


COMMONWEALTH OF PENNSYLVANIA
GOVERNOR'S OFFICE OF THE BUDGET

Date: March 8, 1994

Subject: Questions Regarding Redevelopment Assistance Capital Funding for Bay Front Stadium

To: Representative Italo Cappabianca

From: Brian Lecher 

As per our conversation, I'm providing the following answers to the questions raised by Jeff Spaulding:

- * The State requires a minimum of three bids to be solicited for any general contracted work. The lowest responsible bidder must be selected. The applicant will also be required to observe any local bidding guidelines and/or requirements.
- * The applicant/grantee is not required to fulfill any State requirements for design fees and other "soft" costs. Requirements are imposed only on general contracted work as noted above.
- * I do not have the information to answer the question regarding DGS ownership of the Civic Center at this time. This matter will be reviewed thoroughly during the application process and we will take appropriate action as necessary.
- * I cannot answer the question regarding DGS removal of gas tanks on the Sears site. Once again, this matter will be reviewed during the application process and we will take appropriate action as necessary.
- * A project's drawdown schedule of State funds will depend on the project construction schedule, the financing arrangements, and a number of other contributing factors. We will determine the cashflow needs of the project during our review of the application. In some cases it may be possible to deviate from a strict reimbursement system. The Commonwealth has retained nine construction management/engineering firms to assist us in our review of project funding needs.

Please let me know if you have additional questions.

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June 7, 1993

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Italo Cappabianca
State Representative
Second Legislative District Office
1216 West 26th Street
Erie, Pennsylvania 16508

Dear Mr. Cappabianca:

Enclosed is a copy of a draft proposal for the construction of a minor league baseball complex in downtown Erie. As you know, this proposal was prepared by Team Erie and was presented to a group of local officials on May 24th. Since the legislature was in session, you were unable to attend the meeting, but we wanted to get a copy of the draft proposal to you in the hopes that you will continue your much-appreciated efforts in support of the project.

As you are aware, through the efforts of you and our other state representatives, legislation has been enacted which authorizes this project to be funded as a Redevelopment Assistance Capital Project ("RACP"). In order to qualify for these funds, the appropriate local municipalities must submit a proposal to the Secretary of the Budget demonstrating that the project meets the legal requirements for an RACP. Those requirements include, among other things, qualification of the project for tax-exempt bond financing, local matching funds, a showing that the project possesses a substantial economic development component, and so forth.

During the past few months, Team Erie has worked very closely with the staff of the City, the Civic Center Authority and the Parking Authority, as well as a number of private consultants, to develop the hard data and other information necessary to prepare a proposal for RACP funding. We believe the draft proposal is the most effective means of identifying the financial and non-financial obligations the participating local municipalities would be required to undertake in order to qualify this project for RACP funding.

June 7, 1993

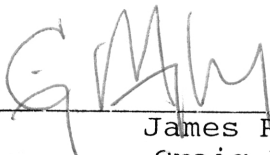
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While the draft proposal is comprehensive in nature, we want to emphasize that it is strictly a draft and is not meant to preclude or otherwise foreclose discussion of any material in the proposal. We appreciate the expressions of support for the project which we have previously received from the local municipalities. However, we recognize that those expressions of support were conceptual in nature, and subject to the submission and approval of a detailed, comprehensive proposal. We believe that this draft proposal will provide you with the data necessary to make an informed decision as to the policy issues surrounding the project.

We very much appreciate your consideration of this proposal. If you should have any questions, or desire additional information, please feel free to give either of us a call.

Very truly yours,

MacDONALD, ILLIG, JONES & BRITTON

By  _____
James R. Walczak
Craig R.F. Murphey

JRW/CRFM/jas/72855
Enclosure