

MINUTES
IMPACT HARRISBURG
April 16, 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
Brian Hudson, Secretary

Board of Directors Present:

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

Others Present:

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

Board of Directors Absent/Excused:

Russ Montgomery, Director

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

1. Regular Board Meeting of March 19, 2019

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 March 19, 2019, be approved as printed.”

MOTION CARRIED UNANIMOUSLY

Executive Director Dow-Ford noted the March 19, 2019 Board meeting minutes should reflect a correction to Page 4, second paragraph beginning with “DISCUSSION”; DBE participation stands at 8%, this is up from the 2% that was initially reported. The Chair asked that the amendment be made in the final version of the March 19, 2019 Board meeting minutes.

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

“The minutes from the Impact Harrisburg Board of Directors regular meeting of March 19, 2019, be approved as amended.”

MOTION CARRIED UNANIMOUSLY

2. Interim Treasurer Report

The Interim Treasurer reported no action was needed for transferring funds at this time. There are sufficient funds in the Operating Fund to cover current draw requests.

All documentation was submitted to Maher Duessel by the deadline date. A financial review update was conducted of the internal controls. The review was circulated to the Board for review and discussion, if needed.

The Financial Statements have been filed with Gift & Associates. A copy of the April month-end Wilmington Trust statement was circulated to the Board.

After review of the financial internal controls dated April 12, 2019, the Chair recommended documents on the Sharefile be uploaded and saved in a format for permanent record keeping so that documents cannot be altered in the record retention repository. The Board also needs to consider what their ownership rights are to the Sharefile through Milligan & Company.

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

“To adopt the financial internal controls presented by the Interim Treasurer and Executive Director Dow-Ford.”

MOTION CARRIED UNANIMOUSLY

5. Finance Committee Report

The Finance Committee reviewed the contract extension for continued Compliance services from Larry Segal with Impact Pennsylvania, LLC. Mr. Segal provided an update on the status of the current projects that are outstanding.

- Two-thirds of the projects are completed
- The remaining projects can be transitioned to Executive Director Dow-Ford with some complexity that’s still involved that will need continued compliance monitoring; Multi-Modal with the City and CRW

Finance Committee Chair Hill recommended keeping Mr. Segal’s services and extending the contract for an additional 6-months; paying a third of the current contract to Mr. Segal. Executive Director Dow-Ford will be meeting with Mr. Milligan with Milligan & Company to further discuss if services are needed moving forward.

The Chair noted Mr. Segal has taken on a pro bono position for Tri-County Housing Development Corporation (HDC) related to funding for the Mulder Square project and is also the Compliance Consultant with Impact Harrisburg for HDC.

Mr. Hudson recommended Executive Director Dow-Ford be the point of contact with HDC for the Impact Harrisburg grant agreement to alleviate any conflict of interest.

Executive Director Dow-Ford advised HDC has a remaining funding amount of \$20,000 for HDC’s Certificate of Occupancy. A grant agreement between the City of Harrisburg and HDC in the amount of \$74,000 is still pending disbursement from the City, which has some bearing to the organization. Mr. Segal is facilitating this issue with the City’s Legal department to get the grant agreement in place and is also working on the Federal housing issue with the City. Executive

Director Dow-Ford as asked Mr. Grover, Mr. Segal and HDC, to the extent of any information regarding the houses on the properties that are involved in the Federal grant issue that indicate on the two houses, which Impact Harrisburg provided the grant funding are implicated that the Board be provided with notice.

Ms. Parker inquired for a timeframe when HDC will receive the \$74,000 grant from the City. The Chair noted funding is in route and the City is now waiting on the Federal Government to release the grant that is part of a broader project.

The Chair recommended the Executive Director be given the direction to extend or terminate the Compliance Consultant service agreement with Milligan & Company for Compliance services within the next 14 days prior to the expiration date of April 30, 2019.

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

“Executive Director Dow-Ford be given the direction to extend or terminate the current Compliance Consultant service agreement between Impact Harrisburg and Milligan & Company prior to April 30, 2019.”

MOTION CARRIED UNANIMOUSLY

5. Executive Director Report

Executive Director Dow-Ford and Mr. Segal provided an update on the status of the grant projects.

- Two-thirds of the projects are complete with one-third of the projects remaining
- Multi-Modal Project – the project is approx. 40% completed; anticipate a draw request next month for approx. \$250,000
- There are no current draw requests for approval currently
- Over the past 6-months, the Compliance team and Executive Director have been pressing hard to obtain the proper documentation from the Grantees to get the grant dollars out the door
- Harrisburg Redevelopment Authority – one draw request has been received to date; monitoring continues
- East Shore YMCA – submitted a receipt for window replacement
- Tri-County Community Action – anticipating a draw request in May for approx. \$82,000; a majority of the work will be delayed until 2020 due to priority concerns

The Finance Committee and Board has had several discussions on how the Board should move forward, if the Board should stay in existence, and/or to what extent the Board’s function should be now that most of the funding has been distributed to the Grantees. The Board felt it was necessary to have a strategic plan retreat to help determine their direction.

An all-day strategic planning retreat is scheduled for Tuesday, May 21, 2019. The retreat will be held at the Dixon University Center, 2986 N. 2nd Street, Harrisburg. Keith Ellison will be the facilitator and will conduct preliminary work before the retreat. His bio was circulated prior to the meeting along with a letter noting a written summary will be submitted to the Board within 10 days after the session. A fee of \$2,500 will be charged for his services.

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

“The Board retain Keith Ellison for the purpose of facilitating a strategic planning session on May 21, 2019 at a rate of \$2,500 consistent with his proposal of April 2, 2019.”

MOTION CARRIED UNANIMOUSLY

Update 4-16-2019 Project Name (Grant amount)	Compliance Process Started/Completed	Draw Requests Submitted	Status/Comments
Capital Region Water Parks and Rec (\$250,000)	Started		<ol style="list-style-type: none"> 1. Cloverly and Royal Heights projects were 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, 2018 to discuss documentation needed and the draw process. CRW is preparing compliance documentation and draw requests for the completed Royal Terrace and Cloverly projects. <i>The 4th and Dauphin project is still in design and will go out to bid in summer 2019, with groundbreaking in fall-winter and completion in spring 2020.</i> 7. <i>The City is the grantee and executed an agreement with CRW to receive the IH funds.</i> 8. <i>The Cloverly Heights project had MBE firms for landscaping, consulting, and engineering.</i> 9. <i>Royal Terrace had MBE firms for engineering and landscaping. CRW solicited MBE firms for concrete and fencing work but received no proposals. Also, there were no MBE suppliers in the area for materials (soils and precast).</i> 10. <i>Draw #1 is under review. The Team reviewed compliance documentation and is awaiting a few clarifications.</i>
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.

<p>City of Harrisburg multi-modal (\$2,743,645.25)</p>	<p>Phase I Started - Third Street project</p>	<p>Draw request #9 received</p>	<ol style="list-style-type: none"> 1. Received executed construction contract for Third Street project, bonds and insurance. 2. Both the city and CRW 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. Phase I project is 45% complete as of March 29, 2019. Anticipated completion is October 2019. 6. Through draw #9, the city and CRW have received \$2,457,329 of IH funds. After draw 9, approximately \$1.37 million remains in IH funds for the Third Street project. 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. The city also paid for CO2 in the amount of \$5,329.30. 9. The other two phases will start in 2019, with \$1,660,704.80 IH funds remaining for phases 2 and 3.
<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. 5. Received quarterly report as of 12/31/2018. CFF has executed four loans at a total of \$100,00. A representative from CFF attended the February 2019 board meeting. Follow up meeting is scheduled. 6. CFF provided a Fact Sheet with details about the Harrisburg Opportunity Fund for prospective loan applicants.

<p>East Shore YMCA (\$138,592)</p>	<p>Started</p>	<p>Draw request #1 received</p>	<ol style="list-style-type: none"> 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. 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. 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. 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. 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. 6. ESY is proposing potential projects to use the remaining IH funds: indoor bike rack installation; upgrade to camera system; functional training room renovation; and dorm bathroom renovation. ESY has met with contractors and is still awaiting proposals (as of 3/22/2019). ESY will submit a formal proposal to the IH Board soon. Additional work is expected to be completed in 60 days from contract award. 7. The Team discussed plans for MBE compliance, and Camp Curtin will provide input. 8. ESY provided invoice for @ \$79,000 for painting the windows at the Y, along with payrolls. ESY will provide other documentation for this work, and is still waiting for proposals from contractors for other work.
<p>Gamut Theatre Group--Educ. Ctr (\$250,000)</p>	<p>Started</p>	<p>Draw #2 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. 4. Draw #2 submitted on 2/28/2019. There should be one final draw (#3).

<p>Harrisburg Redevelopment Authority (\$500,000)</p>	<p>Started</p>	<p>Draw #1 received</p>	<ol style="list-style-type: none"> 1. 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 the use of \$500,000 in city demolition expenses as match, and the Finance Committee reviewed the request about the acquired properties as match. 2. The county has sold some of the properties that were listed for acquisition in the grant agreement. HRA provided a new list of 61 acquired properties. Draw request 1 was submitted to IH in March 2019. 3. Draw 1 is for acquisition and closing costs of acquired properties. Remaining uses of IH grant funds are quiet title and demolition costs. Quiet title is expected to be complete in June/July 2019 and demolition in September/October 2019. 4. 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. No MBE documentation was provided.
<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 proposed a modified scope for the IH project for site work only. The IH Board approved the request for a modified scope, and an amended grant agreement was executed. 3. 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. 4. 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. 5. 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. 6. 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, payrolls, and contracts, and hopes to submit first draw request in June 2019. 7. The Team held a call with SA in November 2018 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. Waiting for results. 8. As of 3/14/19, the CM stated the overall project is 45% complete, and the site work is 50% complete.

			<p>9. SA is clarifying project sources of funds and obtaining documentation.</p> <p>10. Two wells on site are being monitored by DEP and are considered low risk. SA will review DEP's up-to-date findings in July 2019.</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 for facade work. 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. 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> <p>5. Contract for facade project at 1300 Market Street was executed on March 19, 2019. Work must be completed by April 30, 2019. Contract is in the amount of \$8,200.</p> <p>6. CRW had to rebid the streetscape work and this is not expected to start until spring 2020.</p>
Tri-County HDC (\$350,000)	Started	Draw #5 received	<p>1. July 2018 - project filled funding gap of \$74,000 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 or PO for \$74,000. No city funds received to date. IH Board wants project to keep moving forward.</p> <p>3. Submitted draws #2-#5. Project should be complete in March 2019.</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> <p>6. 235 Hummel Street renovations are completed. 245 Hummel is 98% complete. Need lead clearance and Certificate of Occupancy for 245.</p> <p>7. Final draw request will be submitted in April for \$20,000 balance of the grant.</p> <p>8. HDC will use internal funds as interim financing, and will provide receipt of city funds when received.</p>
Camp Curtin YMCA (\$500,000)	Completed	Yes	Project is complete.
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	Completed	Yes	Project is complete.

Healthcare Bldg. (\$500,000)			
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, Tri-County HDC, and Webpage FX.** Bold indicates completed form was returned to Milligan.

5. Other Business

Mayor Papenfuse provided the Board with two-proposed letters, one in September 2018 and the other in March 2019 for funding for the Executive Director position for the City of Harrisburg. Between the two letters, City Council approved a Resolution urging the City to apply for grant funding through Impact Harrisburg to promote community and economic development throughout the City of Harrisburg. The Board discussed the Mayor’s requests vigorously at the last Board meeting. Board members who were not present at the last Board meeting voiced their opinion today.

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

“The Board approve the position funding as noted in the March 12, 2019 letter from Mayor Papenfuse for an Executive Director for the City of Harrisburg.”

MOTION DENIED

3 Yes and 4 No

with Mr. Hill, Mr. Hudson, Mr. Laninga and Ms. Martin-Roberts voting No

Mr. Singleton asked to go in to executive session.

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

“The Board voted to go into executive session for the discussion of the Executive Director contract and compensation. The executive session began at 11:54 a.m. and ended at 12:02 p.m.”

MOTION CARRIED UNANIMOUSLY

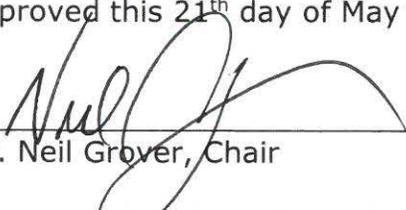
A Finance Committee meeting is scheduled for Monday, May 13, 2019 at 10:30 A.M, at the City Government Center, 4th Floor Conference Room.

There being no further business to discuss, the Chair adjourned the meeting at 12:02 p.m.

Meeting minutes were written by the Recording Secretary, Anne Morrow.

The next Board meeting is scheduled for May 21, 2019 at 12 noon at the Dixon University Center, 2986 N. 2nd Street, Harrisburg, PA 17110 in Duncan Hall Rooms 304 and 305.

Approved this 21th day of May 2019.



Mr. Neil Grover, Chair



Mr. Brian Hudson, Secretary