

MINUTES
MEETING OF IMPACT HARRISBURG
June 21, 2016, 10:30 A.M.
Pennsylvania Housing Finance Agency
211 North Front Street, Harrisburg

Officers of the Board Present:

Neil Grover, Chair
Doug Hill, Vice-Chair
Brian Hudson, Secretary
Brittany Brock, Treasurer

Board of Directors Present:

Dale Laninga, Director
Gloria Martin-Roberts, Director
Russ Montgomery, Director
Jackie Parker, Director
Karl Singleton, Director

Others Present:

Sheila Dow-Ford, Executive Director
Anne Morrow, Recording Secretary

Mr. Grover called the meeting to order at 10:45 a.m.

1. Regular and Executive Meeting Minutes of June 7, 2016

It was moved by Ms. Martin-Roberts and seconded by Mr. Laninga that:

“The minutes from Impact Harrisburg Board of Directors regular meeting of June 7, 2016 be approved as printed.”

MOTION CARRIED UNANIMOUSLY

It was moved by Ms. Martin-Roberts and seconded by Mr. Hill that:

“The minutes from Impact Harrisburg Board of Directors executive meeting of June 7, 2016 be approved as printed.”

MOTION CARRIED UNANIMOUSLY

2. Other Business

Mr. Grover provided an update on the Action for Declaratory Judgment and Application for Leave to Intervene with Commonwealth Court, requesting Judge Leadbetter’s opinion on whether the Board is subject to the Sunshine Act.

- Judge Leadbetter requested a conference with the attorneys who represent PA Media Group and Impact Harrisburg. A Joint Stipulation of Facts was submitted by both parties. There were no facts in dispute. Judge Leadbetter will either make a ruling or refer the ruling to an en banc panel, which consists of 3 – 7 judges who would make a decision on

the facts that have been presented. A decision is to be made in early July. This decision will set precedence for other non-profits.

3. Treasurer's Report

Ms. Brock reported she was in receipt of one invoice for payment for McNees Wallace & Nurick for work performed from May 2 thru May 31, 2016, Invoice #786868, in the amount of \$910 for the scheduling of conferences and correspondence between the lawyers and Judge Leadbetter related to the litigation over the application of the Sunshine Act.

It was moved by Mr. Hudson and seconded by Mr. Hill that:

"The May invoice from McNees Wallace & Nurick, in the amount of \$910, for litigation over the application of the Sunshine Act be approved for payment."

**MOTION CARRIED 8-1;
Opposed-Mr. Singleton**

Ms. Brock reported the current Operating account balance at Fulton Bank is approximately \$97,000. She noted at the last Board meeting, the Board approved \$1.2 million for Operating funds over the next 5 years.

Ms. Brock reported Wilmington Trust has advised as bonds mature in the Investment Account funds are being credited as cash in the account until the Board makes their decisions on how they will disperse the funds for projects. Currently the Investment Account has approximately \$6 million is in cash. Wilmington Trust will be providing their quarterly statement next month.

Ms. Brock is working on a budget and will present it to the Board sometime in July.

4. Executive Director Report

Ms. Dow-Ford reported a Grant Contract is in the works. The contract will be reviewed by Mr. Grover and Mr. Hudson prior to the next Board meeting on July 5th.

Five (5) Infrastructure applications in total were received: two (2) applications under Infrastructure Contingency, one (1) each from the City of Harrisburg (City) and Capital Region Water (CRW) and 3 applications were submitted under the Infrastructure category: two (2) from the City and one (1) from CRW.

The Grant Proposal Evaluation Committee (Review Committee) met on June 20th for an initial review of the applications submitted under the Infrastructure and Infrastructure Contingency categories. Those present at the meeting were Ms. Martin-Roberts, Mr. Laninga, Mr. Montgomery and the Executive Director.

Three (3) applications were submitted under the Infrastructure Program category:

1. City of Harrisburg Infrastructure Application: Harrisburg Streetlight Project
Amount of funding requested: \$3,132,392; Funds committed from other sources: \$3,632,292. TOTAL PROJECT COST: \$3,632,392

2. City of Harrisburg Infrastructure Application: Harrisburg Multimodal Project
Amount of funding requested: \$3,000,000; Funds committed from other sources: \$10,000,000. TOTAL PROJECT COST: \$14,285,714
3. Capital Region Water Infrastructure Application: City of Harrisburg Multimodal Collaborative Project
Amount of funding requested: \$3,000,000; Funds committed from other sources: \$5,098,303.11. TOTAL PROJECT COST: \$8,098,303.11

Two (2) applications that were submitted under the Infrastructure Contingency category:

1. City of Harrisburg, Infrastructure Contingency application: Harrisburg Streetlight Project
Amount of funding requested: \$500,000; Funds committed from other sources: \$3,632,392. TOTAL PROJECT COST: \$3,632,392
2. Capital Region Water, Infrastructure Contingency application: Arsenal Boulevard Sewer Rehabilitation (ABSR) Project
Amount of funding requested: \$500,000; Funds committed from other sources: \$1,046,277. TOTAL PROJECT COST: \$1,546,277

The committee reviewed the City's Infrastructure Contingency Application. Below is the committee's recommendation.

- Given the knowledge of the \$5 million balloon payment that the City has due to M&T Bank on June 26, 2016 for the Streetlight project; the committee met and acted in a timely manner on this application.
- The committee reviewed the Infrastructure Contingency program requirements under "Eligible Uses" and also reached out to Mr. Reddig, Act 47 Coordinator for the City, with questions regarding the City's current General Fund balance and cash flow.
- After careful review of the City's application, the criteria established for use of the infrastructure Contingency grants as set forth under the Eligible Uses section of the Infrastructure Contingency Program Requirements; a review of the City's current cash flow position; an examination of the City's cash flow position for two (2) preceding years, (2014 and 2015); an evaluation of the City's Fund balance and General Fund balance; and a discussion with Fred Reddig, City's Act 47 Coordinator, **the Committee recommends that no funds be allocated to the City of Harrisburg for this purpose, under the Infrastructure Contingency Fund at this time.**
- The rationale is that the City currently has a cash flow of \$11.2 million. This amount has increased year over year. In 2014, the City's cash flow was \$7.5 million; in 2015, the City's cash flow was \$8.7 million. In addition, the City is managing its expenditures. The City's increasing fiscal stability is expected to continue. The City has the fiscal resources at hand to make this payment.

A motion was made by Mr. Laninga and seconded by Ms. Martin-Roberts to accept the committee's recommendation to decline the City's Infrastructure Contingency application for the Streetlight project at this time.

The board engaged in an in-depth discussion of the City's current and projected financial position. The Board also discussed outstanding obligations against the City's General Fund Balance.

It was moved by Mr. Laninga and seconded by Ms. Martin-Roberts that:

"The Board accepts the recommendation of the Review Committee to decline the City of Harrisburg's Infrastructure Contingency application for the Streetlight project."

**MOTION CARRIED - 6 Yes, 2 No, 1 Abstained
Opposed-Mr. Singleton and Ms. Parker
Abstained-Mr. Grover, Chair**

To determine the critical nature of the City's Streetlight project the Board would have also wanted to see what the City's current obligations along with the due dates that are outstanding against the City's General Fund balance.

The Review Committee was only able to review the City's Infrastructure Contingency application. The other Infrastructure and Infrastructure Contingency applications will be vetted on June 27th at 10:30 a.m. and June 29th at 1 p.m. at the Heinz-Menaker Senior Center.

Mr. Grover requested that the Review Committee advise the Board as early as possible if interviews are necessary for the July 5th meeting.

The Executive Director noted the Economic Development Program and Community Building Grant Applications are both due by Friday, July 15, 2016.

The Executive Director will have minor content edits to the Impact Harrisburg website. These corrections will be processed over the next couple of weeks.

The Executive Director is inquiring on office space at the downtown HACC location on Third Street, Harrisburg.

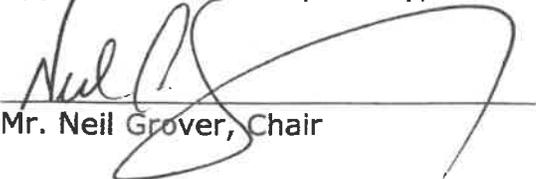
The Board had no further business.

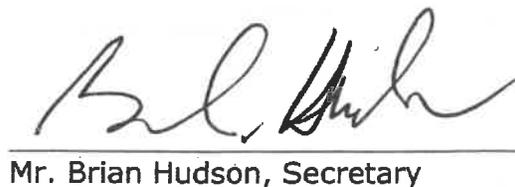
The Chair adjourned the meeting at 12:05 p.m.

Meeting minutes were submitted by Recording Secretary, Anne Morrow.

The next Board meeting is scheduled for July 5th at 10:30 a.m. at the Pennsylvania Housing Finance Agency, 211 North Front Street, Harrisburg, PA.

Approved this 5th day of July, 2016.


Mr. Neil Grover, Chair


Mr. Brian Hudson, Secretary