be first lien

security interest on equipment to be purchased, as well personal guarantees of the owners. Three full-time jobs will be retained.

Chair Grupp called for a motion to approve the loan to Dave's Pro Shop.

Doug Morley moved to approve the loan to Dave's Pro Shop, seconded by Carol Duffy. Motion passed with Padraic McGrath abstaining.

Jim reported that we received our hospitalization quote back, which is always a very scary time of the year because you never know what you are going to see. Initially the quote came back at a 9.3% increase, which really wasn't that bad considering what we have seen in the past. When our agent went back to Highmark, he was able to get that down to a 2% increase. Naturally we accepted this rate.

We are feeling our way through the SharePoint site with the Board information. Every month Mary Lou will be sending out a calendar invite which will have the Zoom information to be able to connect to the meeting. Jim is asking all Board members that you please either try to accept or reject or even put tentative in. If you respond, it allows us to plan for the meeting to make sure we are going to have a quorum. Mary Lou monitors that the Monday prior to the meeting and if we don't have a quorum based on who has accepted the calendar invites, we will start to send out an email reminder that we need additional members to have a quorum.

The SharePoint site is new to everyone, and Jim's understanding is there have been cases where there have been struggles. Jim would like you to give us some input on what you are struggling with. We want to make this a useful site for everyone for as much or as little information that you want regarding what North Central is doing. If you are struggling to connect and get to the information, Ed and his staff are available, and we will go as far as having Ed go out visit with you if there is an issue where you are having problems getting connected.

Ed stated the reason we have the secondary authentication on there is for hackers as we don't want them to be able to get into the sites. We wanted to make it as secure as possible.

If anyone is having issues, Ed would be more than happy to help.

Tom Kreiner stated he never received the original email on that, so if you have that original email on the set-up procedure, he would appreciate receiving that. Ed will send that out to Tom.

If anyone hasn't received the set-up procedure, please let us know. We want to make sure the Board is using the site because there is going to be a lot of information out there that you will be able to get into or just look at the Board agenda. We want to be able to provide that information to you, so you have it.

If you have issues or even have an idea on how it can be laid out or the structure of it, we have intentionally not gone too far with this in case we have to change directions. Ultimately, we want to have the same structure for everything; so if you can find your way in one area, you can find your way pretty much anywhere on that SharePoint site. Please give us feedback on this.

Two other things. Because it was unfortunate scheduling that we had to do as far as the Housing Study we are currently doing, that we had to schedule one of those meetings today during this time. Understanding it was not ideal, our solution to the problem was to reach out to the consultant; and we have a member of the consulting team, Fourth Economy, who is going to join us at 10:30 to give an update as to where they are with the project and allow you to provide some input.

While we were waiting for her to come on, Jim had Amy talk briefly about the Bridge Bundling Project she and Jodi Brennan have been working on.

Before talking about the Bridge Bundling Project, Amy told Carolyn Newhouse to be on the lookout for the ARC Contract for her incubator project. It has been approved and should be coming soon.

Carolyn thanked all involved for their help on the project.

As you know there is a lot of Federal money for infrastructure. One of the things we have been hearing for years from many of our communities and RPO members is the need to address local bridges. Through the Federal Infrastructure Bill that was passed in November, they have money set aside for local bridges.

The challenge is we receive so little of it we're lucky to fund one, maybe two bridges: one in District 2-0 and one in District 10-0. As we were going through that process, we asked each county planner to give us their top five local bridge projects. We ended up with 30 projects to start working through, finding ways to address local bridge improvements. We then had each planner rank their choices 1-5. We took the #1 project from each county and put together a Bridge Bundle Rehabilitation Application to the U.S. Department of Transportation through their new Multi-modal Rural Program.

We asked for volunteers at the RPO meeting in April and Jodi Brennan was the only person who agreed to help Amy put the application together. Amy thanked Jodi for all her help as this was no small feat with all the requirements put upon them.

The bridges are:

Cameron County - Steam Mill Road Bridge in Lumber Township
Clearfield County – Mosquito Creek Bridge in Karthaus Township
Elk County – Caledonia Pike Bridge in Jay Township
Jefferson County – Kramer Run Road Bridge in McCalmont Township
McKean County – Arnold Avenue Bridge in Port Allegany
Potter County – Big Moores Run Bridge in Homer Township

Those are the six projects we were looking at and came in just over \$15 million total to replace or rehabilitate those bridges. Five of the six are replacement with the Kramer Run being a rehabilitation.

The project was submitted late Monday, May 23, and we should expect an announcement sometime in September. There is a 20% non-Federal match that we will be working with everybody, county, local and state, to try to figure out how to come up with that money. If it's \$15 million, and we have to put in a little over \$4 million, that is good leverage. If Amy can get the state to cover half and the local to cover half and the county to kind of split all that, she thinks it is a great way to close the gap and address some of these

bridges. What is also does is free up our local bridge money through the Bill to allow us to do your #2s, which hopefully are less expensive than some of the big projects.

To give perspective Amy said a NOFA was put out in late March and by the time you read through the NOFA and get through the requirements, you basically have two or three weeks to figure out how to put an application together. The Rural Program is for populations under 200,000 outside of an urban census tract or an urban census tract with less than 200,000 people. The perspective is in our six-counties' total, we do not have an urban census tract, and our population is over 200,000. We do not qualify technically under 'rural,' but we applied anyway trying to document that they are flawed in their definition of 'rural' unless the intent is Harrisburg to Philadelphia, Indianapolis to Chicago. We had the conversation with Senator Casey's office to try to articulate that if Jodi and Amy, with their 28-30 years' experience were struggling with this application, how do you expect a small municipality or small county with no staff to be able to put this together. You're forcing communities to hire consultants at 150% overhead and spending \$200,000 - \$300,000 to put an application which is why you don't see a lot of rural communities applying.

We bit the bullet and applied, but Amy has no confidence that we will receive this money.

Jodi agreed with everything Amy said. She has decades worth of experience applying for grants at the Federal and State level and has never encountered such a complicated process. As Amy said, every county, every municipality has limited capacity. Jodi thinks we have about 154 local units of government in our region. For Amy and Jodi to struggle at a regional level, our local municipalities could never apply for these funds. What good are rural dollars if you can't apply for them.

With no questions for Amy or Jodi, Jim called on Ed to give an update on some of the projects he is working on.

Ed stated we recently hired a new staff person, Devin Harman, who has been in the position for a week. Devin helped Ed do an install in Lumber City. Fortunately, Devin previously worked for Windstream, so he is familiar with doing the installs in buildings and getting into buildings.

Lumber City is finally kicked off. They got the golf course on board and are working with one of the homeowners. Their house sits in the way of the tower for people to get coverage out the other direction, and we are working with them to use their home as a relay point. And they seem like they are willing to work with us.

They have been working with some of the other counties. They are working with McKean County's consultants on their project to see if we can move some of our grant money to their project. It would be simpler to back their project than for us to do something on top of what is already going on.

They have been meeting with Jefferson County, who is working on a study, and will meet with them again to get that finalized as to what their next steps will be. Ed believes those consultants are going to be working with a couple other counties. They are trying to get the process figured out and make sure everything is in order.

Most of the grant money we have moving. We have just those few projects and will probably have a project ready to start in Jefferson County, which is one of the areas the consultant team had no service.

We are doing pretty good, and it is nice to have help again. ED noted it's been a little rough doing some of the installs by himself. The install they did on May 24 definitely needed two people to do that installation.

Carolyn Newhouse said there was an article about time running out for Pennsylvania to get their fair share of broadband money. Her understanding is that part of the challenge is because of a lack of accurate mapping throughout the state with underserved and unserved.

Ed replied this is an ongoing issue for everyone. Everyone is trying to figure out how to get accurate data. You try to do speed tests and once you run a speed test, the incumbent provider is going to fight you on the speed test that you didn't take all the vices out of line, you're not connected directly to the modem or you didn't know there are higher speeds available. They come up with reasons how to fight you.

The FCC is doing a project to get try to get better data and Ed believes they are working with Microsoft and Ookla to collect data from them to get an idea of what the speeds are. You still have to take those speeds with a grain of salt. If someone is getting 20 meg, they are probably served well enough that we don't need to worry about them because they are probably getting closer to 25 because they have multiple devices. We run into the providers that will fight you on that.

We did our study and some of that information has changed. The study Penn State did is probably the best study that has been done so far; however, the data gets old in a hurry. Hopefully the FCC data will be better this time.

Dave Glass added that some of the counties are doing their own. Jefferson's is just about finished, and he thinks Elk is looking at doing one. Clearfield County has signed on to do one. Hopefully they will have better data by the fall.

Carolyn stated the Center for Rural PA recently held a session in Erie relative to broadband. They put together a cost proposal in order to provide that mapping so we could get monies that would be due because of the lack of broadband.

She then asked if we need a letter of support relative to, it appeared to her that the issue came down to getting the State to fund, and one of the recommendations was Penn State expanding their mapping because they have credibility. In order to get that mapping done so we quality for and don't lose the possibility of getting that \$1.2 billion, is that something North Central can give a letter of support. She thinks Senator Dush's office is on board and it would be interesting to see what role he is playing in supporting that.

Jim said the Statewide Broadband Committee just hired Brandon Carson, from the Southern Alleghenies Local Development District, as their executive director. With him being brought on board that will probably be our first best outreach to talk to and see what plans they have regarding doing some type of an accurate speed testing as well as try to figure out the timeframe they are talking about. The clock is ticking so sooner rather than later, but we can start having those conversations now to see what we can do to influence it, if at all.

Carolyn thought that would be good as time is ticking away and we're talking about having this all wrapped up by the end of September.

Ed added there are some laws in Pennsylvania that are hindering things as well. Municipalities, cities and other areas can't run higher fees so there are some odd laws and stumbling blocks that have to be resolved. That won't be resolved for this round of money. Brandon has a tough lift to get this all off the ground and going.

Before introducing Nicole Muise-Kielkucki of Fourth Economy, Chris gave a brief background on the project.

North Central recognized that for our six-counties to grow in a healthy manor, it must understand our current and future housing conditions, as well as unmet housing needs and opportunities. This was something North Central could not do alone so we put it out for an RFP, soliciting for qualified consultant groups to complete a Regional Housing Needs Assessment and Market Study for the six-county region.

Several proposals were received; and Fourth Economy was chosen as they have experience on this topic and are very familiar with our North Central region. So far Fourth Economy has completed about 25 one-to-one stakeholder interviews, and we have room for more. The goal is to get 30 interviews. There is currently a community survey out that has received overwhelming responses.

Fourth Economy used a lot of the GIS data provided by our counties and we really appreciate you being partners in this project. This allowed us to invest our dollars further into the study.

They are currently in the process of implementation of a strategy and there have been build sessions, with one being held on May 23 which had over 50 attendees and the other was this morning.

Nicole stated the build session this morning was on two topics. They talked about rehab and renovation of older properties because that was a theme they heard over and over when they were doing the interviews, as well as looking at the data. They know the region's housing stock in all six-counties is fairly old. It is older than Pennsylvania's on average. They also know there is a mismatch between the number of units. A lot of the homes that were built before 1950 are four or more bedrooms and we know families are getting smaller. There is way more 2-person, 3-person households now than when those large homes were built. We have a huge mismatch in terms of what is available and what our current residents need. A lot of empty nesters, seniors that are living on their own, so smaller units are needed.

They looked at the availability of land in the region which was part of the GIS work that their VP of Data was looking at to see how much land is zoned residential that could be used for large-scale new construction. And no surprise there isn't that much land available. They have seen one or two at a time new homes being built but nothing at the scale that is really required to address some of the issues they are seeing in the region.

They really think rehab and renovation of older properties and providing tools to both residents that live in those homes to do the work themselves and/or tools for investors and developers that can do rehab on a larger scale could be a great tool to introduce in the region.

The second topic was generally about the needed housing types, again thinking about the current housing stock and the current housing conditions versus what is needed in the region. They heard a lot about older adults who are at or near retirement age. Their children have moved out and their grandchildren maybe

don't live in the area anymore. They are looking to downsize from larger homes to smaller units that have maybe no stairs or a smaller garden that they don't have to take care of as intensively.

We also heard that assisted living for seniors is needed in the region, especially as the region's population continues to age.

Other types of needed housing are things such as specifically smaller units for professionals. They talked to some of the larger employers in the region that said they have trouble attracting potential employees because there isn't the housing stock that can accommodate their families. So smaller units, townhomes, condos, apartments especially for people who are just feeling the region out that may be interested in relocating to a home. Something a little bit less permanent, a little more temporary in the form of an apartment or rental could be needed.

Those are some of the things the consultants gleaned from what they heard from interviews and what they saw in the data. Some of the questions that were asked at their meeting today were pretty simple.

They separated into two groups and asked about each of the topics and each group told them what's happening in their community, so they had a good representation from each of the counties and the different things are happening in different areas.

The groups were asked what are they seeing in their communities and are people addressing these issues? Are they building new homes, are smaller units being built, are they doing renovations on any sort of scale?

The groups were also asked what tools might be needed that are not currently available to you that could help accelerate or spur some of this implementation of these solutions.

Those are the two questions Nicole put in front of the Board. When you're looking at your communities specifically, are there things that are happening that you feel could be replicated given more resources; and/or what tools do you wish you had at your disposal that might help alleviate some of these issues we are talking about.

Nicole said one theme that just came out of the session just ended was a real desire, and they had developers, realtors and CDCs from Kane and Bradford, and they mostly all said that it would be very helpful to have a single source of information that anyone in the region can turn to. Again, we are just processing this feedback, but is it a housing consortium through the North Central region that could be the sole source of information that people can turn to?

People want to be able to learn from their peers, other municipalities and other counties. One person said she turned to one of her neighboring county planners and he was really helpful, but what if he hadn't picked up the phone. Can we create more opportunities as a region, maybe at the Planning Commission, to create those opportunities for people to come together and learn from their peers in other areas and hear about other funding sources they have been able to utilize in their communities?

Chris said she would have Mary Lou send out the link to all the Board members if they would like to be part of the one-on-one interviews with Fourth Economy and Nicole. The interviews will be conducted for approximately the next week or two.

Nicole said they have had overwhelming responses and they have been bragging that North Central PA are like their star client. Usually, they have to send out 30 reminders to get 30 interviews. She believes they sent it out once and already had 25 people sign up. Chris added that we would like to have at least five more interviews as Chris and Brittany set a goal to have 30 interviews.

Jim thanked Nicole for taking the time to speak to the Board. It was unfortunate that both events were scheduled at the same time.

Nicole was very happy to be able to talk to the Board, and please reach out to her if you have any questions or comments and please sign up for an interview if you are interested.

The next Board meeting will be held on Wednesday, June 22, to approve Resolutions and Loans, beginning at 9:30 AM and will be virtual.

The next Full Board meeting will be held on Wednesday, July 27, beginning at 9:30 AM. This meeting will be in Person and Virtual.

ADJOURN

With no other business, Chair Grupp called for a motion to adjourn the meeting. Jeff Pisarcik moved to adjourn the meeting, seconded by Dave Glass. The meeting adjourned at 10:45 AM.

Respectfully submitted,

Padraic McGrath, CPA
Secretary/Treasurer