

MINUTES
ANNUAL MEETING OF IMPACT HARRISBURG
June 19, 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
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
Larry Segal, Compliance Team
Annemarie Byrnes, Compliance Team
Marita Kelley, Coordinator for the City of Harrisburg
Anne Morrow, Recording Secretary
Christopher A. Sporcic, CIMA, Vice-President, Wilmington Trust
Marc Woolley, Business Administrator, City of Harrisburg

Officers of the Board Absent:

Brian Hudson, Secretary

The Chair called the meeting to order at 10:51 a.m.

Mr. Hill arrived at the meeting at 11:16 a.m.

Mr. Singleton left the meeting at 11:54 a.m. Mr. Hill and Ms. Brock left the meeting at 12:41 p.m.
Ms. Kelley left the meeting at 1:09 p.m. Ms. Parker left the meeting at 1:22 p.m.

The Chair welcomed guests Chris Sporcic, Vice President, Wilmington Trust and Marc Woolley, Business Administrator, City of Harrisburg. Guests will provide updates to the Board.

1. Presentation - Wilmington Trust

Mr. Sporcic provided an Investment Review update on Impact Harrisburg's portfolio. He noted Wilmington Trust will continue to have a buy-and-hold strategy. In 2017, investments matured one-year or less with the anticipation of project draws. The summary portfolio shows that with investments that matured the cash was placed in the money market fund. Mr. Sporcic recommended keeping current strategies intact and also that the Board consider reinvesting some of the assets that matured into a fixed income investment. The Treasurer agreed with Mr. Sporcic

and recommended reinvesting \$3 million from the money market fund to a fixed income investment for a year or less. The Chair asked for a motion.

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

"The Board accept the recommendation to place \$3 million, currently in the money market fund, into a fixed income investment, for a year or less."

MOTION CARRIED UNANIMOUSLY

2. Presentation - Marc Woolley, City Business Administrator

Mr. Woolley, the City Business Administrator, was invited to provide an update on the percentage of disadvantaged business enterprises (DBE) the City is currently using on City projects, especially on the Multi-Modal project, for which Impact Harrisburg awarded both the City and Capital Region Water (CRW) a grant in the amount of \$2,743,645.25, respectively. DBE participation is of great importance to Impact Harrisburg. The Compliance Team and Executive Director are collaborating with the City and CRW to see what can be done to increase the number of DBE participants on the Multi-Modal project. Mr. Woolley stated communication is key in moving forward.

Mr. Woolley noted he is working with the City Administration on the tracking and reporting of DBE participation on City projects. A development program to help foster and develop small businesses, by giving them the tools they need to do business with the City and prosper, is being revised to improve the program as well as looking at how the City can work more closely with their partners.

Mr. Woolley noted the City is well within its range of 15-20% for DBE participation on City projects. Continued outreach and vendor development will assist to increase the numbers.

Ms. Martin-Roberts inquired how many minority contractors the City has listed that are accessible for working on various City projects. Mr. Woolley noted there are different types of businesses and opportunities that are more conducive to smaller businesses and MBEs. Numbers are low in terms of outreach because 73% of vendors don't self-identify through the certification process. This data is being looked at and the City is hopeful to have better numbers by year-end.

Mr. Martin-Roberts inquired how many minorities attended the City's workshop on June 1. Ms. Parker noted approx. 100 MBEs attended. The City requested that every vendor attending the workshop register with the City to get on the vendor list. The City's partners were also in attendance and advised vendors how to access them for technical assistance.

Ms. Martin-Roberts asked about the City's strategy on implementing the new process. Mr. Woolley noted he is working on cleaning up the existing vendor list. A number of outreach trainings have been held. CRW has also held events in which the City has participated. The City is reintroducing itself to the small business arena and has invited the vendors to complete the City's registry to be a third-party vendor or to self-identify as a DBE vendor. The City will work on having continual interaction with the vendors by way of advertising on Channel 20 and sending out blast emails. Education will be available on the bid process as well. The City wants to encourage and maintain DBE vendors and wants them to know the City is there to support their services.

Ms. Martin-Roberts inquired if the City has completed a survey with the DBE vendor list to inquire what the City can do to assist the DBE vendors that will strengthen their ability to bid on the various projects that the City or CRW posts and further, to hold educational trainings or provide mentoring support with the data obtained. Mr. Woolley noted he is drafting a strategy plan for the City. Part of the plan will be for the departments to utilize surveys for obtaining data for building up the process. Ms. Parker added information was obtained at the June 1 workshop that will assist the City with holding future trainings on specific topics. These specific trainings will help prepare small vendors to be successful in the future.

Ms. Byrnes noted the conversations between the Compliance Team and contractors on projects have mentioned they are experiencing some difficulty identifying DBE's who are certified to work on larger City projects. Some strategies the contractors are taking consist of – 1.) Looking at the trades in advance to identify DBEs who can provide the service; and, 2.) Partnering; and, 3.) Getting a DBE commitment form included in the proposals.

Mr. Montgomery inquired what the City's strategy is for getting more minorities involved in trades where there isn't currently any participation and how the City can help bring forth new trades and mindsets for DBE involvement in future economic development in the City. Mr. Woolley noted the City would like to partner with specific areas of trade by establishing apprenticeship programs and leveraging with current partners to assist with training and educating for the future.

Executive Director Dow-Ford discussed partnering with the City, as both entities are striving to achieve the same goals regarding DBE participation and economic development in the City. She continued by encouraging the City to be a partner with the Harrisburg Business Opportunity Fund (HBOF) not only through technical assistance but also financially. Mr. Woolley noted the City must first establish its baseline with updated and corrected DBE data. By doing this the City will be in a better position to engage its partners and focus on what's at hand.

Ms. Parker noted Community First Fund (CFF) is scheduling educational classes that will begin at the end of the summer to help small businesses get started. Impact Harrisburg's educational portal is now in place, as well, to help and assist small businesses and entrepreneurs.

Executive Director Dow-Ford noted Community First Fund and the Chamber of Commerce and Economic Development Corporation (CREDC) will attend a Board meeting either in July or August.

Executive Director Dow-Ford thanked Mr. Woolley for coming to the meeting to provide the Board with an update on DBE participation. She reiterated, Impact Harrisburg desires to build a stronger relationship by partnering with the City. In conclusion, Executive Director Dow-Ford encouraged Mr. Woolley to ask the Mayor to send a thank-you letter to Brian Hudson for the financial contribution he made through the Commonwealth Cornerstone Group, a nonprofit corporation created by the Pennsylvania Housing Finance Agency (PHFA), in the amount of \$650,000 to the HBOF to help grow and prosper economic development in the City. Mr. Woolley promised to relay the message.

3. Regular Meeting Minutes

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

“The minutes from Impact Harrisburg Board of Directors regular meeting of May 15, 2018, be approved as printed.”

MOTION CARRIED UNANIMOUSLY

4. Treasurer’s Report

The Treasurer reported the Operating Account at Fulton Bank has a balance of \$603,033.06. Based on the Compliance Team’s draw schedule that was distributed to the Board, the June draw requests are anticipated to be approximately \$596,000 and July’s draws are anticipated to be in the amount of \$500,000. The Treasurer recommended a wire transfer from Wilmington Trust to Fulton Bank in the amount of \$500,000 to fund the June draw requests and a portion of the July draw requests.

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

“The Board approve a wire transfer from Wilmington Bank to Fulton Bank in the amount of \$500,000 to fund June and a portion of July draw requests.”

MOTION CARRIED UNANIMOUSLY

The Treasurer provided an update on the FY 2017 audit. An Engagement Letter from Maher Duessel was received. The Treasurer and Executive Director will begin submitting 2017-18 information to Maher Duessel for the audit. A Financial Report for FY 2017-18 will be submitted to the Board when completed. The FY 2018-19 budget will be circulated at the next Board meeting.

Executive Director Dow-Ford noted she circulated a list of Finance Committee meeting dates for the Committee member’s availability. The Finance Committee meetings will tentatively be scheduled on the Tuesday before each regular Board meeting at 2 p.m. at M&T Bank, 213 Market Street, Harrisburg. Meetings will be held as the Committee Chair finds is necessary.

Executive Director Dow-Ford circulated a project closeout report as a sample template for the Board’s consideration and discretion.

The Treasurer noted grant funds to Community First Fund were distributed this past month. A statement of proof of funds showing receipt of grant money is required for auditing purposes.

Upcoming draw requests from the City for the Multi-Modal project and the Camp Curtin YMCA will be forthcoming.

5. Coordinator for the City of Harrisburg Update

Marita Kelley, Recovery Coordinator for the City of Harrisburg, provided the Board with an update. On May 21, 2018, the Commonwealth of Pennsylvania filed litigation against vendors who provided services to the City with regard to the incinerator project. Impact Harrisburg is one of many entities that will receive a percentage of the proceeds, should a judgment or settlement be in favor of the Commonwealth. The Coordinator’s Recovery Exit Plan will be filed with the Mayor and Office of City Clerk on Monday, July 9, 2018, simultaneous with filing of the Coordinator’s status report.

6. Executive Director Report

Executive Director Dow-Ford noted she was in contact with the Officers of the Board to inquire if each person wanted to continue to serve in their capacity as Officer. Each Officer responded by email and agreed to serve in their same capacity as Officers for another year. Further, Executive Director Dow-Ford noted the By-Laws allow for a Second Vice-Chair, although this position has been vacant in the past. Ms. Martin-Roberts has requested the opportunity to serve in this capacity as the Second Vice-Chair.

Current Officers are: Chair - Mr. Neil Grover; Vice-Chair - Mr. Doug Hill; Secretary - Mr. Brian Hudson and Treasurer - Ms. Brittany Brock.

The Chair asked Executive Director Dow-Ford to call for a motion by acclamation of the Board to accept the slate of the five (5) candidates presented, to serve in their capacity as stated by the Executive Director, for a one-year term, and further, for the nomination of Ms. Martin Roberts as Second Vice-Chair. Chair - Mr. Neil Grover; Vice-Chair - Mr. Doug Hill; Second Vice-Chair – Ms. Gloria Martin-Roberts; Secretary - Mr. Brian Hudson and Treasurer - Ms. Brittany Brock.”

MOTION CARRIED UNANIMOUSLY

The Compliance Team provided an update on the status of the Grantee projects.

Update 06-19-2018 Project Name (Grant amount)	Compliance Process Started/Completed	Draw Requests Submitted	Status/Comments
Camp Curtin YMCA (\$500,000)	Started	Draw request #2 approved	<ol style="list-style-type: none"> 1. Received fully executed grant agreement. 2. Received fully executed grant amendment. 3. Received "as is" property appraisal of \$1.9M as match. 4. Contract for project is \$725,818. Cash funding of \$231,000 is from the Y. Have a resolution from Area Y Board to fund that amount; will provide documentation of paid expenditures with draw requests. 5. Compliance forms were sent 2/18/2018 and received May 8. 6. Project is underway. MBE participation is 28%. 7. Second pay request is ready for Board review. Received copies of permits and confirmation that there were no environmental issues that had to be addressed. 8. Expect one more pay request in July.

			9. Obtaining statement from Camp Curtin that OK to remit IH funds to Area Y.
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. Received copies of bids for Cloverly Heights and Royal Terrace. 3. Received MBE plan. 4. Held call w the project on May 2, 2018. Added Alesha Vonada to SF to upload info. 5. They are gathering further information needed to draw IH funds.
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 #3 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 was in the amount of \$102,970.63. Draw request #2 is in the amount of \$415,234. Draw #3 is in the amount of \$185,774; waiting on signed draw request. 5. Phase I match is less than 50%, which will be made up in later phases. 6. There is a new grant manager at the city, Rebecca Vollmer, who was invited to the Sharefile account and has provided much documentation. 7. Discussed with Rebecca that the city may request Board to

			approve direct pay to contractor for upcoming work.
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. SDF requested a copy of account statement.
East Shore YMCA (\$138,592)	Started	Draw request #1 under review	<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 started the week of 4/16/18. 4. Received payrolls from the project, which are in compliance. 5. Correspondence with the Y director about required documentation, but nothing has been received. LS met with Grantee on 6/13.
Gamut Theatre Group--Educ. Ctr (\$250,000)	Started		<ol style="list-style-type: none"> 1. Grant agreement in process by SDF; signed by Gamut. 2. Projected is following a design-build process. 3. The project will take 90 days and building renovation has started. Sent compliance forms and Gamut is working on them. 4. LS met with the project to discuss scope and requirements. They will present a request to the Board for scope approval.
Harrisburg Redevelopment Authority (\$500,000)	Started		<ol style="list-style-type: none"> 1. Waiting on project start.

Salvation Army of Harrisburg (\$500,000)	Started		<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 overall scope of \$10.2 million project and received New Market Tax Credits. SA is proposing a modified scope for the IH project and will submit formal request to the Board. 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. Finalizing bids, permits, plan approvals. Construction to begin early September 2018. Identified confirmed sources and uses of funds; fundraising ongoing. 5. The Team prepared compliance documents now that project sources and uses are better defined and held a call on 5/3/18. 6. Project will go out to bid on 6/4, break ground on 9/10/18. Received approval from City Council. 7. Pyramid Construction is the CM at risk. The Team held a call with Pyramid on 5/9/18 to discuss scope, prevailing wage, MBE participation, etc. Pyramid is identifying elements for MBE participation, and looks for opportunities to partner MBEs with larger contractors as well. 8. The site work will take place predominately in Sept-Nov 2018, approximately 3/4 of the work, with remainder of site work in latter part of 2019.
TLC Constr./Hamilton Healthcare Bldg (\$500,000)	Started	Draw Request #5 submitted	<ol style="list-style-type: none"> 1. Fourth draw request was paid in February. 2. Received fifth and final draw request. Project is 100% complete.

Tri-County Community Action (\$204,759)	Started		<ol style="list-style-type: none"> 1. Expected to start in early 2018 - April/May. Compliance forms sent. 2. Conference calls held on 1/30/2018 and 5/14/2018. 3. Discussed sources and uses, D/MBE, bidding, prevailing wage, and draw requests. 4. Grantee will send us info to review. 5. CRW is 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. Started work on 235 Hummel Street. 3. Resent compliance forms on 4/13/2018. Requested clarification. 4. Held call with the project on 5/11/18.
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.

Ms. Parker noted the ribbon-cutting for the playground project will be held on September 6. An invitation will be circulated to the Board.

Mr. Segal reported Tri-County HDC was approved funding through the City, which provides the remaining funds needed to complete the project at 235 and 245 Hummel Street.

Executive Director Dow-Ford noted a Grant extension template will be created for sending out six (6) Grant extensions. Copies of the extensions will be circulated to the Board.

All Grant Agreements are executed with the final agreement executed by Gamut Theatre.

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	6/1/2018	6/26/2018
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	3/9/2017	3/9/2017
Large Economic Development Grants TOTAL:	\$2,931,369.00		

7. Other Business

There was no other business to discuss.

The Chair adjourned the meeting at 1:52 p.m.

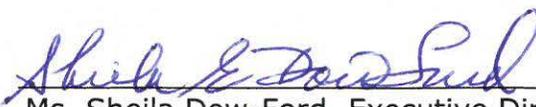
Meeting minutes were submitted by Recording Secretary, Anne Morrow.

The next Board meeting is scheduled for August 21, 2018 at 10:30 a.m. at the Pennsylvania Housing Finance Agency, 211 North Front Street, Harrisburg, PA.

Approved this 21st day of August 2018.



 Mr. Neil Grover, Chair



 Ms. Sheila Dow-Ford, Executive Director