



University District Public Development Authority (UDPDA)

Board of Directors' Meeting Agenda

Wednesday, June 2, 2021 – 3:00 PM – 4:00 PM

Catalyst Building, Room 304, 601 East Riverside Ave, Spokane, WA 99202

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

3:02 Administrative actions – Myhre

- Proposed MOTION – Consent Agenda
 - May 5, 2021 draft UDDA board meeting minutes
 - UDDA financials as of April 30, 2021, and voucher certification

Date	Voucher Warrant #	Description	Amount
4/29/2021	Online xfer	UDDA/UDPDA Services Agreement - April	\$12,625

3:05 Development Committee Report – Bouten/Gilberts

- Development Agreement review and MOTION
- Next steps and implementation

3:50 Public comment

4:00 Adjourn

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

- **Sept 1 annual meeting** – 2:00pm-4:30pm at Pacific x Pine Collective
- **Nov 3** – 2:00pm-4:30pm, location TBD
- **Dec 1** – 2:00pm-4:30pm, location TBD



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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, May 5, 2021– 3:00 PM – 3:45 PM via Zoom

Board Members and/or Proxies Present: Council President Breean Beggs, Bill Bouten, Lars Gilberts, Mary Kunej, Lindsey Myhre, Katy Sheehan, and Paul Warfield

Board Members and/or Proxies Absent: None

Others Present: Chris Green (City), Taudd Hume (legal counsel), and some UDDA board members for part or all of the session

Call to Order and Administrative Actions

Myhre called the meeting to order at 3:00 PM and asked the board to review the draft March 3, 2021, UDPDA board meeting minutes, and the UDPDA financials as of March 31, 2021. **MOTION to approve the consent agenda with minutes and financials** (Warfield), seconded (Bouten), and passed unanimously.

Development Opportunity

As a member of the joint UDDA/UDPDA Development Committee (DC), Bouten took lead on this development opportunity conversation and noted the DC's report to the UDDA board below by way of reference.

- *The DC has focused on catalytic **structured parking development opportunities** for several months and shared a "white paper" outlining preferred parking structure development types, and the constraints, opportunities, and risks related to parcel acquisition.*
- *Out of thirteen initial sites identified in the white paper, the DC recommends two based on the Desman-drafted, UDPDA board-approved evaluation criteria: (aggregated) 411 E Sprague Avenue parcel (which had EPA Coalition grant Phase 1 assessment) and WSU Health Science Spokane's Green Lot 6. Although the latter is a good option, WSU leadership is still assessing the best use for this site.*
- **411 E Sprague** is for sale and because the UDPDA may lack the cash or cash flow to support an independent purchase or loan, staff approached Avista Development (AD) to explore a partnership whereby property is aggregated and prepared for redevelopment. A draft development agreement is underway that gives the UDPDA three years to plan, partner, and act. The agreement minimizes risk and cost for the UDPDA.
- *In addition to DC members Murphy, Bouten, Dugger, and legal counsel Hume, other volunteers are welcome to participate on the evaluation/acquisition team.*
- *Another nearby, ideal property that is under contract until May 21 has just come to light and the DC will evaluate the site if it becomes available.*
- *The UDDA board praised Murphy and the DC for their ongoing work on this topic and was in favor of the following four steps: 1) pursue a development agreement for action at the June 2 meeting; 2) negotiate to acquire desired parcel(s) and begin diligence; 3) if successful, do site prep and remediation, determine highest/best use; and 4) plan to sell or restructure within three years.*

With this 411 E Sprague background, board deliberations and discussions ensued.



- Members Gilberts and Bouten noted the upside of an agreement with AD who is willing to purchase and hold the aggregated property for the UDPDA to achieve the highest/best use of an important parcel around the South Landing.
- Counsel Hume affirmed the draft agreement's three-year window offers adequate time to make an informed decision and/or provides a clear exit strategy.
- Gilberts noted no earnest money and no broker fees as other advantages but said that the UDPDA would cover the cost of capital (6%) and remediation expenses. He also said that public funds are available to defray the latter.
- Members discussed the risks including unclear funding strategy, economic and pandemic uncertainties, contamination unknowns, Verizon Tower barrier, and UDPDA responsibility for up to 85% of the deficit. Even so, all felt that 411 East Sprague is still a wise investment.
- Gilberts mentioned the other nearby ideal site under contract until May 21 and that there's openness to exploring partnership options for that property as well; and that the current owner might be interested in retaining an equity stake.
- Beggs was in favor of moving forward with either or both properties but is skeptical of the UDPDA being in the parking business. He also wants to compare the assessed value to the asking price.
- Sheehan requested that Gilberts circulate the final draft development agreement to afford ample time to review.
- Warfield, Myhre, and Kuney thanked the DC, Murphy, Bouten, and Gilberts for a deliberative, thoughtful, comprehensive conversation.
- In summary, the UDPDA board endorsed the following next steps:
 1. pursue a development agreement for action at the June 2 meeting;
 2. negotiate to acquire desired parcel(s) and begin diligence;
 3. if successful, do site prep and remediation, determine highest/best use; and
 4. plan to sell or restructure within three years.

Public Comment

Asking for and hearing no public comment, Myhre adjourned the meeting at 3:45 PM.

Lars Gilberts, Secretary

Date




**University District Public Development Authority (UDPDA)
Voucher Certification – March 2021 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
3/5/2021	1068	Greater Spokane Inc. – annual fee per Advantage Spokane partnership contract	\$3,500.00
3/18/2021	Online xfer	UDDA per Services Agreement	\$12,625.00
3/22/2021	1066	Baldwin Sign Company – for balance on wayfinding contract	\$31,273.90



 Lars Gilberts, CEO, UDDA and UDPDA board secretary

9/18/21

 Date

UD Public Development Authority
Balance Sheet
As of April 30, 2021

	<u>Apr 30, 21</u>
ASSETS	
Current Assets	
Checking/Savings	
10128 · NUM Checking UDPDA	63,711.86
10129 · NUM MM UDPDA	235,055.30
Total Checking/Savings	<u>298,767.16</u>
Total Current Assets	298,767.16
Fixed Assets	
12005 · Fixed Asset	515,930.00
Total Fixed Assets	<u>515,930.00</u>
TOTAL ASSETS	<u>814,697.16</u>
LIABILITIES & EQUITY	
Equity	
32000 · Retained Earnings	62,703.65
32001 · 201 W Main	515,930.00
Net Income	236,063.51
Total Equity	<u>814,697.16</u>
TOTAL LIABILITIES & EQUITY	<u>814,697.16</u>

UD Public Development Authority
Profit & Loss Budget vs. Actual

Cash Basis

April 2021

	Apr 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
3000000 · REVENUES				
3300000 · INTERGOV REVENUES				
3370000 · LOCAL GRANTS ENTITLMNT OTH...	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	1,892.99	5,631.25	-3,738.26	33.6%
3600000 · MISC REVENUES - Other	38.64			
Total 3600000 · MISC REVENUES	1,931.63	5,631.25	-3,699.62	34.3%
Total 3000000 · REVENUES	1,931.63	5,631.25	-3,699.62	34.3%
Total Income	1,931.63	5,631.25	-3,699.62	34.3%
Expense				
5000000 · EXPENDITURES				
5580000 · CMTY PLANNING ECON DEV				
5586000 · Planning				
5586040 · Planning Services	0.00	0.00	0.00	0.0%
Total 5586000 · Planning	0.00	0.00	0.00	0.0%
5587000 · Economic Development				
5587040 · Econ Dev Services	12,625.00	0.00	12,625.00	100.0%
5587060 · Econ Dev Capital Outlays	0.00	0.00	0.00	0.0%
Total 5587000 · Economic Development	12,625.00	0.00	12,625.00	100.0%
Total 5580000 · CMTY PLANNING ECON DEV	12,625.00	0.00	12,625.00	100.0%
Total 5000000 · EXPENDITURES	12,625.00	0.00	12,625.00	100.0%
Total Expense	12,625.00	0.00	12,625.00	100.0%
Net Ordinary Income	-10,693.37	5,631.25	-16,324.62	-189.9%
Net Income	-10,693.37	5,631.25	-16,324.62	-189.9%