

**MINUTES**  
IMPACT HARRISBURG  
January 22, 2019, 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  
Gloria Martin Roberts, Second Vice-Chair

Board of Directors Present:

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

Others Present:

Sheila Dow-Ford, Executive Director  
Larry Segal, Compliance Team  
Anne Weaver Morrow, Recording Secretary

Officers of the Board Absent/Excused:

Brian Hudson, Secretary

The Chair called the meeting to order at 10:42 a.m.

Executive Director Dow-Ford was excused and left the meeting at 11:30 a.m.

**1. Regular Board Meeting of December 18, 2018**

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

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

**MOTION CARRIED UNANIMOUSLY**

**2. Interim Treasurer’s Report**

Interim Treasurer Hill reported the operating account balance is good. Five-million dollars was transferred from Wilmington Trust to Fulton Bank to cover the grantee disbursement requests. Another transfer will most likely be needed in March. Wilmington Trust asset allocations will be maintained until the Board decides differently. Twenty-five percent (25%) of the assets are in fixed income and seventy-five percent (75%) is in cash and currency. Current bills due are to Milligan & Company, Gift & Associates, HACC, Sheila Dow-Ford, and SMP Group. Payment of these bills have been approved and are standard recurring monthly payments. There also was a reimbursement payment to Sheila Dow-Ford in the amount of \$269.65.

Two disbursements were received for payment, the first for Tri-County HDC, in the amount of \$63,000 and the second for the City of Harrisburg in the amount of \$393,391.72 for the Multi-Modal project.

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

**“The Board approve the disbursement request to pay the City of Harrisburg, in the amount of \$393,391.72, for the Third Street Multi-Modal project.”**

**DISCUSSION:** Prior to the vote Mr. Singleton inquired if a follow-up call was made to the City Business Administrator regarding the percentage of DBE participation on the Multi-Modal project.

Executive Director Dow-Ford responded she has been in contact with the Economic Development Director and noted if the level of DBE participation changed she would be advised. A follow-up call will be made to the City to confirm the level of DBE participation on the Multi-Modal project. Executive Director Dow-Ford reassured the Board that in every conversation with the City DBE participation is a topic that is always discussed.

**MOTION CARRIED UNANIMOUSLY**

### **3. Executive Director Report**

Mr. Segal noted projects are beginning to wind down and that the Milligan & Company contract expires April 30, 2019. The Compliance Team is working towards closing out the remainder of the projects, however, notably some of the projects, such as the Multi-Modal phases II and III for the City will be ongoing for another year or two. There are a couple of other projects that will also be ongoing after April. The Board reviewed the schedule of draw requests and the status of the Grantee projects. Some highlights are:

- Capital Region Water Parks and Rec project will draw down on the rest of their funds by April.
- East Shore YMCA project was completed under budget. East Shore YMCA plans to submit another grant application for Board approval to utilize the remainder of the grant. Mr. Segal advised East Shore YMCA a new grant application will need to be submitted within 30 days from when the current project closes for the Board’s review. Match documentation is pending on current project.
- Tri-County HDC is working with the City on getting the City’s commitment document on \$74,000 grant to complete the project.
- Salvation Army’s Grant Amendment Agreement will be executed today by the Chair and Interim Treasurer Hill.

Update 1-22-2019 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"> <li>1. Received fully executed grant agreement and amendment.</li> <li>2. Received "as is" property appraisal of \$1.9M as match.</li> <li>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.</li> <li>4. Compliance forms were sent 2/18/2018 and received May 8.</li> <li>5. MBE participation is 28 percent.</li> <li>6. Received pay request 3 in July. One final draw request will be submitted.</li> <li>7. SDF obtained statement from Camp Curtin that OK to remit IH funds to Area Y.</li> <li>8. AMB sent close out audit form and requested status of final draw.</li> <li>9. SDF sent grant extension amendment to Camp Curtin; awaiting signature.</li> <li>10. The project is complete; awaiting submission of final draw.</li> </ol>
Capital Region Water Parks and Rec (\$250,000)	Started		<ol style="list-style-type: none"> <li>1. Forms sent. Project was rebid due to lack of responses.</li> <li>2. Received MBE plan and copies of bids for Cloverly Heights and Royal Terrace.</li> <li>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.</li> <li>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.</li> <li>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.</li> <li>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.</li> <li>7. The City is the grantee; discuss signature authority.</li> </ol>
Capital Region Water multi-modal (\$2,743,645.25)	See City multimodal.		<ol style="list-style-type: none"> <li>1. See City multimodal.</li> <li>2. LS met with Alesha Vonada about the IH grant for this project. The Team will meet with Grantee to discuss.</li> <li>3. CRW committed \$756,782.70 additional IH funds to the Third Street project for Change Order 1.</li> <li>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.</li> </ol>

<p>City of Harrisburg multi-modal (\$2,743,645.25)</p>	<p>Phase I Started - Third Street project</p>	<p>Draw request #7 received</p>	<ol style="list-style-type: none"> <li>1. Received executed construction contract for Third Street project, bonds and insurance.</li> <li>2. Both the city and CRW sign each draw request.</li> <li>3. Phase I match is less than 50%, which will be made up in later phases.</li> <li>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.</li> <li>5. Phase I project is 31% complete as of December 6, 2018. Paving on Third St project may not start until spring 2019; anticipated completion is October 2019.</li> <li>6. Through draw #7, the city has requested \$1,122,000 of its IH funds, and CRW has requested \$652,053 of its IH funds.</li> <li>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.</li> <li>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. The city also paid for CO2 in the amount of \$5,329.30.</li> <li>9. After draw 7, approximately \$1.295 million remains in IH funds for the Third Street project.</li> <li>10. The other two phases will start in 2019.</li> </ol>
<p>Community First Fund (\$350,000)</p>	<p>NA</p>		<ol style="list-style-type: none"> <li>1. Received executed partnership agreement with CFF, dated 3/20/2018.</li> <li>2. Board discussed requirements and process. CFF worked with CREDC to establish a borrower education portal.</li> <li>3. SDF met with CFF on 7/6/18. She received an update (6/30/18 quarterly report) and a copy of account statement.</li> <li>4. Glenda attended the September 2018 board meeting to provide additional details about the program. Refer to the September board minutes.</li> <li>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.</li> </ol>

<p>East Shore YMCA (\$138,592)</p>	<p>Started</p>	<p>Draw request #1 received</p>	<ol style="list-style-type: none"> <li>1. IH Board approved using \$111,297 in completed work on men's dormitory as match. Documentation of \$90,000 match has been provided, with \$48,592 remaining to be submitted for review.</li> <li>2. The Y will provide funds needed to match the IH grant. Received email from ESY stating concurrence with IH issuing checks to Area Y.</li> <li>3. The IH façade work was bid and the project started the week of 4/16/18; this work is complete in the amount of \$34,680. Received payrolls, which are in compliance. This was reviewed for draw #1.</li> <li>4. AMB and LS had a call with the Y director on 7/6/2018. IH work of roofing and painting windows was done in the fall 2018. Work is completed in the amount of \$54,666. This is less than projected. There remains \$49,246 of the IH grant that has not been committed.</li> <li>5. Note that the roofing work was bid separately and only amounted to \$6,446 and prevailing wage may not have been paid because the contract was below the \$25,000 threshold. We discussed prevailing wage for the overall and individual project contracts. The Team discussed that ESY assumes the risk concerning payment of PA prevailing wage.</li> <li>6. ESY is proposing potential projects to use the remaining IH funds: indoor bike rack installation; upgrade to camera system; and dorm bathroom renovation. ESY will obtain bids and will submit a formal proposal to the IH Board in one month. Additional work is expected to be completed in 60 days from contract award.</li> <li>7. The Team discussed plans for MBE compliance, and Camp Curtin will provide input.</li> </ol>
<p>Gamut Theatre Group--Educ. Ctr (\$250,000)</p>	<p>Started</p>	<p>Draw #1 received</p>	<ol style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>3. AMB sent closeout audit form to Gamut and requested status of final draw. Gamut advised additional work remains to be completed.</li> <li>4. 1/9/2019 - Director away until January 22.</li> </ol>

<p>Harrisburg Redevelopment Authority (\$500,000)</p>	<p>Started</p>	<p>Draw #1 being prepared</p>	<ol style="list-style-type: none"> <li>1. The project provided some documentation on 7/13/18, which is under review.</li> <li>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.</li> <li>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 for February submission.</li> <li>4. Draw 1 will be for acquisition and closing costs of acquired properties.</li> <li>5. Confirm HRA paid prevailing wage for demo work.</li> <li>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.</li> <li>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.</li> </ol>
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<p>Salvation Army of Harrisburg (\$500,000)</p>	<p>Started</p>		<ol style="list-style-type: none"> <li>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.</li> <li>2. The project wants to maintain the overall scope of a \$12 million project. SA proposed a modified scope for the IH project for site work only. The IH Board approved the request for a modified scope. The grant amendment was signed by SA and now needs IH signatures.</li> <li>3. Finalizing bids, permits, plan approvals. Identified confirmed sources and uses of funds; fundraising ongoing.</li> <li>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.</li> <li>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.</li> <li>6. Held a call on 8/27/2018 with rep from Delta Development. 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.</li> <li>7. AMB and LS held call with Delta rep for status on 10/12/2018. Construction site work is underway; footers are in. As of 1/9/2019, Delta is gathering compliance documentation, including match, cash flow, details of bid process, and contracts, and hopes to submit first draw request at the end of January 2019.</li> <li>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.</li> <li>9. As of 1/15/19, the overall project is 25% complete, and the site work is 38% complete.</li> </ol>
<p>Tri-County Community Action (\$204,759)</p>	<p>Started</p>		<ol style="list-style-type: none"> <li>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.</li> <li>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.</li> <li>3. CRW is providing assistance and some of CAC work will be part of larger contract bid by CRW.</li> <li>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.</li> <li>5. Expecting bids for the facade project - January 2019.</li> </ol>

Tri-County HDC (\$350,000)	Started	Draw #4 received	<ol style="list-style-type: none"> <li>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. .</li> <li>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.</li> <li>3. Submitted draws #2-#4. Project should be complete in March 2019.</li> <li>4. Board approved lien waivers and acceptable documentation of \$309,000 match expenses, which included notarized affidavit.</li> <li>5. The Finance Committee approved project management fee.</li> <li>6. 235 renovations completed. 245 is 98% complete. Need lead clearance for 245, and Certificates of Occupancy for both houses.</li> <li>7. Project was delayed due to funding issue and plumbing issue. New completion date is March 31, 2019.</li> <li>8. Discuss timing of receipt of city funds and drawdown of IH funds, and possible retainage.</li> </ol>
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.

## **Other Business**

Ms. Parker asked for an update on Community First Fund (CFF). Executive Director Dow-Ford reported she had a meeting with Glenda Machia regarding the Harrisburg Business Opportunity Fund (HBOF) and was informed that the Business Development Associate and CFF have parted ways. CFF is working to get the position filled quickly.

Other concerns have been raised relating to the low number of loans approved, obtaining marketing materials, and getting a clearer understanding of the business relationship between CFF and IH, and the expectations IH has regarding how their grant money is to be utilized to help small businesses grow.

The Board requested another visit from CFF at the next Board meeting to have an open dialogue regarding these topics. Mr. Laninga suggested a list of questions be drawn up for CFF to respond to prior to the next Board meeting. Executive Director Dow-Ford will draft a letter to CFF that expresses Board concerns.

The Chair asked Interim Treasurer Hill to provide the Board with a date when the audit extension is due. It's believed the general timeframe is March.

The Chair and Executive Director Dow-Ford met to discuss what, if any, long-term plan will be for Impact Harrisburg. The Chair would like the Board to take some time from now until May to think about and discuss what the long-term of the organization will be. An outline should be created with options to either move forward or end the organization. The Board also needs to keep in mind that the fiscal year-end is June 30, should any motions be needed prior to the organization's year-end.

There are two paths this organization can take. One path is that the organization wind down and decide responsibly what to do with the remaining funds. The other path is that this organization continues forward. The questions will be - what are we continuing as, and how do we fund it? Impact Harrisburg organizational functions are currently to terminate June 30, 2020. At the February Board meeting dates and times will be discussed for the purposes of having a Board strategic planning retreat. The consensus of the Board is to continue as an organization after June 2020 and move forward with discussions and a retreat.

The Chair noted the Intergovernmental Cooperation Authority (ICA) for the City of Harrisburg has all five members on board. An agreement with the City is pending. Once the agreement is executed, the City will terminate Act 47.

The Board reviewed the 2019 schedule of regular Board meetings. One change was made to the June meeting date, changing the date from June 17 to June 18, 2019.

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

**"The 2019 schedule of regular Board meetings be approved as amended."**

**MOTION CARRIED UNANIMOUSLY**

There being no further business, the Chair adjourned the meeting at 12:22 p.m.

Meeting minutes were taken by Recording Secretary, Anne Morrow.

The next Board meeting is scheduled for February 19, 2019 at 10:30 a.m. at the Pennsylvania Housing Finance Agency, 211 North Front Street, Harrisburg, PA.

Approved this 19<sup>th</sup> day of February 2019.

  
Mr. Neil Grover, Chair

  
Ms. Gloria Martin-Roberts, Second Vice-Chair

