

MINUTES
IMPACT HARRISBURG
September 18, 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
Gloria Martin Roberts, Second Vice-Chair

Board of Directors Present:

Dale Laninga, Director
Russ Montgomery, Director
Jackie Parker, Director

Others Present:

Sheila Dow-Ford, Executive Director
Marita Kelley, Coordinator for the City of Harrisburg
Larry Segal, Compliance Team
Glenda Machia, Community First Fund
Anne Weaver Morrow, Recording Secretary

Officers and Directors of the Board Absent/Excused:

Brittany Brock, Treasurer
Brian Hudson, Secretary
Karl Singleton, Director

The Chair called the meeting to order at 10:44 a.m.

Ms. Martin-Roberts arrived at the meeting at 10:48 a.m.

1. Community First Fund Update

Glenda Machia with Community First Fund (CFF) provided the Board with an update on the Harrisburg Business Opportunity Fund (the Fund).

- Four loans have closed totaling \$100,000
- Two loans are being prepared for committee's review and approval in the next couple weeks
- A risk rating is completed for every loan based on a 1-5 scale
- The interest rate on a loan with the Harrisburg Business Opportunity Fund is 5%
- The duration of a standard business loan is not more than five (5) years
- CFF is working with a bank to partner with the Harrisburg Business Opportunity Fund to match \$1 million
- Training classes with partners are beginning to get scheduled

2. Regular Meeting Minutes

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

"The minutes from the Impact Harrisburg Board of Directors regular meeting of August 21, 2018, be approved as printed."

MOTION CARRIED UNANIMOUSLY

3. Treasurer's Report

The Chair announced that Treasurer Brock has submitted her resignation to the Board, effective October 31, 2018. Mr. Hill has volunteered to assume the Treasurer's responsibilities in the interim, until such time as the Board nominates a new Treasurer. The Board thanked Mr. Hill for his consideration as he takes over the Treasurer's responsibilities.

Forms to update the authorized signers will be completed over the next month. Audit materials will be forwarded to Maher Duessel in weeks to come for review and filing, and other responsibilities will be transferred.

The Chair asked for a motion to nominate Doug Hill as Interim Treasurer.

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

"Doug Hill be nominated as Interim Treasurer."

MOTION CARRIED UNANIMOUSLY

4. Finance Committee Meeting

Executive Director Dow-Ford noted a Finance Committee meeting was not held in August. In lieu of a meeting, Ms. Brock, Mr. Grover and Executive Director Dow-Ford met to discuss upcoming Board items.

Ms. Brock's end-date with the Board will be October 31, 2018. The Executive Director will assist with the transition from the Treasurer to the Interim Treasurer. A Finance Committee meeting or Board meeting may need to be held earlier than scheduled for working through the transition, if necessary. Ms. Brock will be deeply missed.

The Chair noted there have been an entire series of project ground breakings since the last Board meeting – Salvation Army, Paxton Place, and the city's playground projects. Executive Director Dow-Ford has been in attendance at all such events, and she noted Board Officers and Directors are always welcome to attend.

5. Executive Director Report

Executive Director Dow-Ford reported she and the Compliance team have been communicating steadily on the grantee projects and have provided a spreadsheet on the updates. Annemarie Byrnes has transitioned to a part-time employee status with Milligan & Company; in this capacity she will remain the company liaison and primary director on the current Impact Harrisburg contract. In the event that the Board decides to extend the Milligan & Company contract for compliance purposes, Milligan & Company has agreed for Ms. Byrnes and Mr. Segal to continue to work for Milligan & Company in a part-time capacity and the company will continue to provide the Board with access to the Shared-drive for viewing grantee project folders and documents, with continued use of the conference call dial-in information, and the provision of all other assets that

both compliance consultants provide to the Board. John Milligan has offered to meet with the Board as actions move forward. As the six-month contract term with Milligan & Company comes to an end at the close of October, Mr. Grover, the Board Chair, recommended that the Finance Committee meet for reviewing and making a recommendation on extending the Milligan & Company contract for an additional six-months.

A spreadsheet outlining the Grantee's draw schedule was circulated along with the below project status update. Mr. Segal reported that project monitoring continues, and that six to seven projects have completed work. As the remaining projects gain momentum over the next few months and come to completion next year, the organization can begin to discuss a phase-out/closeout process. The Compliance Team is beginning to implement closeout procedures, beginning with the Paxton Ministries project.

Mr. Segal noted that Impact Harrisburg compliance on the Salvation Army project is focused on the site-development work. The Chair noted a modification to Salvation Army's scope of work will be needed in writing for the Finance Committee to review and present the modifications to the Board for deciding if an addendum must be completed.

The Chair noted, after reviewing the projections of the draw schedule, it appears that all but three (3) projects should be substantially completed by year-end. Mr. Segal reported his expectation is that all projects will be well underway by the end of the year at a minimum. After reviewing the draw schedule, once project paperwork and draws are received, the draw schedule may change somewhat depending on the progress of the project.

Update 09-18-2018 Project Name (Grant amount)	Compliance Process Started/Completed	Draw Requests Submitted	Status/Comments
Camp Curtin YMCA (\$500,000)	Started	Draw request #3 submitted	1. Received fully executed grant agreement and amendment. 2. Received "as is" property appraisal of \$1.9M as match. 3. 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; has provided documentation of paid expenditures with draw requests. 4. Compliance forms were sent 2/18/2018 and received May 8. 5. MBE participation is 28 percent. 6. Received pay request 3 in July. One final draw request will be submitted. 7. SDF 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 MBE plan and copies of bids for Cloverly Heights and Royal Terrace. 3. Held a call in May 2018 and added Alesha Vonada/AV to SF to upload info; Alesha is the CRW grant coordinator for this project. 4. Larry Segal/LS met with AV in August 2018 to discuss status and docs needed. AV is gathering further information needed to draw IH funds. 5. Ribbon cutting was held in early September 2018. AV wants to prepare the IH compliance materials and draw forms in October. The Team will assist as needed.
Capital Region Water multi-modal (\$2,743,645.25)	See City multimodal.		<ol style="list-style-type: none"> 1. See City multimodal. 2. LS met with Alesha Vonada about the IH grant for this project. AV wants to meet in October to review.
City of Harrisburg multi-modal (\$2,743,645.25)	Phase I Started - Third Street project	Draw request #3 submitted	<ol style="list-style-type: none"> 1. Received executed construction contract for Third Street project, and payrolls through draw 3, which are in compliance, and bonds and insurance. 2. Agreement between the City and CRW in process. 3. 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. 4. Phase I match is less than 50%, which will be made up in later phases. 5. The city grant manager, Rebecca Vollmer/RV, has provided much documentation. Discussed with Rebecca that the city may request Board to approve direct pay to contractor for upcoming work. 6. Paving on Third St project may not start until spring 2019. 7. RV uploaded construction invoices 8A-8C and 9 and is

			<p>awaiting payrolls and canceled checks. On August 13, 2018, Annemarie Byrnes/AMB requested copy of change order and other invoices/documentation for draw #4. Rebecca is working on gathering the documentation.</p> <p>8. LS will follow up with RV the week of 9/17 for project status.</p>
Community First Fund (\$350,000)	NA		<ol style="list-style-type: none"> 1. Received executed partnership agreement with CFF, dated 3/20/2018. 2. Board discussed requirements and process. CFF worked with CREDC to establish a borrower education portal. 3. SDF met with CFF on 7/6/18. She received an update (6/30/18 quarterly report) and a copy of account statement. 4. Glenda from DVV will attend a board meeting to provide additional details about the program.
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 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; this work is complete. Received payrolls, which are in compliance. 4. Received payrolls from the masonry project, which are in compliance. Waiting on additional documents. 5. AMB and LS had a call with the Y director on 7/6/2018. Some work remains to be completed on the match, and IH work of roofing and painting should be done in the fall 2018. 6. Received email from ESY stating concurrence with IH issuing checks to Area Y. 7. Received copies of canceled checks for \$90,000 of match

			<p>expenses and invoices.</p> <p>8. The IH work to date was for \$34,000. The ESY has remaining work out to bid. AMB/LS will review for MBE compliance.</p> <p>9. Discuss prevailing wage for the overall and individual project contracts.</p>
Gamut Theatre Group-- Educ. Ctr (\$250,000)	Started	Draw #1 submitted	<ol style="list-style-type: none"> 1. Grant agreement in executed. 2. The Board approved the use of IH funds for project soft costs. Scope of project remains the same but use of IH funds has changed to soft costs - general conditions/supervision and equipment. 3. Note that WBE participation is \$6,000 on \$500,000 project; the project is not paying PA Prevailing Wage on hard construction; and the IH project was not bid and requests a waiver. Note that due to the complexity of the building, Gamut awarded the Phase II contract to the Phase I contractor.
Harrisburg Redevelopment Authority (\$500,000)	Started	Draw #1 under review	<ol style="list-style-type: none"> 1. The project provided some documentation on 7/13/18, which is under review. 2. AMB and LS held a call on 7/20/2018 with HRA. IH grant application was for a \$650,000 project, with \$500,000 IH grant and \$150,000 match from city expenditures for demolition. Need Board approval about the amount of the match, acceptable expenditures, e.g., demolition of city-owned houses, and the documentation needed for match expenditures. Note that the Finance Committee reviewed the request about the acquired properties as match. 3. The county has sold some of the properties that were listed for acquisition in the grant agreement. HRA provided a new list of 41 acquired properties. LS has

		<p>reviewed documents for the acquired properties, including deeds and conveyance documentation.</p> <p>4. Draw 1 will be for acquisition and closing costs of acquired properties.</p> <p>5. HRA will register the project for prevailing wage for demo work when they are ready to go out for bid.</p> <p>6. HRA has MBE firms that they send RFPs to, and works with the city as well to send RFPs to the city's database of MBE firms. Include MBE requirement in RFP.</p> <p>7. LS prepared a site chart of 41 properties HRA acquired, cleared title, and demolished some. Draw request in process and week of 8/20/2018.</p>
Salvation Army of Harrisburg (\$500,000)	Started	<p>1. SA received a \$500,000 RACP grant, which is less than the \$4.5 million requested. On 4/6/18, SA attended the Finance Committee meeting. Received commitment of \$5 million NMTC funds from CFF.</p> <p>2. The project wants to maintain the overall scope of a \$12 million project. SA is proposing a modified scope for the IH project for site work only and prepared a revised sources and uses table. Ceremonial groundbreaking was held in September 2018. SA must submit a revised scope to the Board for approval.</p> <p>3. Finalizing bids, permits, plan approvals. Sitework to begin September 2018, and groundbreaking ceremony held in September 2018. Identified confirmed sources and uses of funds; fundraising ongoing.</p> <p>4. 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.</p>

			<p>Pyramid is identifying elements for MBE participation, and looks for opportunities to partner MBEs with larger contractors as well.</p> <p>5. The site work will take place predominately in Sept-Nov 2018, approximately 3/4 of the work, with remainder of site work in fall of 2019.</p> <p>6. Held a call on 8/27/2018 with rep from Delta Development. Sitework will begin in September 2018 with excavation and footers. The site work total is \$1.2M, and is part of a larger, \$12 million project. The project is being phased between site improvements and vertical construction. The project is paying PA Prevailing Wage on the first phase, which includes the IH work. AMB/LS explained that IH needs to see complete funding in place for the entire project.</p>
Tri-County Community Action (\$204,759)	Started		<p>1. Expected to start in early 2018 - April/May. Now looking at fall start for CAC portion (facade work) and spring 2019 start for CRW work (curbs, bulb-outs, street furniture). Tri-County issued RFP for facade work in August 2018.</p> <p>2. Conference calls held on 1/30/2018, 5/14/2018, and 8/1/2018.</p> <p>3. Discussed sources and uses, D/MBE, bidding, prevailing wage, draw requests, and required documentation to demonstrate staff and volunteer hours as match.</p> <p>4. CRW is providing assistance and some of CAC work will be part of larger contract bid by CRW.</p>
Tri-County HDC (\$350,000)	Started	Draw #1 under review	<p>1. Compliance forms sent in December 2017 and teleconference was held. Resent compliance forms on 4/13/2018.</p> <p>2. July 2018 - project filled</p>

			<p>funding gap of \$74,200 with money from the city and began work on 235 and 245 Hummel Street.</p> <p>3. Held call with the project on 5/11/18; LS met with on 8/1/2018. Project is organizing info - bids, contracts, etc.</p> <p>4. Submitted first payment request; more documentation was needed. AMB/LS held conference call with the project on 9/13/2018 to discuss match and expenses/uses, and waivers. Project should be complete in November 2018.</p> <p>5. Discuss with the Board issues of bonds vs. lien waivers, and acceptable documentation of match expenses.</p>
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.
TLC Constr./Hamilton Healthcare Bldg. (\$500,000)	Completed	Yes	Project is complete.
WebpageFX (\$500,000)	Completed	Yes	Project is complete.

* AMB is sending the Board-approved closeout audit form to all Grantees.

Mr. Segal provided an update on disadvantaged business enterprise (DBE) participation. Tri-County HDC and East Shore YMCA have had minimal DBE participation in the masonry contractor position. East Shore YMCA is hopeful to increase DBE participation in the positions of painting and window work. Executive Director Dow-Ford noted that Camp Curtin YMCA had 98%-100% DBE participation. Looking at the YMCA's encompassing, the overall DBE participation for the East Shore YMCA is 50%.

Executive Director Dow-Ford noted currently there are two draws pending for processing and payment. Going forward a list of draws will be gathered through October 31 and given to the Interim Treasurer for processing payments to the Grantees. Executive Director Dow-Ford recommended amending the reimbursement policy by changing the turnaround time from Net 45 days to Net 30 days, so payment can be made to the contractors in a timelier manner.

Ms. Martin-Roberts hard-pressed the importance of DBE participation on all projects. Executive Director Dow-Ford acknowledged the Board's concern with DBE participation and will continue to work with the Compliance Team to stress to the Grantees and contractors the uncertainty of reimbursement until DBE participation is improved.

7. Other Business

The Chair noted a letter was received last Friday, dated September 14, 2018, from Mayor Papenfuse requesting a grant from Impact Harrisburg in the amount of \$270,000 for three years beginning January 1, 2019 through December 31, 2021 to pay for an Economic Development Project Director. The City's economic development arm is in line with the mission of Impact Harrisburg, which is a long-term breach of funding and how having an Economic Development Project Director will have a long-term effect on the entire City. There is a billion dollars on the books for projects, private and public combined, in the pipeline. It's important for the City to stay on top of these projects with the departure of the City's Economic Development Director.

Ms. Parker noted the City needs a Project Manager to assist with daily calls that are received and discuss possible projects with developer's that stop by the Government Center. The City would like to see how regularity things work with planning, zoning, permit and engineering. The City needs someone to help guide the daily process of economic development in the City. This position is not a replacement for the City's Economic Development Director.

Executive Director Dow-Ford will work with the Treasurer for gathering the accounting amounts for each grant category to calculate the available funding left over from the first round of grant applications. After reviewing the grant categories, it was determined the request for grant funding would fall under the Economic Development Contingency Fund Program.

- Economic Development Contingency Fund Program – funding for non-infrastructure related emergency needs; for where there is no other funding available causing stress on the City's General Fund. For further information on all the grant Program Guidelines, go to http://impactharrisburg.org/wp-content/uploads/2017/08/ProgramRequirements_PDF.pdf

After further discussion, the Board felt the City should first pursue one or all steps below:

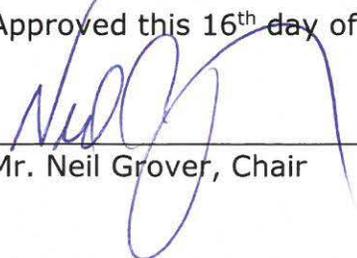
- The City meet with City Council to determine if there is funding available in the City's budget
- The City meet with the Harrisburg Coordinator to discuss an application for an Act 47 grant
- The City identify and contact other sources for funding

There being no further business to discuss, the Chair adjourned the meeting at 12:32 p.m.

Meeting minutes were taken by Recording Secretary, Anne Morrow.

The next Board meeting is scheduled for October 16, 2018 at 10:30 a.m. at the Pennsylvania Housing Finance Agency, 211 North Front Street, Harrisburg, PA.

Approved this 16th day of October 2018.



Mr. Neil Grover, Chair



Ms. Sheila Dow-Ford, Executive Director