

MINUTES
IMPACT HARRISBURG
October 16, 2018, 10:30 a.m.
Pennsylvania Housing Finance Agency
211 North Front Street, Harrisburg

Officers of the Board Present:

Neil Grover, Chair
Gloria Martin Roberts, Second Vice-Chair
Brittany Brock, Treasurer
Brian Hudson, Secretary

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
Larry Segal, Compliance Team
Anne Weaver Morrow, Recording Secretary

Officers of the Board Absent:

Doug Hill, Vice-Chair

The Chair called the meeting to order at 11:24 a.m.

1. Regular Meeting Minutes

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

“The minutes from the Impact Harrisburg Board of Directors regular meeting of September 18, 2018, be approved as printed.”

MOTION CARRIED UNANIMOUSLY

2. Treasurer’s Report and Finance Committee Report

Executive Director Dow-Ford noted a Finance Committee meeting was held on Tuesday, October 9, 2018 by conference call. The Committee discussed the need to review the project category balances and Treasurer responsibilities were outlined. Last month the Chair, Executive Director, Treasurer Brock and Interim Treasurer Hill met to begin the transition of the Treasurer duties. Interim Treasurer Hill will begin in his capacity as Interim Treasurer on November 1, 2018. Executive Director Dow-Ford and Treasurer Brock continue to work together with Maher Duessel on the FY 2017-18 audit.

Treasurer Brock took a moment to express her gratitude and the opportunity to be on the Board.

After reviewing the upcoming project draws, the Board agreed to transfer funds to cover both October and November project draws.

The current balance in the Operating account at Fulton Bank is approx. \$250,000 and approx. \$5M is available in cash, with \$3.2M in fixed income, totaling \$8.2M in the Investment account at Wilmington Trust. By June of 2019, the Board will want to review the current investments to decide if the current strategies should be restructured.

Authorized signers for the transferring of funds will be updated with Fulton Bank and Wilmington Trust to remove Ms. Brock and add Mr. Hill.

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

"A transfer from the Investment Account at Wilmington Trust to the Operating Account at Fulton Bank be made in the amount of \$1,500,000 to cover October and November project draws."

MOTION CARRIED UNANIMOUSLY

Treasurer Brock noted there were some checks for Executive Director Dow-Ford to sign. There are no outstanding invoices to be paid at this time. Files relating to Impact Harrisburg will be moved to a shared file folder for access by Interim Treasurer Hill and Executive Director Dow-Ford.

Executive Director Dow-Ford noted final numbers have been obtained for publishing the FY 2017 audit in the local newspaper. The notice will be advertised before the next Board meeting with the Central Penn Business Journal.

Executive Director Dow-Ford brought forth a recommendation from Ms. Martin-Roberts from the last Board meeting, which she requested an amendment to the reimbursement policy and noted the importance for the Board to pay their Grantee's in a timely manner. The current reimbursement policy notes payment is to be made within 45 days, (Net 45 days). Executive Director Dow-Ford presented Ms. Martin-Roberts recommendation to shorten the timeframe for payment the Grantee's to 30 days, (Net 30 days) and asked the Board to consider changing the reimbursement policy as such.

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

"The Board approve the amended process of the reimbursement policy when making payment to Grantee's from Net 45 days to Net 30 days, as amended; effective on October 16, 2018."

MOTION CARRIED UNANIMOUSLY

Executive Director Dow-Ford noted at the last Board meeting a recommendation to extend Milligan & Company's contract for services for an additional six (6) months at the same rate of \$10,000/per month through April 2019. An extension request from Milligan & Company was received and circulated to the Board for approval. After discussion, the Board agreed to retain Milligan & Company for an additional six (6) months. The Chair asked for a motion.

It was moved by Ms. Martin-Robert and seconded by Mr. Montgomery that:

“The Board agree to extend the contract with Milligan & Company to April 30, 2019 under the same terms and conditions presently in place.”

MOTION CARRIED UNANIMOUSLY

3. Executive Director Report

Mr. Segal thanked the Board on behalf of the Compliance Team for approving Milligan & Company’s contract for an additional six (6) months.

Mr. Segal discussed Salvation Army’s request to amend their scope of work. A \$500,000 grant was awarded to Salvation Army for the building of the 42,000 square feet community services building. The total project is approx. \$9M - \$10M. To not trigger prevailing wage on the total project amount, Salvation Army has asked to phase the project. Phase I of the project would be limited to site improvements. The funds from Impact Harrisburg and the state’s RCAP money will be used to fund Phase I. The balance of the construction for the building will be funded from Salvation Army’s funds and new market tax credit equity. Because the latter two sources are private, they do not in and of themselves trigger prevailing wage, whereas the two other sources would trigger prevailing wage. Salvation Army will pay prevailing wage on the site improvement; however, the scope of work under the grant agreement identifies the full project.

Salvation Army requests an amendment to change their initial scope of work to cover solely the site improvement Phase I of the project. Compliance can still be provided for the complete project. The total project amount under the site improvement phase is \$1.5M. For Phase II, Pyramid was outsourced for approx. \$7M of the project. Mr. Segal noted Salvation Army requests to use Phase II expenditures as a match for Phase I of the project.

The Executive Director and Chair noted the Salvation Army’s grant agreement sets forth a claw back provision on behalf of Impact Harrisburg.

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

“The Board agree to accept Salvation Army’s first Grant Agreement Amendment as submitted.”

MOTION CARRIED UNANIMOUSLY

Executive Director Dow-Ford and Mr. Singleton attended a pre-bid meeting session this morning convened by the City of Harrisburg and Capital Region Water regarding the Community Action Commission project taking place on Derry Street. Executive Director Dow-Ford spoke at the meeting of Impact Harrisburg’s involvement with funding a portion of the over-arching project for façade improvements of various businesses. She also spoke about the Harrisburg Business Opportunity Fund. A representative from Community First Fund (CFF) was present, however, there were no marketing materials available for hand-outs. Afterwards, a call was made to Glenda Machia with CFF requesting the need to work together towards outreach efforts and having marketing materials available at these types of gatherings. A representative from the Small Business Center spoke about networking with all the entities there and being a resource. Executive Director Dow-Ford further commended the Board along with their partners for working through the difficult process relating to disadvantaged business enterprises (DBE). By pressing forward to see that opportunities are available and communicating the desire for higher participation of by our Grantees, the results are beginning to be seen throughout the city.

Executive Director Dow-Ford and the Compliance team continue to work diligently with East Shore YMCA regarding the DBE participation.

A meeting with the City and Capital Region Water (CRW) is scheduled for next week regarding the Multi-Modal and the basketball court projects.

The grant extensions, once executed, will be uploaded to the Share file with Milligan & Company.

Update 10-16-2018 Project Name (Grant amount)	Compliance Process Started/Completed	Draw Requests Submitted	Status/Comments
Camp Curtin YMCA (\$500,000)	Started	Draw request #3 received	<ol style="list-style-type: none"> 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 obtained statement from Camp Curtin that OK to remit IH funds to Area Y. 8. LS will meet with Camp Curtin on 10/11/18. 9. AMB sent close out audit form and requested status of final draw.
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. 6. The Team is coordinating follow up as part of multimodal project review.
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. The Team will meet with Grantee to discuss.

<p>City of Harrisburg multi-modal (\$2,743,645.25)</p>	<p>Phase I Started - Third Street project</p>	<p>Draw request #4 being drafted</p>	<ol style="list-style-type: none"> 1. Received executed construction contract for Third Street project, payrolls through draw 4, and bonds and insurance. The City is clarifying a couple of payroll questions. 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. Draw #4 (pay app 7) being developed for \$68,021.29. 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 8B-8C and 9, and is awaiting payrolls. Pay app 9 is for 7/11-7/31/2018, with \$1,110,966.97 completed, or 17 percent..Received contractor pay apps 8B, 8C, 9, and 10 with proof of payment by the City. 8. LS met with RV on 9/24 for project status. Meeting proposed for 10/18 or 10/19 to discuss change order and sources/uses for remainder of Third Street project.
<p>Community First Fund (\$350,000)</p>	<p>NA</p>		<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 attended the September 2018 board meeting to provide additional details about the program. Refer to the September board minutes. SDF will follow up with Glenda.

<p>East Shore YMCA (\$138,592)</p>	<p>Started</p>	<p>Draw request #1 under review</p>	<p>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. 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 expenses and invoices. 8. The IH work to date was for \$34,000. The ESY has remaining work out to bid. AMB/LS discussed plans for MBE compliance, and Camp Curtin will provide input. 9. AMB emailed status of documentation needed on 10/05/2018; LS will follow up week of 10/15/2018. 10. Discuss prevailing wage for the overall and individual project contracts.</p>
<p>Gamut Theatre Group--Educ. Ctr (\$250,000)</p>	<p>Started</p>	<p>Draw #1 received</p>	<p>1. 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. 2. 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. 3. AMB sent closeout audit form to Gamut and requested status of final draw.</p>

<p>Harrisburg Redevelopment Authority (\$500,000)</p>	<p>Started</p>	<p>Draw #1 under review</p>	<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 fSDF will follow up on demolition. Board approved in concept the use of city demolition expenses as match, and 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 reviewed documents for the acquired properties, including deeds and conveyance documentation. 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. 4. Draw 1 will be for acquisition and closing costs of acquired properties. 5. HRA will register the project for prevailing wage for demo work when they are ready to go out for bid. 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. 7. SDF will follow up on the required amount of match for the IH grant, and LS will meet with HRA to review status of docs.
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<p>Salvation Army of Harrisburg (\$500,000)</p>	<p>Started</p>	<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. 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 request for a scope amendment to the Board for approval. 3. Finalizing bids, permits, plan approvals. Sitework was to begin September 2018, and groundbreaking ceremony held in September 2018. Identified confirmed sources and uses of funds; fundraising ongoing. 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. Pyramid is identifying elements for MBE participation, and looks for opportunities to partner MBEs with larger contractors as well. 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 2019.6. Held a call on 8/27/2018 with rep from Delta Development. Sitework was to 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. 7. AMB and LS held call with Delta rep for status on 10/12/2018. Construction site work is underway; footers are in. Delta is gathering compliance documentation. Scope amendment proposal is being prepared for the board.</p>
<p>Tri-County Community Action (\$204,759)</p>	<p>Started</p>	<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. 2. Conference calls held on 1/30/2018, 5/14/2018, and 8/1/2018. 3. Discussed sources and uses, D/MBE, bidding, prevailing wage, draw requests, and required documentation to demonstrate staff and volunteer hours as match. 4. CRW is providing assistance and some of CAC work will be part of larger contract bid by CRW. 5. AMB emailed for status on 10/10/18.</p>

Tri-County HDC (\$350,000)	Started	Draw #1 received	<ol style="list-style-type: none"> 1. Compliance forms sent in December 2017 and teleconference was held. Resent compliance forms on 4/13/2018. 2. July 2018 - project filled funding gap of \$74,200 with money from the city, and began work on 235 and 245 Hummel Street. 3. Held call with the project on 5/11/18; LS met with on 8/1/2018. Project provided bids, contracts, etc. 4. Submitted first payment request; more documentation was provided. 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. 5. Board approved lien waivers, and acceptable documentation of match expenses, which included notarized affidavit.. 6. Working on draw #2.
City of Harrisburg-- software purchase (\$250,000)	Started	Yes	Project is complete.
Harrisburg River Rescue (\$81,369)	Started	Yes	Project is complete.
Paxton Place (\$100,000)	Started	Yes	Project is complete; three draw requests submitted, with \$3,188.53 unused.
TLC Constr./Hamilton Healthcare Bldg. (\$500,000)	Started	Yes	Project is complete.
WebpageFX (\$500,000)	Started	Yes	Project is complete.

* AMB is sending the Board-approved closeout audit form to all Grantees as projects near completion. To date, sent to Camp Curtin, **City Software Purchase**, Gamut Theatre, Harrisburg River Rescue, **Paxton Place**, TLC, and Webpage FX. Bold indicates completed form was received.

Other Business

Ms. Martin-Roberts requested a status on the Executive Director's contract extension/amendment. The Chair and Mr. Hudson advised they need to revisit this item and begin conversations again with Executive Director Dow-Ford. The Chair noted he has not received any time reports to date from the Executive Director. Although, the Chair noted the Executive Director has advised him that she has been keeping her time allocation reports. Mr. Hudson suggested the item be removed from the meeting agenda until they can reconvene with Executive Director Dow-Ford regarding this topic. Copies of Executive Director Dow-Ford time allocation reports will be requested to be submitted to the Finance Committee for review for recommendation to the Board regarding her contract.

The Chair discussed the hearing held on September 25, 2018 in front of the House Local Government Committee. The City is requesting special taxing powers when exiting Act 47. Harrisburg Act 47 Coordinator, Marita Kelley, provided testimony at the hearing. Ten days later,

the 4-page Bill was amended to a 52-page Bill (House Bill No. 2557). The House has fully approved the amendment to the Bill that notes the City will exit Act 47 sometime next year and an Intergovernmental Cooperation Authority (ICA) will have oversight thereafter. (Similar to the City of Pittsburgh, however, Pittsburgh also stayed in Act 47 along with an ICA.) Bill 2557 requires two (2) votes from the Senate, which the first vote was received yesterday. Both the House and the Senate adjourn tomorrow so a decision will most likely be made then. The ICA will have a five (5) member board with an Executive Director and will have a five (5) year term. Having an ICA will affect how things are currently being handled for the City. Bill 2557 seems to be written specifically for the City of Harrisburg.

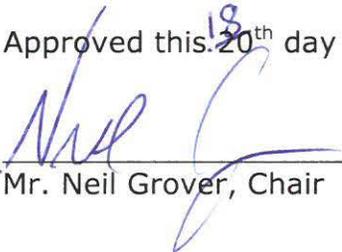
The last point of business was the reading of a Resolution and a gift was presented to Ms. Brock for her time and talents on the Board of Impact Harrisburg.

There being no further business to discuss, the Chair adjourned the meeting at 12:29 p.m.

Meeting minutes were taken by Recording Secretary, Anne Morrow.

The next Board meeting is scheduled for ~~November 20~~^{December 18}, 2018 at 10:30 a.m. at the Pennsylvania Housing Finance Agency, 211 North Front Street, Harrisburg, PA.

Approved this ~~20~~¹⁸ day of ~~November~~^{December} 2018.


Mr. Neil Grover, Chair


Mr. Brian Hudson, Secretary