

MINUTES
MEETING OF IMPACT HARRISBURG
April 17, 2018, 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
Russ Montgomery, Director
Jackie Parker, Director
Karl Singleton, Director

Others Present:

Sheila Dow-Ford, Executive Director
Marita Kelley, Coordinator for the City of Harrisburg
C. Kim Bracey, Executive Director, Governor's Center for Local Government Services
Anne Morrow, Recording Secretary

Board of Directors Absent:

Gloria Martin-Roberts, Director

The Chair called the meeting to order at 10:55 a.m.

Ms. Martin-Roberts was excused from the meeting.

The Chair noted Council President Williams and Marc Woolley, City Business Administrator, were unable to attend the meeting today but will plan to attend at the May Board meeting.

1. Emergency Meeting, Regular Meeting and Executive Meeting Minutes

It was moved by Mr. Montgomery and seconded by Mr. Laninga that:

"The minutes from Impact Harrisburg Board of Directors emergency meeting of March 7, 2018, be approved as printed."

MOTION CARRIED UNANIMOUSLY

It was moved by Ms. Parker and seconded by Mr. Hudson that:

"The minutes from Impact Harrisburg Board of Directors regular meeting of March 20, 2018, be approved as printed."

MOTION CARRIED UNANIMOUSLY

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

"The minutes from Impact Harrisburg Board of Directors executive session meeting of March 20, 2018, be approved as printed."

MOTION CARRIED UNANIMOUSLY

2. Treasurer's Report

The Treasurer reported the balances ending March 31, 2018 in the Fulton Operating Account is \$519,854.36 and in the Wilmington Investment Account is \$9,933,479.21. The asset allocation of the investment is 91% in cash and equivalents and 9% in fixed income. Consideration needs to be discussed at the next Finance Committee meeting on how much money needs to be transferred from the Investment account to the Operating account to cover upcoming project draws.

Items for discussion at the next Finance Committee meeting are

1. Amount of funds to be transferred;
2. Asset allocation, and if any changes should be considered and evaluated with the yearly budgeted administration expenditures, as the fiscal year comes to an end.

The Chair inquired what the timing would be with transferring funds from Wilmington to Fulton to cover the upcoming draw requests.

Executive Director Dow-Ford noted Mr. Segal advised the City is preparing several invoices for payment totaling approximately \$500,000 to \$1 million. A list of amounts is being assembled. Executive Director Dow-Ford also noted a draw from TLC will be submitted in the amount of \$57,000; East Shore YMCA has begun work and will be requesting payment. Over the next month Gamut Theatre will be submitting a draw for approximately \$250,000 as well as Camp Curtin YMCA.

Mr. Hudson recommended a spreadsheet be created for the Finance Committee to review showing each project and upcoming draw amounts.

ACTION: A spreadsheet will be created by the Compliance Team and Executive Director showing the project name, draw amount, disbursement date and the status on prevailing wage for review by the Finance Committee.

3. Finance Committee Meeting

The Chair provided an update on the Finance Committee Meeting held on Friday, April 6. Representatives from the Salvation Army were present and provided an update on their project. Salvation Army informed the Committee they were able to secure tax credits through Community First Fund and will be breaking ground soon.

There was a lengthy debate on the Multi-Modal project ProRank proposal. The Finance Committee, after hearing a lot of discussion on the disadvantage business enterprise (DBE) concerns, voted to recommend the ProRank's proposal, Option 2, for consulting services on the DBE piece on all projects moving forward, particularly the Multi-Modal project to the Board. The estimated cost of ProRank's proposal is \$25,000 with an approximate timeframe of 60-90 days to complete the DBE consulting services.

Ms. Brock inquired if there be any reason after the 90 days that the Board would need to rehire ProRank.

Executive Director Dow-Ford noted the work from ProRank would be completed in 90 days. There would not be any need to keep ProRank on board or the need to rehire them. The ongoing DBE monitoring piece would continue through the Compliance Team and the Executive Director.

Ms. Parker inquired what will happen with the projects that are already completed where DBE expectations were not enforced?

The Chair suggested there are 6 projects that ProRank won't be needed. Four projects are marked on the matrix as complete and two other projects appear to be finalizing their work.

The Treasurer noted it was her understand that Milligan & Company was hired to monitor the DBE participation and is not in favor of spending \$25,000 for DBE consulting services for a 90-day contract with ProRank.

After further discussion, Mr. Hudson noted as the City and Capital Region Water (CRW) monitor the DBE participation on the Multi-Modal project and have begun sharing DBE data with the Board, the Compliance Team can move forward with the monitoring piece and provide updates to the Board on this important requirement.

Executive Director Dow Ford noted she will continue to work with Milligan & Company on the DBE participation monitoring along with prevailing wage and will keep in close contact with Marc Woolley, City Council and CRW as the Multi-Modal project moves forward.

Mr. Hudson offered to pay the \$25,000 fee to hire ProRank for the out-reach consulting services through the Pennsylvania Housing Finance Agency, as a partner with Impact Harrisburg for the DBE monitoring on the remaining projects.

The Chair asked for a motion to table the ProRank contract proposal.

It was moved by Ms. Brock and seconded by Ms. Parker that:

"The ProRank proposal contract be tabled at this time."

MOTION CARRIED

7-0-1

Abstain by Mr. Singleton

The Chair noted he had a discussion with Mr. Segal regarding the Milligan & Company contract extension to extend work for an additional 6 months for monitoring oversight services of Impact Harrisburg projects at a cost of \$10,000 per month. In that discussion the Chair requested the Compliance Team to track their time on each project for the Board's review as well as for auditing purposes.

Executive Director Dow-Ford noted the Chair's discussion regarding time allocation ties in to the draft expense allocation policy circulated at today's meeting. Once the expense allocation policy and form are approved by the Board, time allocation tracking will be utilized by the Compliance Team and Executive Director for reporting to the Board.

The Chair asked for a motion to accept Milligan & Company's contract extension.

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

“The Board accept Milligan & Company’s contract extension at a cost of \$10,000 per month to extend work for an additional 6 months for monitoring oversight services of Impact Harrisburg projects.”

Discussion – Mr. Laninga recommended that the Board put in writing the monitoring and time allocation expectations from Milligan & Company/Impact PA Strategies as part of their contract extension.

ACTION: Executive Director Dow-Ford will include the Board’s expectations in writing to Milligan & Company/Impact PA Strategies extension contract.

The Chair asked for a vote to accept the motion on the terms discussed.

MOTION CARRIED UNANIMOUSLY

Executive Director Dow-Ford noted she and the Treasurer need to meet to finalize the responses on the auditor findings and will report back to the Board at the next Board meeting in May.

The Chair asked if the auditor requested a deadline when audit finding responses are due. Executive Director noted she and the Treasurer are working with the auditor to finalize the audit as soon as possible.

4. Executive Director Report

Executive Director Dow-Ford noted all contracts have been executed and are uploaded to the share-drive with the exception of Gamut Theatre. Due to time constraints of a production, the execution of the contract is pending.

A draft expense allocation policy was circulated at the Board meeting. Executive Director Dow-Ford recommended the Board review the expense allocation policy and have a vote at the next Board meeting in May.

All projects are moving forward. Paxton Place received a low-income tax allocation and the project is moving forward. A matrix was circulated outlining the status of the projects and is referenced below.

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Update 04-18-2018 Project Name (Grant amount)	Compliance Process Started/Completed	Draw Requests Submitted	Status/Comments
Camp Curtin YMCA (\$500,000)	Started	Draw request #1 under review	<ol style="list-style-type: none"> 1. Received grant agreement signed by the Y. SDF received IH Board signature. 2. Received grant amendment signed by the Y. SDF received IH Board signature. 3. Received "as is" property appraisal of \$1.9M as match. 4. Cash funding of \$250,000 is from the Y. IH has a resolution from Area Y Board to fund the difference; will request documentation of paid expenditures with draw requests. 5. New bid for structural repairs is \$725,818 - design build. 6. Compliance forms were sent 2/18/2018. 7. Project is underway. 8. First pay request is under review. Need to address deficiencies. 9. Anne Weaver will scan the contract to Sharefile.
Capital Region Water Parks and Rec (\$250,000)	Started		<ol style="list-style-type: none"> 1. Forms sent. Project was rebid due to lack of responses. 2. Requested status update from Dave Stewart and Kevin Sanders on 1/31/2018. SDF is following up with project for update about bidding. 3. Received MBE plan. 4. Project has to re-register with DLI to obtain current wage rates for the project.
Capital Region Water multi-modal (\$2,743,645.25)	See City multimodal.		<ol style="list-style-type: none"> 1. See City multimodal.
City of Harrisburg multi-modal (\$2,743,645.25)	Phase I Started	Draw request #1 in process	<ol style="list-style-type: none"> 1. Received executed construction contract for Third Street project. 2. Received payrolls, which are in compliance, bonds, and insurance. 3. Agreement between the City and CRW in process. 4. Draw request #1 is under review. 5. Phase I match is less than 50%, which will be made up in later phases. 6. Project will work with ProRank on MBE participation. 7. There is a new grant manager at the city, who will be invited to the Sharefile account.
Community First Fund (\$350,000)	No		<ol style="list-style-type: none"> 1. Received executed partnership agreement with CFF, dated 3/20/2018. 2. Board discussed requirements and process. CFF is working with CREDC to establish a borrower education portal. 3. Loans are targeted to go out in the spring. 4. Advise of compliance and drawdown process.
East Shore YMCA (\$138,592)	Started		<ol style="list-style-type: none"> 1. Board approved using \$111,297 in completed work on men's dormitory as match. 2. The Y will provide additional funds needed to match the IH grant. 3. The second phase/façade work was bid and the project has started. 4. Documentation of expended match being prepared.

Gamut Theatre Group-- Educ. Ctr (\$250,000)	No		<ol style="list-style-type: none"> 1. Grant agreement in process, by SDF. 2. Starting construction in April - design-build process. 3. The project will take 90 days and should be done by June 2018. Requested if IH money may be used for soft costs. Board is waiting for all sources and uses.
Harrisburg Redevelopment Authority (\$500,000)	Started		<ol style="list-style-type: none"> 1. HRA is waiting for sign-off from the school district. 2. The City is working with the school district on this matter.
Salvation Army of Harrisburg (\$500,000)	No		<ol style="list-style-type: none"> 1. SA received a \$500,000 RACP grant, which is less than the \$4.5 million requested. 2. The project wants to maintain the proposed scope of \$10.2 million project and received New Market Tax Credits. 3. On 4/6/18, SA attended the Finance Committee meeting. Received commitment of \$5 million NMTC funds from CFF. Need to determine exact amount of NMTC allocation. 4. Expects to award contract on 7/20/18 and begin construction 7/30/18. Identified confirmed sources and uses of funds; fundraising ongoing. 5. Will prepare compliance documents now that project sources and uses are better defined.
TLC Constr./Hamilton Healthcare Bldg (\$500,000)	Started	Draw Request #4 paid	<ol style="list-style-type: none"> 1. Submitted fourth draw request. Project is 98% complete. 2. Requested signed payrolls from TLC and one sub. 3. Waiting for final invoice and draw request.
Tri-County Community Action (\$204,759)	Started		<ol style="list-style-type: none"> 1. Starting in early 2018 - April/May. Compliance forms sent. SDF is following up with grantee in April. 2. Conference call held on 1/30/2018. 3. Discussed sources and uses, D/MBE, bidding, prevailing wage, and draw requests. 4. Grantee will send us info to review. 5. CRW providing assistance.
Tri-County HDC (\$350,000)	Started		<ol style="list-style-type: none"> 1. Compliance forms sent in December 2017 and teleconference was held. Project was rebid. 2. 4/5/18 - project is trying to fill funding gap of \$74,200 and requested permission to begin work on 235 Hummel Street and demo on 245 Hummel Street. Finance Committee approved. Expect work to start on 235. 3. Resent compliance forms on 4/13/2018.
City of Harrisburg-- software purchase (\$250,000)	Completed	Yes	Project is complete.
Harrisburg River Rescue (\$81,369)	Completed	Yes	Project is complete.
Paxton Place (\$100,000)	Completed	Yes	Project is complete; three draw requests submitted, with \$3,188.53 unused.
WebpageFX (\$500,000)	Completed	Yes	Project is complete.

Mr. Montgomery recommended adding another column to the project matrix for tracking the status of DBE. Executive Director Dow-Ford will add an additional column for DBE tracking.

Ms. Parker noted she attended the School Board meeting last evening, which the City requested to be on the agenda. The City requested a reduction of the repository fee from \$500 to \$100. The School Board voted down the request with no discussion offered. Ms. Parker noted the Redevelopment Authority project with Impact Harrisburg will move forward with the Redevelopment Authority paying approximately \$20,000 to the School Board for the cost of the fee.

IMPACT HARRISBURG GRANT AWARDS

Grantee Name	Dollar Amount	Date of Executed Contracts from Grantee	Date of Fully Executed Contracts
City of Harrisburg Microsoft Office 365	\$250,000.00	4/5/2017	4/18/2017
Infrastructure Contingency Grant TOTAL:	\$250,000.00		
Capital Region Water Multi-Modal Collaborative Facility	\$2,743,645.25	12/20/2017	2/7/2018
City of Harrisburg Multi-Modal Collaborative Facility	\$2,743,645.25	4/3/2017	4/18/2017
Infrastructure Improvement Grants TOTAL:	\$5,487,290.50		
Community First Fund	\$350,000.00	3/20/2018	3/20/2018
East Shore YMCA	\$138,592.00	4/11/2017	6/20/2017
Gamut Theatre	\$250,000.00	Pending	
Tri-County Community Action Commission	\$204,759.00	3/31/2017	3/31/2017
Tri-County Housing Development Corporation	\$350,000.00	4/24/2017	6/20/2017
Community Building Grants TOTAL:	\$1,293,351.00		
City of Harrisburg, Playground Resurfacing	\$250,000.00	10/22/2017	10/25/2017
Harrisburg Redevelopment Authority	\$500,000.00	4/27/2017	5/2/2017
Harrisburg River Rescue	\$81,369.00	1/26/2017	4/4/2017
Paxton Street Home Benevolent Society	\$100,000.00	2/2/2017	2/14/2017
Salvation Army	\$500,000.00	12/5/2016	4/4/2017
TLC Construction and Renovations	\$500,000.00	12/14/2016	4/4/2017
Webpage FX, Inc.	\$500,000.00	3/28/2017	4/4/2017
YMCA-Camp Curtin	\$500,000.00	Executed	Pending
Large Economic Development Grants TOTAL:	\$2,931,369.00		

Executive Director Dow-Ford noted she invited Mayor Papenfuse, Mr. Woolley, Business Administrator and Council President Williams to the May Board meeting.

5. Other Business

There was no other business to discuss.

The Chair adjourned the meeting at 12:15 p.m.

Meeting minutes were submitted by Recording Secretary, Anne Morrow.

The next Board meeting is scheduled for May 15, 2018 at 10:30 a.m. at the Pennsylvania Housing Finance Agency, 211 North Front Street, Harrisburg, PA.

Approved this 15th day of May 2018.

Sheila Daw Ford


Mr. Neil Grove, Chair

~~Mr. Brian Hudson, Secretary~~
Ms. Sheila Daw-Ford, Executive Director