



## University District Public Development Authority (UDPDA) Board of Directors' Meeting Agenda

**Wednesday, February 3, 2021 – 3:00 PM – 4:30 PM**

**Join Zoom** <https://us02web.zoom.us/j/89372571535?pwd=SIREU1I3UjJnVOJycHRFRGw5LzU0UT09>

**Meeting ID:** 893 7257 1535 **Passcode:** 007023

One tap mobile +12532158782,,89372571535#,,,,\*007023# US (Tacoma)

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Pursuant to the March 24, 2020 Proclamation by the Governor (20-28)—which amends Proclamation 20-05 relating to the Open Public Meetings Act (OPMA) and Public Records Act—the UDPDA is “prohibited from conducting any meeting subject to RCW 42.30 unless (a) the meeting is not conducted in-person and instead provides an option to attend the proceedings through at minimum, telephonic access, and may also include other electronic, internet or other means of remote access, and (b) provides the ability for all persons attending the meeting to hear each other at the same time.” Therefore, in-person attendance at this UDPDA board meeting is prohibited and Zoom access info is above. Furthermore, in accordance with guidelines issued by the Washington Attorney General (AG) only matters that are necessary and routine or matters necessary to the current public health circumstances will be addressed at this meeting. In accordance with OPMA and guidance issued by the AG, no public comment will be permitted at this meeting. If you have public comment for the UDPDA board, please submit it in writing by February 1 to [lgilberts@spokaneudistrict.org](mailto:lgilberts@spokaneudistrict.org).

**3:00 Welcome, call to order, reminder re rules of decorum – Myhre**

**3:03 Administrative actions – Myhre**

- Proposed MOTION – Consent Agenda
  - December 2, 2020 draft UDPDA board meeting minutes
  - Financials as of December 31, 2020 and Voucher Certification

Date	Voucher Warrant #	Warrant Description	Amount
12/18/20	1064	Traveler's Insurance – renew Lars's public official bond	\$175

**3:05 UW Spokane Center update – Gilberts**

- Lease agreement and proposed MOTION

**3:25 Sprague Phase 2b – Gilberts**

**3:30 UDRA update – Gilberts**

- Update on methodology and 2020 reconciliation

**3:40 Organizational Values and planning (page 13 in packet) – Myhre**

**4:00 Public comment**

**4:30 Adjourn – Myhre**

**2021 UDPDA meetings** *(via Zoom until further notice; start/end times may be adjusted to account for UDDA meeting timing)*

- **March 3** – 2:00pm-4:30pm
- **May 5** – 2:00pm-4:30pm
- **June 2** – 2:00pm-4:30pm
- **Sept 1** – 2:00pm-4:30pm
- **Oct 6 retreat** – 2:00pm-4:30pm
- **Nov 3 annual meeting** – 2:00pm-4:30pm
- **Dec 1** – 2:00pm-4:30pm



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## University District Public Development Authority Board Meeting Public Decorum Rules

University District Public Development Authority (UDPDA) Board meetings adhere to the following public decorum rules. These rules will be observed during UDPDA board meetings, including open forum, public comment period on allowed agenda items, and board deliberations. These rules are derived from the City of Spokane City Council Rules.

- No clapping, cheering, booing, or public outbursts.
- Three-minute time limit for comments made during open forum and public testimony on allowed legislative agenda items.
- No person shall be permitted to speak at open forum more often than once per month. In addition, cell phones should be silenced when entering the meeting.

Further, keep the following Rules in mind:

### Rule 1: Open Forum

- The open forum is a limited public forum; all matters discussed in the open forum shall relate to the affairs of the UDPDA. No person shall be permitted to speak regarding items on the current or advance agendas. Individuals speaking during the open forum shall address their comments to the UDPDA Chair and shall not use profanity, engage in obscene speech, or make personal comments or verbal insults about any individual.
- To encourage wider participation in open forum and a broad array of public comment and varied points of view, no person shall be permitted to speak at open forum more often than once per month. However, there is no limit on the number of items on which a member of the public may testify before the UDPDA Board.

### Rule 2: Public Testimony Regarding Agenda Items – Time Limits

- The UDPDA Board shall take public testimony on all matters included on its public agenda except those items listed in the next bullet. **Public testimony shall be limited to the final UDPDA Board action.** Public testimony shall be limited to three (3) minutes per speaker, unless, at his or her discretion, the UDPDA Chair determines that, because of the number of speakers signed up to testify, less time will need to be allocated per speaker in order to accommodate all of the speakers. The Chair may allow additional time if the speaker is asked to respond to questions from the UDPDA Board.
- No public testimony shall be taken on parliamentary or administrative matters of the UDPDA Board.
- The time taken for staff or UDPDA Board member questions and responses thereto shall be in addition to the time allotted for any individual testimony.



## University District Public Development Authority (UDPDA) Meeting Minutes - DRAFT

Wednesday, December 2, 2020 – 3:02 PM – 4:15 PM via Zoom

**Board Members Present:** Dan Antonietti, Council President Breean Beggs, Bill Bouten, Lars Gilberts, Commissioner Mary Kuney, Katy Sheehan, Paul Warfield

**Board Members Absent:** None

**Others Present:** Chris Green (City), Taudd Hume (legal counsel), Alden Jones (UDDA staff), Lindsey Myhre (2021 incoming UDPDA board chair), and various UDDA board members joined for part or all of the session

### Call to Order and Administrative Actions

Chair Gilberts called the meeting to order at 3:02 PM, reminded the group of the Public Decorum Rules, and asked the board to review the draft November 4, 2020, UDPDA board meeting minutes, and the UDPDA financials and voucher certification as of October 31, 2020. **MOTION to approve the consent agenda with minutes and financials** (Antonietti), seconded (Kuney), and passed unanimously.

### UW Spokane Center Update

Gilberts shared that the University of Washington (UW) has provided six-months' notice to terminate their lease at 201 W Main Street (vacancy on May 12, 2021) and that the owner/developer of the adjacent to-be-redeveloped property (deChase Miksis) may be interested in the site for a future construction/sales office and laydown area. The UDPDA anticipates an offer from deChase Miksis by the end of 2020. In the meantime, UD staff and the DC are evaluating cash flow impacts and alternative plans for potential tenants (if deChase is not interested) and will report out to the UDPDA board at the February 3, 2021 meeting. Gilberts pointed out that throughout these discussions, Bouten recused himself given his business relationship with deChase Miksis. Public member Brazil (UW Director for Spokane and Eastern WA) indicated that they are moving closer to students and faculty at the new UW/GU Regional Partnership location.

### SIP Loan for Sprague Avenue Phase 2b

Gilberts reminded the group that in 2018, the board committed \$4M to Sprague Avenue Phase 2a and b. He noted that Phase 2b is going out to bid this week and that the construction project will require a Spokane Investment Pool (SIP) loan to monetize future revenues. The following loan terms were finalized by Tonya Wallace at the City—in consultation with Kuney, Gilberts, and Hume—and presented for approval.

- Amount: up to \$2.1M
- Duration: 5 years starting the first day of the month the loan is drawn (March 2021)
- Rate: 0.5% above 5-year treasuring note (0.19-0.47% last 6 months)

Finding these terms favorable by all, Gilberts asked for a **MOTION to accept the proposed SIP terms and enter into a loan agreement with the City for Sprague Ave Phase 2b** (Kuney), seconded (Antonietti) and passed unanimously. Warfield praised Wallace for a great job given that the City is short-staffed.

### BID Considerations

- With Sprague revitalization well underway and the City's policy not to support additional improvements without an entity to maintain/manage them, the UD has been approached by local property owners to help launch exploratory conversations around BID or LID formation.
- On November 17, the UD partnered with ESBA to host a *Lunch and Learn* with a presentation by Brian Scott of BDS Planning around BIDs. Local BID and neighborhood council leaders, business owners, and City staff attended. A follow-up survey on service priorities and preferred rates went out to capture additional community input.
- Gilberts noted that momentum has been gathering on this topic since 2017. Avista, McKinstry, Trudeau Marina, and numerous large and small business and property owners (especially in the South Subarea), are interested. Gilberts also said that BID boundaries need not be contiguous, possibly allowing for more members.
- Warfield and Sheehan cautioned against any "top-down", UD-led effort. From City experience, Warfield said businesses need to champion BID formation and administration for the long-haul. All board members agreed that the business community needs to be highly engaged and drive this and have skin in the game (whether dollars or pro-bono time or talent).
- Warfield asked about budget and timing and Gilberts indicated that the East Sprague Union (ESU) BID generates about \$70K in revenue (Green clarified that it is closer to \$60K) and that \$15K is set aside in the 2021 UDPDA budget for a consultant but he would like the flexibility to spend up to \$50K if needed. Gilberts agreed that a likely start time is 2022 with community input, development, and planning wrapping up in 2021.
- Gilberts mentioned he is "solution agnostic" and that existing BIDs (DSP, ESU) could be approached or WSU who is providing snow removal, etc. for the City on the UD Gateway Bridge and South Landing. He will provide more BID information at the February 3, 2021, UDPDA board meeting.

### UDRA Update and 2021 Budget

Gilberts reported that Wallace is finalizing the sales and property tax calculation methodology for the City and County fairly and sustainably for all the PDAs and he'll present this information at the February 3, 2021 meeting. Wallace also completed a very-close reconciliation for 2020 and prior and she indicated the UDPDA will receive payment(s) by the end of the year and other catch-up payments in 2021. Kuney and all members praised Wallace for her diligence, expertise, and collaboration in resolving this complex issue. Kuney also stated that the 2021 budget will be updated, and a more accurate cash flow drafted once UDRA funding is understood. Gilberts mentioned that the proforma budget still includes placeholder 12 months lease revenue despite the UW vacancy. **MOTION to approve the 2021 budget** (Bouten), seconded (Sheehan), and passed unanimously.

### Wayfinding Update

Gilberts reported in the UDDA meeting that Baldwin Sign Company installed the first of several new wayfinding signs in the UD this week. He praised Mark Richards of DSP for carrying the torch to improve City wayfinding for years before handing off the project to the UDPDA.



### **UDPDA Purpose, Board Roles, and Responsibilities**

Gilberts recapped recent UDDA Executive Committee retreat work to clarify the distinct purpose, roles, and responsibilities of the UDDA and UDPDA organizations. He noted that these clarifications are for internal planning purposes and that the UD Mission Statement remains unchanged and *the* benchmark against which UDDA and UDPDA purpose and roles statements are checked.

Mission Statement (updated 2018): *The University District is a place where business and education grow together to create a collaborative, healthy, and prosperous region. The University District uses its unique connectivity to create shared community wellness and vibrancy by developing the infrastructure and programming that enable a globally-recognized hub of education, innovation, research, and health care.*

The group reviewed the following:

**Proposed UDPDA purpose** – *strategically leverage the PDA's revenues and assets to maximize the lasting economic vitality in the UDRA*

**Proposed UDDA purpose** - *strategically organize and leverage the UD's partners and place to maximize regional economic prosperity by partnering with the UDPDA to draw resources into the UD that multiply resources in the region*

#### **Proposed UDPDA roles**

- Secure or provide funding to create jobs, increase sales and property taxes, and housing development in the UDRA by appropriately investing in:
  - Infrastructure (e.g. roads, sidewalks, stormwater management, parking)
  - Multifamily housing developments
  - Public facilities and place-making amenities
  - Activities that support the preceding items (e.g. marketing, collaterals, staff)
- Identify and address regulatory, environmental, and other barriers that prevent, limit, or slow the creation of jobs, increased sales and property taxes, and housing development.
- Identify critical services that should endure beyond the 2039 end of the UDRA funding and provide an agreed-upon level of 'endowment' or support to sustain critical UDPDA missional elements.

#### **Proposed UDDA roles**

- Support the cohesion and growth of the business and educational partners within the University District Revitalization Area (UDRA).
- Advise, advocate, and collaborate with governmental (e.g. City, state), economic development (e.g. UDPDA, ADO), and business groups (e.g. GSI, Valley Chamber, West Plains Chamber, DSP) that impact how one can live, learn, work, or play within the UDRA or partners that operate within the UDRA.
- Lead and support the promotion and marketing of the UD's development opportunities as well as the educational and related business value and prospects both within and outside of the market.
- Support and advocate for high-quality, nimble, future-looking education, and skill-building that is easy for employers and partners to leverage and access.
- Pursue the development of a globally recognized health and life science hub anchored in the UDRA.
- Create and support a vibrant, healthy, connected, and equitable UD through arts, events, diverse amenities, easily access experiences, quality transit, and parking options, etc.



**Proposed committee roles and alignment**

- UDPDA Committee(s):
  - Development Committee (Murphy and Antonietti would remain co-chairs; Bouten would act as DC rep to the UDPDA board; quorum avoided as Antonietti leaves UDPDA board at end of 2020)
- UDDA Committees:
  - Marketing and Engagement
  - Higher Ed strategy and coordination

During their discussions, the board re-emphasized the following:

- Equity, shared wellness, and prosperity for all both in purpose and in guiding statements
- Wordsmith as needed, but clarify that UDPDA is not a housing developer/owner per se but, depending on the project, could be a supportive “last dollar in”
- Although by statute, UDPDA has a prescribed role within a specific geographic area, public vs UDRA funds provide flexibility
- Be mindful of how the UDPDA can adapt and change over time

Hearing no additional public comment, Gilberts wished all a happy holiday and adjourned the meeting at 4:15 PM.

\_\_\_\_\_  
Mary Kuney, Secretary

\_\_\_\_\_  
Date



## University District Public Development Authority (UDPDA) Voucher Certification – October 2020 Close

Per the Office of the Washington State Auditor and the BARS Voucher Certification and Approval Process set forth here

[https://www.sao.wa.gov/bars\\_cash/accounting/expenditures/voucher-certification-and-approval/](https://www.sao.wa.gov/bars_cash/accounting/expenditures/voucher-certification-and-approval/), I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described, or that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the (city/county/district), and that I am authorized to authenticate and certify to said claim.

**The following voucher/warrants/electronic payments were approved for payment and cleared the UDPDA bank account:**

Date	Voucher Warrant #	Description	Amount
10/27	1063	HUB International, 2020-2021 D&O insurance	\$ 1,121.00

  
\_\_\_\_\_  
Lars Gilberts, CEO, UDDA and UDPDA board chair

11/9/2020  
Date



UD Public Development Authority  
**Balance Sheet**  
As of December 31, 2020

	<u>Dec 31, 20</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
10128 · NUM Checking UDPDA	60,237.77
10129 · NUM MM UDPDA	2,500.88
<b>Total Checking/Savings</b>	<u>62,738.65</u>
<b>Total Current Assets</b>	62,738.65
<b>Fixed Assets</b>	
12005 · Fixed Asset	515,930.00
<b>Total Fixed Assets</b>	<u>515,930.00</u>
<b>TOTAL ASSETS</b>	<b><u>578,668.65</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Equity</b>	
32000 · Retained Earnings	31,147.67
32001 · 201 W Main	515,930.00
Net Income	31,590.98
<b>Total Equity</b>	<u>578,668.65</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>578,668.65</u></b>

**UD Public Development Authority**  
**Profit & Loss Budget vs. Actual**

December 2020

	Dec 20	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
3000000 · REVENUES				
3100000 · TAXES - PROP, SALES, B&O	60,927.40			
3300000 · INTERGOV REVENUES				
3370000 · LOCAL GRANTS ENTITLMNT OTH...	0.00	0.00	0.00	0.0%
<b>Total 3300000 · INTERGOV REVENUES</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
3600000 · MISC REVENUES				
3620000 · RENTS AND LEASES	6,000.00	5,631.25	368.75	106.5%
3600000 · MISC REVENUES - Other	0.11			
<b>Total 3600000 · MISC REVENUES</b>	<b>6,000.11</b>	<b>5,631.25</b>	<b>368.86</b>	<b>106.6%</b>
<b>Total 3000000 · REVENUES</b>	<b>66,927.51</b>	<b>5,631.25</b>	<b>61,296.26</b>	<b>1,188.5%</b>
<b>Total Income</b>	<b>66,927.51</b>	<b>5,631.25</b>	<b>61,296.26</b>	<b>1,188.5%</b>
<b>Expense</b>				
5000000 · EXPENDITURES				
5580000 · CMTY PLANNING ECON DEV				
5586000 · Planning				
5586040 · Planning Services	0.00	0.00	0.00	0.0%
5586060 · Planning Capital Outlays	0.00	0.00	0.00	0.0%
<b>Total 5586000 · Planning</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.0%</b>
5587000 · Economic Development				
5587040 · Econ Dev Services	0.00	26,075.00	-26,075.00	0.0%
5587000 · Economic Development - Other	60,175.00			
<b>Total 5587000 · Economic Development</b>	<b>60,175.00</b>	<b>26,075.00</b>	<b>34,100.00</b>	<b>230.8%</b>
<b>Total 5580000 · CMTY PLANNING ECON DEV</b>	<b>60,175.00</b>	<b>26,075.00</b>	<b>34,100.00</b>	<b>230.8%</b>
<b>Total 5000000 · EXPENDITURES</b>	<b>60,175.00</b>	<b>26,075.00</b>	<b>34,100.00</b>	<b>230.8%</b>
<b>Total Expense</b>	<b>60,175.00</b>	<b>26,075.00</b>	<b>34,100.00</b>	<b>230.8%</b>
<b>Net Ordinary Income</b>	<b>6,752.51</b>	<b>-20,443.75</b>	<b>27,196.26</b>	<b>-33.0%</b>
<b>Net Income</b>	<b>6,752.51</b>	<b>-20,443.75</b>	<b>27,196.26</b>	<b>-33.0%</b>



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**The following voucher/warrants/electronic payments were approved for payment and cleared the UDPDA bank account:**

Date	Voucher Warrant #	Description	Amount
		No voucher/warrant activity	

  
\_\_\_\_\_  
Lars Gilberts, CEO, UDDA and UDPDA board chair

12/4/2020  
Date



## University District Public Development Authority (UDPDA) Voucher Certification – December 2020 Close

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[https://www.sao.wa.gov/bars\\_cash/accounting/expenditures/voucher-certification-and-approval/](https://www.sao.wa.gov/bars_cash/accounting/expenditures/voucher-certification-and-approval/), I, the undersigned, do hereby certify under penalty of perjury that the materials have been furnished, the services rendered or the labor performed as described, or that any advance payment is due and payable pursuant to a contract or is available as an option for full or partial fulfillment of a contractual obligation, and that the claim is a just, due and unpaid obligation against the (city/county/district), and that I am authorized to authenticate and certify to said claim.

**The following voucher/warrants/electronic payments were approved for payment and cleared the UDPDA bank account:**

Date	Voucher Warrant #	Description	Amount
12/9/2020	Xfer	UDDA Services Agreement, Q3 and Q4 (July-Dec 2020)	\$60,000.00
12/28/2020	1064	Travelers Insurance – public official bond renewal for Lars Gilberts	\$175.00

  
\_\_\_\_\_  
Lars Gilberts, CEO, UDDA and UDPDA board chair

1/5/21  
\_\_\_\_\_  
Date



## University District (UD) DRAFT - Core Values

The University District is made up of two organizations that have a common mission, set of values, and shared goals that are achieved through complementary and interconnected purposes and roles.

### UD Mission

The University District is a place where business and education grow together to create a collaborative, healthy, and prosperous region. The University District uses its unique connectivity to create shared community wellness and vibrancy by developing the infrastructure and programming that enable a globally recognized hub of education, innovation, research, and health care. (Updated 2018)

**UD Values** – The collective actions of the UD staff and board should reflect the following values:

- **Stewardship** – The UD efficiently uses its time, influence, and finances to advance ‘but for us’ opportunities that would otherwise fail, be meaningfully delayed, and/or be reduced in scale or scope.
- **Learning** – The UD believes continuous learning is essential for individual, organizational, and community resiliency and as such champions upskilling, research, higher education, and innovation.
- **Equity** – The UD is committed to policies, practices, and investments that build healthy, just, connected, and competitive communities. The UD acts and collaborates to increase access and opportunity for groups and classes of people who are or have been structurally disadvantaged.
- **Sustainability** – The UD is committed to the interdependence of people, communities, and systems and supports lasting community, environmental, and economic growth and health in the Spokane region and especially within the UDRA.

**Examples of the UD Values in Action** – The individual actions of UD staff, committees, and the board must never defy any of these values and when evaluated over time should reflect all the values.

- **Examples Reflecting all Values**
  - UDPDA – Invests first/last dollars into a parking structure that facilitates both institutional and residential developments. The institutional development serves several institutions that engage students and researchers that are disproportionately diverse and first-generation graduates. The transit-oriented residential development reserves 20% of units for LMI (low median income) residents and unites neighboring property owners and STA to create a vibrant and walkable community.
  - UDDA – Leads a coordinated campaign to ensure the Spokane County CEDS (Comprehensive Economic Development Strategy) recognizes the strategic value of a skilled workforce and our competitive advantage in energy and life sciences; and supports the long-term regional implementation of the CEDS for unprecedented job growth both in the UD and the county that is responsible for 60%+ retention of STEM graduates, median income growth that exceeds the state and nation, and post-secondary credentialing reaching 75%.
- **Examples reflecting the value of Stewardship**
  - UDPDA – Commit \$4M for Sprague Ave rebuild that would otherwise take at least a decade to complete.
  - UDDA – Organize coordinated marketing and events to promote the Live, Learn, Work, Play benefits of the UD.
- **Examples reflecting the value of Learning**
  - UDPDA – Prioritize EPA funding for projects that support educational partners.
  - UDDA – Coordinate fireside chats and events that retain skilled workers and graduates by connecting them to quality employers that are adding jobs.

- **Examples reflecting the value of Equity**
  - UDPDA – Provide additional market rate housing and invest in a parking structure that supports developments supporting Native American health sciences students and veterans.
  - UDDA – Participate in the Inclusive Development Network and advocate for local chambers and businesses adopting equitable hiring and training practices.
- **Examples reflecting the value of Sustainability**
  - UDPDA – Only invest in projects that create or catalyze development(s) that exceed minimum standards for energy efficiency, transportation mode shift, inclusive development, and/or which generate mission sustaining ROI (increased assets or cashflow).
  - UDDA – Actively support regional transit-oriented development policies to ensure cost-effective housing is developed in ways and places that use natural resources and connect communities more efficiently.

#### **Definitions**

- Economic Development – A set of programs and policies that aid in the creation, retention, and expansion of jobs; the development of a stable tax base; and the enhancement of wealth. (IEDC)
- Equity - Equity is just and fair inclusion into a society in which all can participate, prosper, and reach their full potential. Attaining equity requires eliminating barriers and providing people with the optimal opportunity to thrive. (Center for Story-Based Strategy and the Interaction Institute for Social Change)