



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

Wednesday, May 5, 2021 – 3:00 PM – 3:45 PM

Join Zoom <https://us02web.zoom.us/j/82615770503?pwd=QUZmWWFFMnM1N2lhamp1TkhxQT09>

Meeting ID: 826 1577 0503 Passcode: 809313

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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. If you have public comment for the UDPDA board, please submit it in writing by May 4 to gilberts@spokaneudistrict.org.

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

3:02 Administrative actions – Myhre

- Proposed MOTION – Consent Agenda
 - March 3, 2021 draft UDDA board meeting minutes
 - UDDA financials as of March 31, 2021 and voucher certification

Date	Voucher Warrant #	Description	Amount
03-02-21	1068	Greater Spokane, Inc – for Advantage Spokane annual contract fee	\$3,500
03-16-21	1066	Baldwin Signs – for balance on wayfinding contract	\$31,273.90
03-18-21	Xfer	UDDA for Services Agreement – March 2021	\$12,62500

3:05 Development opportunity – Gilberts/Bouten

3:40 Public comment

3:45 Adjourn – Myhre

2021 UDPDA meetings (start/end times may be adjusted to account for UDDA meeting timing)

- **June 2** – 2:00pm-4:30pm – hopefully in-person at Pacific x Pine Collective
- **Sept 1** – 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, March 3, 2021– 3:17 PM – 3:23 PM via Zoom

Board Members Present: Council President Breean Beggs, Lars Gilberts, Commissioner Mary Kuney, Lindsey Myhre, Katy Sheehan, Paul Warfield

Board Members Absent: Bill Bouten

Others Present: Chris Green (City), Taudd Hume (legal counsel), Alden Jones, and various UDDA board members and/or proxies joined for part or all of the session

Call to Order and Administrative Actions

Myhre called the meeting to order at 3:17 PM and asked the board to review the draft February 3, 2021, UDPDA board meeting minutes, and the UDPDA financials as of January 31, 2021. **MOTION to approve the consent agenda with minutes and financials** (Beggs), seconded (Warfield), and passed unanimously.

Development Committee (DC) Update

- Gilberts (filling in for Murphy) shared the Committee's 2021 Work Plan. He mentioned parking specifically and noted that two partners are open to exploring locations for structured parking. Gilberts will provide further updates at the May meeting.
- The City breaks ground on Sprague Phase 2b on April 12.
- The Boxcar development on the South Landing is making significant progress and the UDPDA is grateful to Project PDX and other "early" developers such as River and Brown Investments LLC (204 W Main), McKistry (Health Peninsula, 840 E Spokane Falls Blvd), and Sagamore Spokane LLC (The District on MLK Jr. Way).
- Riverside Avenue alongside Boxcar currently is a dirt road and plans are underway to pave in conjunction with Sprague Phase 2b work.

Strategic Planning and 2021 Goals

Myhre reminded the group that they approved UDPDA board roles and responsibilities and core values at recent meetings. From there, the UDDA EC developed a proposed Strategic Plan for the next 3-5 years. At today's UDDA board meeting, the group approved a 2021 Strategic Plan with the following (five) key initiatives: Parking, Financial Stability, Placemaking, Creation and Talent, and Business Growth. Myhre said the next step is a "scorecard" that will reflect timing and assignments based on the initiatives and goals. The UDPDA board will be asked for input on key projects by the September board meeting.

Myhre asked for public comment and hearing none adjourned the meeting at 3:23 PM.

Lars Gilberts, Secretary

Date

UD Public Development Authority
Balance Sheet
As of March 31, 2021

	<u>Mar 31, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
10128 · NUM Checking UDPDA	74,443.87
10129 · NUM MM UDPDA	235,016.66
Total Checking/Savings	<u>309,460.53</u>
Total Current Assets	309,460.53
Fixed Assets	
12005 · Fixed Asset	515,930.00
Total Fixed Assets	<u>515,930.00</u>
TOTAL ASSETS	<u>825,390.53</u>
LIABILITIES & EQUITY	
Equity	
32000 · Retained Earnings	62,703.65
32001 · 201 W Main	515,930.00
Net Income	246,756.88
Total Equity	<u>825,390.53</u>
TOTAL LIABILITIES & EQUITY	<u>825,390.53</u>

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

March 2021

	Mar 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
3000000 · REVENUES				
3300000 · INTERGOV REVENUES				
3370000 · LOCAL GRANTS ENTITLMNT OT...	0.00	0.00	0.00	0.0%
Total 3300000 · INTERGOV REVENUES	0.00	0.00	0.00	0.0%
3600000 · MISC REVENUES				
3620000 · RENTS AND LEASES	11,000.00	5,631.25	5,368.75	195.3%
3600000 · MISC REVENUES - Other	39.92			
Total 3600000 · MISC REVENUES	11,039.92	5,631.25	5,408.67	196.0%
Total 3000000 · REVENUES	11,039.92	5,631.25	5,408.67	196.0%
Total Income	11,039.92	5,631.25	5,408.67	196.0%
Expense				
5000000 · EXPENDITURES				
5580000 · CMTY PLANNING ECON DEV				
5586000 · Planning				
5586040 · Planning Services	0.00	0.00	0.00	0.0%
5586060 · Planning Capital Outlays	31,273.90			
Total 5586000 · Planning	31,273.90	0.00	31,273.90	100.0%
5587000 · Economic Development				
5587040 · Econ Dev Services	16,125.00	30,750.00	-14,625.00	52.4%
5587060 · Econ Dev Capital Outlays	0.00	0.00	0.00	0.0%
Total 5587000 · Economic Development	16,125.00	30,750.00	-14,625.00	52.4%
Total 5580000 · CMTY PLANNING ECON DEV	47,398.90	30,750.00	16,648.90	154.1%
Total 5000000 · EXPENDITURES	47,398.90	30,750.00	16,648.90	154.1%
Total Expense	47,398.90	30,750.00	16,648.90	154.1%
Net Ordinary Income	-36,358.98	-25,118.75	-11,240.23	144.7%
Net Income	-36,358.98	-25,118.75	-11,240.23	144.7%



Structured Parking Site Acquisition

Analysis and recommendation regarding securing a site to develop structured parking.

Summary of UDPDA Board Support for Parking

In September and November of 2020, the UDPDA board took repeated action to support and invest in structured parking to facilitate new and ongoing development in the UDRA. The board agreed that, due to current and anticipated conditions, a parking structure is the most effective way to implement the UD's mission. Board actions included committing to:

- Engage the City, Spokane Transit Authority, owners of off-street parking, and other relevant partners to increase efficient parking sharing and management;
- Adopt the Site/Project Evaluation Criteria (e.g., ROI, cost per stall, net parking created, supports mixed-use, capacity to catalyze additional development) developed by the DESMAN Shared Parking Analysis Report;
- Reserve up to 80% of the UDRA's projected revenue through 2039 to invest in structured parking in compliance with the Site/Project Evaluation Criteria; and
- Review Site/Project Evaluation Criteria and available funds in 18 months (by Q2 2022) to confirm or adapt parking strategies in the UDRA.

Preferred Development Types

The preferred development options presented in 2020 remain in place:

- Type 1: Provide support (e.g. public improvement assistance, guaranteed lease, etc.) to allow a private development that creates net new parking spaces;
- Type 2: Take equity or debt stake in a development led by a public or private partner that develops net new parking spaces; or
- Type 3: Secure a site and lead the development of net new parking spaces.

Staff have actively engaged property owners and developers and have not been able to identify preferred (Type 1) opportunities. The Development Committee (DC) and staff have reviewed all possible locations and identified two (#1 and #6 in the map below) with current or potential owners open to partnering with the UDPDA to develop a parking structure. One other preferred site may become available, all others do not seem likely to change status within the coming 12-18 months.



Site #6 is Green Lot 6 on WSU's campus and is potentially a Type 2 or 3 opportunity and while WSU is actively clarifying what type of partnership and development is possible for this site and for them, they are not yet in a place to commit.

Site #1 is owned by Avista Development and the property directly to the west is currently for sale. This would be the largest combined property available for development in the near future that is also within a viable distance to support new likely development.

Constraints and Opportunities Related to Acquisition

The UDPDA currently does not have cash on hand or consistent revenue to justify or support a loan to buy or develop a site. Nor is it accustomed to deliberating quickly on real estate matters. However, in the coming 12-18 months, the UDPDA will have regular and growing incremental tax revenues as well as the possibility of proceeds from the sale of its 201 W Main property.

The possibility to aggregate properties on the south landing provides the opportunity to address parking at scale, support a larger new development, and support new development for surrounding properties. Conversely, the sale of 411 E Sprague Ave to another buyer opens up the potential of someone buying and sitting on the property, renovating it as a low-rise and low-density development, and/or keeping parcels fragmented and oddly shaped. While a buyer could aggregate the parcel with the neighboring Avista property and create a high-value development, it is only something that site control could ensure.

Initial assessments indicate that there are ways the UDPDA could support and/or participate in development on both sites #1 and #6. Each site provides different opportunities to address scale and impact, but at the moment #1 is the only development option.

At the direction of the DC, staff approached Avista Development (Avista) to explore their willingness to either purchase the 411 E Sprague Ave site or to do so for the UDPDA. Avista is not open to buying and holding more property, however, they quickly identified options that could allow them to buy the parcel and prep the site for redevelopment. In a draft development agreement authored by both parties, terms indicate this would be done at cost and would require the UDPDA to commit to either purchasing the property within three (3) years or reimbursing Avista for any costs they could not recoup after selling the property if the UDPDA did not exercise its option. Additionally, Avista would commit to selling their parcel to/with the UDPDA at a set price.

Requested Board Action on May 5th

Provide input and approval to continue discussions and negotiations on the draft development agreement. Identify board member(s) to stay active in the conversation.

Potential Board Action on June 2nd

Approve the final draft of the development agreement and provide input and/or set implementation standards (e.g. negotiations, price considerations, timelines, etc).

Additional/Potential Actions

Evaluate development scenarios and proformas for Site #1. Evaluate development scenarios and proformas for Site #6 if WSU is able and willing to participate.