

MINUTES
IMPACT HARRISBURG
December 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 and Interim 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
Annemarie Byrnes, Compliance Team
Larry Segal, Compliance Team
Anne Weaver Morrow, Recording Secretary

Officers of the Board Absent/Excused:

Gloria Martin Roberts, Second Vice-Chair

The Chair called the meeting to order at 10:45 a.m.

Ms. Parker was excused and left the meeting at 11:48 a.m.

1. Presentation – Charlie L. White, Jr., Harrisburg City Director of Business Development

Mr. White discussed the overview of the economic development work that's occurring in the city. Mr. White also elaborated on the front-end portal that assists small business development. Currently four (4) workshops have been developed and scheduled for the upcoming new year beginning on January 4, 2019. Workshops will cover the "First Step to Starting your Business" and "Business Planning in a Nutshell". Information on the workshops are listed on the City's website. Additional workshops hosted later in 2019 will cover Tax Abatement and Minority and Women Owned Businesses.

The Board is searching for ways to help assist Community First Fund market businesses to provide business loans through the Harrisburg Business Opportunity Fund (HBOF). Mr. White recommended streamlining and categorizing the loan application process, which may make it easier for applicants to apply for a loan, and getting HBOF marketing materials out in the community at events and talking to small business owners, like those in the Broad Street Market. Loans through HBOF can be viewed as "micro-loans", giving Impact Harrisburg its own unique lane of clients to work with.

It's the Board's intention to market the HBOF to help reach businesses that have a hard time getting a business loan. The Board would like to invite CFF back for further discussions. A set of questions will be compiled prior to having a meeting with CFF and will be circulated to the Board for review.

2. Notes from November 20, 2018 Regular Board Meeting

The Board didn't have a quorum at the November 20, 2018 regular Board meeting. It was moved by Mr. Laninga and seconded by Mr. Hudson that:

"The meeting notes from the Impact Harrisburg Board of Directors regular meeting of November 20, 2018, be accepted as printed."

MOTION CARRIED UNANIMOUSLY

3. Interim Treasurer's Report

Executive Director Dow-Ford and the Board expressed their appreciation to Mr. Hill for graciously accepting the position of Interim Treasurer until a new Treasurer is appointed.

The Interim Treasurer advised that a letter was received from Maher Duessel requesting the Board have further internal controls put in place, and concurrently with the Treasurer transition, additional documentations have been noted for further business continuity to be in place as well.

The Interim Treasurer reported the financial condition is in good standings. A transfer was processed prior to Treasurer Brock's departure in the amount of \$1.5 million for paying all anticipated draw requests for November, December, and January. Both Fulton Bank and Wilmington Trust accounts are sound and statements from both are in place.

Two invoices need approval for payment. The first to Enders Insurance in the amount of \$775 for the Board's commercial insurance package, effective August 17, 2018 through August 17, 2019; and the second to Penn National in the amount of \$371 for the Board's fidelity bond coverage, effective October 20, 2018 through October 20, 2019.

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

"The invoice to Enders Insurance in the amount of \$775 and to Penn National in the amount of \$371 be approved for payment."

MOTION CARRIED UNANIMOUSLY

4. Executive Director Report

Mr. Segal and Ms. Byrnes provided an update on the Grantee projects.

Ms. Byrnes noted the East Shore YMCA and Camp Curtin YMCA have completed work. Draw requests have been received from the East Shore YMCA, Tri-County HDC and the City of Harrisburg.

The Compliance team met with Capital Region Water (CRW) on December 4th regarding the parks and recreation project between CRW and the City. Discussions on the budget, sources and uses and draw requests were covered. A reimbursement agreement is in place with CRW and the City.

Mr. Segal discussed the Harrisburg Redevelopment Authority (HRA) project and the match requirement. Currently HRA has shown a 1 to 1 match, however, the grant requirement is a 3 to 1 match. The Board determined a review of the grant application is necessary for lining up what was initially submitted to the Board in HRA's grant application. The Compliance team and Executive Director Dow-Ford will circle back around with HRA and provide an update to the Board at the January regular Board meeting.

Ms. Byrnes noted Salvation Army sent a survey out to the minority business enterprises that didn't respond to the RFP from Pyramid. Results are pending.

Update 12-18-2018 Project Name (Grant amount)	Compliance Process Started/Completed	Draw Requests Submitted	Status/Comments
Camp Curtin YMCA (\$500,000)	Started	Draw #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. AMB sent close out audit form and requested status of final draw. 9. SDF sent grant extension amendment to Camp Curtin; awaiting signature.
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 met on Dec. 4 to discuss documentation needed and the draw process. CRW is preparing compliance documentation and draw requests for the completed Royal Terrace and Cloverly projects. The 4th and Dauphin project will not be completed until early 2019. 7. The City is the grantee; discuss signature authority.
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. 3. CRW committed \$756,782.70 additional IH funds to the Third Street project for Change Order 1. 4. CRW has now committed \$2,704,585.70 of its \$2,743,645.25 IH grant to the Third Street project, leaving a balance of \$39,059.55 in IH grant funds for the multimodal project.

City of Harrisburg multi-modal (\$2,743,645.25)	Phase I Started - Third Street project	Draw requests #4-6 received	<ol style="list-style-type: none"> 1. Received executed construction contract for Third Street project, bonds and insurance. 2. Both the city and sign each draw request. 3. Phase I match is less than 50%, which will be made up in later phases. 4. 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. 5. Project is 28% complete as of November 2, 2018. Paving on Third St project may not start until spring 2019. 6. Through draw #6, the city has requested \$1,122,000 of its IH funds, and CRW has requested \$258,661 of its IH funds. 7. Team meeting was held on 10/23 to discuss change order 1, schedule, and sources/uses for remainder of Third Street project. Discussed source of additional funds, documentation of funds, and schedule may be 18 days behind. 8. Received copy of Change Order 1 in the amount of \$987,036 for redesign per CRW request. Rec'd letter from CRW's attorney committing \$756,782.70 in CRW IH funds to pay for the CO. The city will commit \$230,253.61 for the CO.
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 attended the September 2018 board meeting to provide additional details about the program. Refer to the September board minutes. 5. Received quarterly report as of 9/30/2018 and annual audit as of 6/30/2018. CFF has executed four loans at a total of \$100,00. The Board may request more information about CFF plans and processes. CRW is assisting with development of a training module.
East Shore YMCA (\$138,592)	Started	Draw request #1 submitted	<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 documents to demonstrate compliance for draw #1. 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 \$34,680. MB/LS discussed plans for MBE compliance, and Camp Curtin will provide input. The Y advised the painting and window tinting work is complete. 9. AMB emailed status of compliance documentation needed on 10/05/2018 and again on 11/12/18. 10. Discuss prevailing wage for the overall and individual project contracts.

<p>Gamut Theatre Group--Educ. Ctr (\$250,000)</p>	<p>Started</p>	<p>Draw #1 received</p>	<ol style="list-style-type: none"> 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. Gamut advised additional work remains to be completed.
<p>Harrisburg Redevelopment Authority (\$500,000)</p>	<p>Started</p>	<p>Draw #1 being prepared</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. Match of 3:1 is typically required for a \$500,000 grant. 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 1 being prepared week of 12/17/2018. 4. Draw 1 will be for acquisition and closing costs of acquired properties. 5. Confirm HRA paid prevailing wage for demo work. 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 met with HRA to review status of docs.
<p>Salvation Army of Harrisburg (\$500,000)</p>	<p>Started</p>		<ol style="list-style-type: none"> 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. The IH Board approved a request for a modified scope. The grant amendment is under review by SA and awaiting signature. 3. Finalizing bids, permits, plan approvals. 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.

			<p>Sitework began in September 2018 with excavation and footers. The site work total is \$1.3M, and is part of a larger \$12 million project. The IH project must be at least \$2 million to meet required match, and SA wants to use the building as match. 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> <p>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.</p> <p>8. The Team held a call with SA in November to discuss MBE participation. SA met with SDF and Brian Hudson on 11/16/2018 to discuss MBE outreach. SA prepared a survey to send to DBE contractors that did not respond to the invitation to bid.</p> <p>9. As of 10/31/18, the overall project was 12% complete, and the site work was 19% complete.</p>
Tri-County Community Action (\$204,759)	Started		<p>1. Expected to start in early 2018 - April/May but now looking at January 2019 bid and March 2019 start. Tri-County issued RFP for facade work in August 2018 but did not get the bids they needed.</p> <p>2. Conference calls held on 1/30/2018, 5/14/2018, and 8/1/2018. Discussed sources and uses, D/MBE, bidding, prevailing wage, draw requests, and required documentation to demonstrate staff and volunteer hours as match.</p> <p>3. CRW is providing assistance and some of CAC work will be part of larger contract bid by CRW.</p> <p>4. AMB emailed for status on 10/10/18. CAC held workshop with CRW for contractors on 10/16/18 to discuss the project and hopefully get more responsive bids and MBE participation.</p>
Tri-County HDC (\$350,000)	Started	Draw #2-3 received	<p>1. July 2018 - project filled funding gap of \$74,200 with money from the city and began work on 235 and 245 Hummel Street. Held call with the project on 5/11/18; LS met with on 8/1/2018. Project provided bids, contracts, etc.</p> <p>2. Have commitment letter but not executed grant agreement with the city for \$74,000. No city funds received to date. IH Board wants project to keep moving forward.</p> <p>3. Submitted draws #2 and #3. Project should be complete in December 2018.</p> <p>4. Board approved lien waivers and acceptable documentation of \$309,000 match expenses, which included notarized affidavit.</p> <p>5. The Finance Committee approved project management fee.</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 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.

Executive Director Dow-Ford asked for a motion to approve two draw requests, the first for East Shore YMCA in the amount of \$34,680 and the second for Tri-County Housing Development Corporation in the amount of \$59,000.

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

"The draw requests for the East Shore YMCA in the amount of \$34,680 and Tri-County Housing Development Corporation in the amount of \$59,000, be approved for payment."

MOTION CARRIED UNANIMOUSLY

Other Business

Mr. Singleton asked the Board to remain mindful as the Board moves forward that the same emphasis that's placed on equity also be placed to maintain a 38% disadvantaged business enterprises (DBE) participation on Impact Harrisburg Grantee projects. He further noted when the Board talks about its yearly audit, DBE participation should also be part of our audit as well. The Board needs to continue to strive to show the community what Impact Harrisburg is about and what it stands for.

The regular Board meeting on January 15, 2019 will be rescheduled for Tuesday, January 22, 2019 due to Inauguration Day. The Chair requested that the 2019 Board meeting schedule be circulated electronically to Board members for voting on and approval.

The Chair recommended the Board will need to discuss what lies ahead for Impact Harrisburg in the first quarter of 2019 as funds dwindle down and projects are completed.

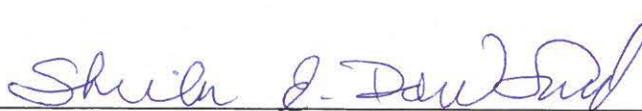
There being no further business, the Chair adjourned the meeting at 12:28 p.m.

Meeting minutes were taken by Recording Secretary, Anne Morrow.

The next Board meeting is scheduled for January 22, 2019 at 10:30 a.m. at the Pennsylvania Housing Finance Agency, 211 North Front Street, Harrisburg, PA.

Approved this 22nd day of January 2019.


Mr. Neil Grover, Chair


Mr. Brian Hudson, Secretary

Sheila Daw - Ford, Executive
DIRECTOR

