



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

**Wednesday, September 1, 2021 – 3:00 PM – 4:00 PM**

Join Zoom <https://us02web.zoom.us/j/84256926582?pwd=OTVSV3JHYzZQOFVkOWZTaVdPSG5PUT09>

Meeting ID: 842 5692 6582; Passcode: 208391

One tap mobile +12532158782,,84256926582#,,,,\*208391# US (Tacoma)

Dial by your location +1 253 215 8782 US (Tacoma)

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

- Welcome Juliet; thank you, Paul

**3:02 Administrative actions – Myhre**

- Proposed MOTION – Consent Agenda
  - June 2, 2021, draft UDPDA board meeting minutes
  - Financials as of July 31, 2021, and voucher certification info May-July

Date	Voucher Warrant #	Description	Amount
5/6	Online xfer	Visa statement – April 2021	\$135
5/28	Online xfer	UDDA per Services Agreement – May 2021	\$12,625
6/15	1070	Hanover Insurance Group – business owners/ commercial policy for 201 W Main	\$1,475
6/24	Online xfer	UDDA per Services Agreement – June 2021	\$12,625
7/27	1071	Philadelphia Insurance Co – commercial package	\$510
7/28	Online xfer	UDDA per Services Agreement – July 2021	\$12,625

**3:05 UD Nominating Committee – Myhre**

- Paul Warfield replacement onboard by Nov 3 meeting
- Proposed MOTION 2022 UDDA representatives to UDPDA board - Myhre and Bouten
- Proposed MOTION 2022 UDPDA officers - Chair, Myhre; Vice-Chair, TBD once new CEO on board; Secretary, Bouten; Treasurer, Kuney

**3:07 Development Committee Report – Bouten/Sinisterra**

**3:15 Executive Session – Myhre**

At this time, the UDPDA board and invited guests will adjourn into executive session to discuss matters related to considering “the selection of a site or the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price” per RCW 42.30.110(1)(b).

**3:57 Resume public session, take action as needed, public comment – Myhre**

**4:00 November 3 meeting reminder and adjourn public session – Myhre**

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

- **Nov 3** – 2:00pm-4:30pm, location TBD
- **Dec 1** – 2:00pm-4:30pm and holiday social, Bouten Construction

## 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, June 2, 2021, 3:12 PM – 3:32 PM

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

**Board Members Present:** Council President Breean Beggs, Bill Bouten, Lars Gilberts, Commissioner Mary Kuney, Lindsey Myhre, and Paul Warfield

**Board Members Absent:** none

**Others Present:** Taudd Hume (legal counsel), Alden Jones, and several UDDA board members and members of the UD DC (Chuck Murphy, Teresa Dugger, Chris Green, Angela Koker)

### Call to Order and Administrative Actions

Myhre called the meeting to order at 3:12 PM and asked the board to review the draft May 5, 2021, UDPDA board meeting minutes, and financials as of April 30, 2021. **MOTION to approve the consent agenda with minutes and financials** (Beggs), seconded (Warfield), and passed unanimously.

### Development Committee (DC) Report

Bouten reminded the board that at their direction and over the past several months the DC has focused on catalytic **structured parking development opportunities**. Today's DC's recommendation to the board centers on two sites presented via a side-by-side comparison document. Site #1 (411 E Sprague) consists of two parcels that would be aggregated. The blue parcel is owned by Avista Development Corp., the green parcel is owned by DR & RM LLC and is listed by Cantu Commercial Properties. Site #2 (430 E Sprague, yellow) is owned by Janken Properties LLC and is also listed with Cantu. Site 2's owner is ready, open, and willing to work with the UDPDA. Site 1 owner not so much.





Bouten stated the DC's recommendations to the UDPDA board regarding these two sites in five steps and noted that only Step 1 is being considered for deliberation and action today.

- **Step 1:** UD Company LLC (UDC) and UDPDA execute a Real Property Acquisition Agreement (Agreement) that facilitates the UDC negotiating the purchase of sites #1 and #2 as referenced above. This Agreement allows the UDC to secure either or both sites for possible parking garage and redevelopment.
- **Step 2:** Once the Agreement is executed between the UDC and UDPDA, the UDC negotiates a Purchase and Sales Agreement (PSA) with the current property owner(s) and conducts due diligence in cooperation with UD staff and UDPDA board. The final purchase price and terms would be approved by the UDPDA board before the sale is finalized. If the property is not acquired by UDC before June 30, 2022, the Agreement between the UDPDA and UDC is void.
- **Step 3:** Once the property is purchased by UDC, the UDC will conduct further due diligence including securing firm pricing for site remediation, building hazardous material remediation, building demolition, and site clearing. Costs for such work that exceed an agreed-upon threshold will be presented to and approved by the UDPDA.
- **Step 4:** UDC proceeds with Step 3 work and pays for all related costs.
- **Step 5:** Within three (3) years following the purchase of property by UDC, the UDPDA will purchase the property from UDC. Purchase price includes the actual price paid for the property by UDC plus all costs (including the cost of capital) incurred by UDC as described in Step 3 above. If UDPDA opts not to purchase the property from UDC, the UDC may sell the property to a third party. Should this occur, the UDPDA will be responsible to cover the difference in the actual costs incurred by UDC for the initial property acquisition up to 85% of the appraised value plus the Step 3 costs referenced above versus the price paid by a third party to acquire the property from the UDC.

Bouten also enumerated the development costs and risks associated with the five steps:

- Sales price to UDPDA as described in the previous steps would be net of any grants UDC or UDPDA secures or reimbursement for costs incurred and compounded annually at a six percent (6%) APR.
- Negotiated price on neighboring Avista Development property would be set in a Right of First Offer.
- Costs of remediation and redevelopment would be actively investigated but may exceed projections.
- If UDPDA does not acquire property, it will be responsible for the difference between the purchase price received by UDC and UDPDA purchase price up to 85% of appraised value.

Gilberts noted that Jones Lang LaSalle (JLL) has been engaged by the UDC for their expertise, objectivity, and transparency to assist with Step 2. Gilberts said a lower APR (Step 5) could be found but since the transaction excludes broker's fees, the UDPDA realizes significant savings in the short run and a competitive cost if the full three years were used. Gilberts also reminded the board that the UDPDA's Main Avenue property could be sold at some time to fund the purchase of one or two additional sites.

Board members inquired about properties adjacent to 411 and 430 and if owners were open to future sale and/or whether contamination status is well understood. Gilberts said the owner of the small corner parcel to the west of 411 E Sprague had not expressed any



interest in selling. Butterworth Properties LLC, the owners next to 430, are aware of contamination issues and while not interested in selling outright had expressed interest in participating in a redevelopment. Gilberts said environmental Phase I and II discovery work on or around these sites has provided a baseline understanding of remediation and rock issues and will inform preliminary scenario planning.

The board agreed that 411 is an important view property for the south landing but makes sense only with UDC involvement and if cost-effective and aggregated. They see 430 as having excellent first-floor activation opportunities as well as easy access, and good transit and mobility connections to a parking structure. They discussed sequencing of one or both transactions and agreed that a willing seller, aggregation potential, and fair market price were priorities moving forward.

Legal Counsel Hume reiterated that he has been involved throughout the entire process (helping draft the Real Property Acquisition Agreement, etc.) and can attest that the risk to the UDPDA at this stage is minimal. With that, Myhre asked for a **MOTION to authorize the Real Property Acquisition Agreement with University Development Company LLC and to direct staff and committees to conduct due diligence and scenario planning as appropriate and possible and to rely on legal counsel, broker negotiations, and board expertise to manage risk and costs** (Beggs), seconded (Sheehan), and passed unanimously.

Myhre then asked for a **MOTION to authorize up to \$50K for planning and design services to evaluate the sites' feasibility and potential** (Beggs), seconded (Bouten), and passed unanimously.

The board thanked DC chair, Chuck Murphy, for his outstanding leadership and ongoing exceptional contributions to this effort.

### **Public Comment**

Asking for public comment and hearing none, Myhre adjourned the meeting at 3:32 PM.

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Lindsey Myhre, Chair

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Date

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

July 2021

	Jul 21	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
3000000 · REVENUES				
3100000 · TAXES - PROP, SALES, B&O	70,154.15			
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	0.00	5,631.25	-5,631.25	0.0%
3600000 · MISC REVENUES - Other	39.95			
Total 3600000 · MISC REVENUES	39.95	5,631.25	-5,591.30	0.7%
Total 3000000 · REVENUES	70,194.10	5,631.25	64,562.85	1,246.5%
Total Income	70,194.10	5,631.25	64,562.85	1,246.5%
Expense				
5000000 · EXPENDITURES				
5580000 · CMTY PLANNING ECON DEV				
5586000 · Planning				
5586040 · Planning Services	0.00	15,000.00	-15,000.00	0.0%
Total 5586000 · Planning	0.00	15,000.00	-15,000.00	0.0%
5587000 · Economic Development				
5587040 · Econ Dev Services	13,135.00	2,100.00	11,035.00	625.5%
5587060 · Econ Dev Capital Outlays	0.00	0.00	0.00	0.0%
Total 5587000 · Economic Development	13,135.00	2,100.00	11,035.00	625.5%
Total 5580000 · CMTY PLANNING ECON DEV	13,135.00	17,100.00	-3,965.00	76.8%
Total 5000000 · EXPENDITURES	13,135.00	17,100.00	-3,965.00	76.8%
Total Expense	13,135.00	17,100.00	-3,965.00	76.8%
Net Ordinary Income	57,059.10	-11,468.75	68,527.85	-497.5%
Net Income	<b>57,059.10</b>	<b>-11,468.75</b>	<b>68,527.85</b>	<b>-497.5%</b>

**UD Public Development Authority**  
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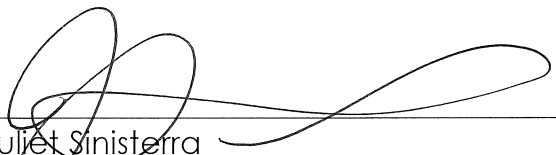
## University District Public Development Authority (UDPDA) Voucher Certification – July 2021 Close

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/](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
7/27	1071	Philadelphia Insurance Co – commercial package	\$510
7/28	Online xfer	UDDA per Services Agreement – July 2021	\$12,625

  
Juliet Sinisterra  
Interim CEO

8.15.21  
Date