



UNIVERSITY
DISTRICT

University District Public Development Authority (UDPDA) Meeting Minutes Wednesday, February 3, 2021 – 3:02 PM – 3:23 PM via Zoom

Board Members Present: Council President Breean Beggs, Bill Bouten, Lars Gilberts, Lindsey Myhre (chair), Katy Sheehan, Paul Warfield

Board Members Absent: Commissioner Mary Kuney

Others Present: John Dickson (Spokane County), Chris Green (City), Taud Hume (legal counsel), Alden Jones (UDDA staff), and various UDDA board members joined for part or all of the session

Call to Order and Administrative Actions

Chair Myhre 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 December 2, 2020, UDPDA board meeting minutes, and the UDPDA financials and voucher certification as of December 31, 2020. **MOTION to approve the consent agenda with minutes and financials** (Warfield), seconded (Bouten), absent (Kuney), and passed unanimously.

UW Spokane Center Update

Gilberts reminded the board that the University of Washington provided six-months' notice to terminate their lease at the UDPDA's property at 201 W Main Street (vacancy on April 20, 2021) and that the owner/developer of the adjacent to-be-redeveloped property is interested in the site for a future construction/sales office and laydown area. As such, Gilberts shared a proposed lease agreement between the UDPDA and Riverside and Browne Investments, LLC for consideration and approval. The lease terms include a lease effective May 1, 2021, for 18 months (expires Oct 31, 2022) with a six-month extension, \$3,500/month rent, 100% tenant-paid property management; mutual \$2M liability and \$4M aggregate insurance; and a \$5K payment in exchange for the right of first refusal (ROFR). The ROFR terms state that the tenant is responsible to initiate an offer to purchase; that the \$5K payment will be applied to the purchase price if purchased up to six months after the lease ends; and that the payment is only refunded if the UDPDA voids the lease or agreement. The board asked if the six months lease extension was unilateral or mutual and if the ROFR can be extended. Section 1(o) of the lease confirms the tenant cannot unilaterally extend the lease: "The Parties will work together to discuss possible extension options prior to December 1, 2021. Nothing herein requires Landlord to commit to any extensions of this Lease."

Hearing no further questions or discussion, Myhre asked for **MOTION to approve the Spokane Center Lease Agreement between the UDPDA and Riverside and Browne Investments, LLC** (Warfield), seconded (Sheehan), recused/abstained (Bouten), absent (Kuney), and passed.

Sprague Avenue Phase 2b

Gilberts reminded the group that in 2018, the board committed \$4M to Sprague Avenue Phase 2a and b; and at the December 2, 2020 meeting the board approved the SIP terms to enter into a loan agreement with the City for Phase 2b. He noted that he received the Interlocal Agreement (OPR 2021-0053) to authorize that Phase 2b funding today.



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UDRA Update

Gilberts reported that the UDPDA received an estimated UDRA payment (\$247,655) from the City in January. Tonya Wallace at the City is still working on the very complex sales tax methodology and reconciliation, but she is making progress.

Organizational Values and Planning

Myhre recapped recent board work to finalize the distinct purpose, roles, and responsibilities of the UDDA and UDPDA organizations. As a follow-up to this work, staff and the EC developed aspirational organizational values. The UDPDA board discussed and helped edit the proposed language resulting in the following Organizational Core Values (examples of values in action for illustration only) also approved in the UDDA meeting:

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 acts and collaborates to increase access and opportunity for groups and classes of people who are or have been structurally disadvantaged. The UD is committed to policies, practices, and investments that build safe, healthy, just, connected, diverse, and inclusive communities.
- **Sustainability** – The UD is committed to the interdependence of people, communities, and systems and supports lasting community, environmental, and economic 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 proportionately more 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.

Myhre asked for a **MOTION to approve the Organizational Core Values with recommended changes** (Bouten), seconded (Beggs), absent (Kuney), and passed unanimously.

Myhre asked for public comment and hearing none, adjourned the meeting at 3:02 PM. After the adjournment attendees were welcomed to provide any updates that were not possible during the UDDA board meeting, however, a quorum of the UDPDA board was still present. While resuming a board meeting was considered, no attendees present indicated they wished to say anything further when asked by Myhre. With no further discussion or action taken, the Zoom meeting concluded for all attendees.



Lars Gilberts, Secretary

3/4/21

Date



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University District Public Development Authority (UDPDA) Voucher Certification – December 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/, 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