



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

Wednesday, September 7, 2022 – 3:30 PM – 4:25 PM

In-Person at Joya Child and Family Development, 1016 N Superior St, Spokane WA
and Zoom available by request

3:30 Welcome, Call to Order, Administrative Actions – Myhre

- **Proposed MOTION** – Consent Agenda
 - June 1, 2022, draft UDPDA board meeting minutes
 - UDPDA financials as of July 31, 2022
- Biennial (2019-2020) SAO Assessment Audit Exit Letter

3:35 Nominating Committee Update and Board Vote on 2023 Positions – Bouten

- **Proposed MOTION** to re-appoint jointly-selected board member for another 1-year term:
 - Katy Sheehan
- **Proposed MOTION** to approve two UDDA representatives to 2023 UDPDA board for 1-year term:
 - Teresa Dugger
 - Lindsey Myhre
- **Proposed MOTION** to approve 2023 UDPDA officers:
 - Chair – Teresa Dugger
 - Vice Chair – Katy Sheehan
 - Secretary – Juliet Sinisterra (permanent UDDA CEO position)
 - Treasurer – Mary Kuney
 - Past Chair – Lindsey Myhre

FYI Permanent Members of the UDPDA Board – Council President Beggs, County Commissioner Mary Kuney, City Staffer Steve MacDonald, UDDA CEO

3:55 Development Committee Updates – Murphy/Sinisterra

4:10 Executive Session – 400-Block Invitation Review – Myhre

At this time, the UDPDA board and invited guests will adjourn into an 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).

4:25 Public Comment and Adjourn – Myhre
OPTIONAL: Joya tour after the UDPDA Meeting

2022 UDPDA Upcoming Meeting

- **December TBD, 3:30 PM** – followed by holiday social, location pending



University District Public Development Authority (UDPDA) Meeting Minutes - DRAFT Wednesday, June 1, 2022, from 4:41 PM – 5:17 PM, In-Person at Bouten Construction, 627 N Napa St, Spokane, WA, and Via Zoom

Board Members Present: Bill Bouten, Commissioner Mary Kuney, Katy Sheehan, Juliet Sinisterra

Board Members Absent: Council President Breean Beggs, Steve MacDonald, Lindsey Myhre

Others Invited to Present: Chuck Murphy (DC Chair), Taudd Hume (legal counsel), Troy Dehnel (Avista)

Call to Order and Administrative Actions

In Myhre's absence, Bill Bouten called the meeting to order at 4:41 PM. Bouten asked the board to review the draft March 9, 2022, UDPDA board meeting minutes and financials as of April 30, 2022. **MOTION to approve the minutes and financials** (Kuney), seconded (Sheehan), and passed unanimously.

Development Committee (DC) Report

400-Block Sprague Avenue Updates

- DC Chair Murphy reported that a meeting is planned with Verizon around their cell tower on Avista's property and the possible relocation and transfer of the tower lease with the sale of the property.
- Steven Wood (Century Pacific)—the consultant selected to provide Public-Private Property Development Advisory Services for the 400-Block parking structure—is meeting bi-weekly with the DC sub-committee and making connections with south landing business and property owners regarding their parking needs and goals.
- Sinisterra shared the following draft schedule for the 400-Block:
 - May/June – resolve site assemblage concerns
 - July/August – release RFP for mixed-use development (the draft RFP will be reviewed by the DC, EC, and the UDPDA board)
 - September – interview and select developer and begin working on development scenarios for Public/Private Partnership for 400-Block
- 411 E Sprague site clean-up has begun. Additional costs incurred by Avista on our behalf include roof testing (\$600), initial abatement of hazardous materials (\$188,500 purchase price less \$90K), and revised abatement of hazardous materials (\$67,976). Sinisterra thanked Troy Dehnel for his expert negotiation and efforts to mitigate costs.
- The final design of the Riverside Avenue north sidewalk was shown. The City plans to issue bid documents the week of June 6. The estimated cost is \$200K-\$250K. Project PDX requested that those funds be taken from the \$595,125 from the Boxcar property sale proceeds (earmarked for bike/ped improvements) instead of using underage funds from Sprague Avenue Phase 2b (approx \$700K-\$800K). The rationale for this shift is that Riverside Avenue improvements will be costly therefore preserving the Sprague underage for that work makes the most sense. **MOTION to pay for the north sidewalk with proceeds from the Boxcar property sale, not the Sprague Avenue 2b underage** (Kuney), seconded (Sheehan), abstained (Bouten), and passed.
- Sinisterra reminded the group that the 2022 UDPDA budget calls for Data Collection and Market Research analysis to help set measurable goals for the organization. Cascadia Partners was selected for this work which launches in late June.



Tax Methodology Update and State Request Letter

Sinisterra thanked the City for their ongoing help with this longstanding issue. She shared a draft letter to the Washington State Department of Revenue (DoR) and presented a table summary of sales and property tax numbers from 2011 to 2021. DoR tracked sales tax within the UDRA boundary until 2015 (the UDPDA receiving 50% of the City's portion). Thereafter, the city calculated our share based on a citywide average (much less than the actual amount given all the activity in the UD). Sinisterra met with Senator Billig yesterday and he has offered to start a conversation with DoR. Commissioner Kuney indicated that she will assist as well.

Public Comment

Sinisterra and others commented on the outstanding Joya building opening. Hearing no other comment, Bouten reminded the group of the September 7 meeting at Joya and then adjourned the meeting at 5:17 PM.

Bill Bouten

Date



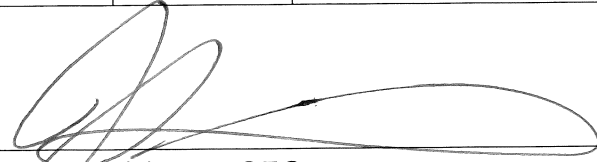
University District Public Development Authority (UDPDA) Voucher Certification – April 2022 Close - revised

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
4/25/22	1085	MRSC Rosters Annual Subscription fee	\$135.00
4/19/22	1086	Century Pacific, LLLP – first invoice for public private property development consulting	\$675.00
4/20/22	1087	GSI – Advantage Spokane Partnership website	\$2,500.00
4/28/22	1089	Desman – additional parking feasibility study work	\$4,500.00
4/21/22	e-transfer	UDDA Feb Services at new board-approved rate	\$14,422.72


Juliet Sinisterra, CEO

8.18.22
Date

UD Public Development Authority
Balance Sheet
As of July 31, 2022

	<u>Jul 31, 22</u>
ASSETS	
Current Assets	
Checking/Savings	
10128 · NUM Checking UDPDA	389,925.72
10129 · NUM MM UDPDA	35,514.60
Total Checking/Savings	<u>425,440.32</u>
Total Current Assets	425,440.32
Fixed Assets	
12005 · Fixed Asset	515,930.00
Total Fixed Assets	<u>515,930.00</u>
TOTAL ASSETS	<u>941,370.32</u>
LIABILITIES & EQUITY	
Equity	
32000 · Retained Earnings	333,089.56
32001 · 201 W Main	515,930.00
Net Income	92,350.76
Total Equity	<u>941,370.32</u>
TOTAL LIABILITIES & EQUITY	<u>941,370.32</u>

UD Public Development Authority
Profit & Loss Budget vs. Actual
 January through July 2022

	Jan - Jul 22	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
3000000 · REVENUES				
3100000 · TAXES - PROP, SALES, B&O	0.00	0.00	0.00	0.0%
3300000 · INTERGOV REVENUES				
3370000 · LOCAL GRANTS ENTITLMNT OTHER				
3370001 · Local Grants Entitlements	50,000.00	50,000.00	0.00	100.0%
3371000 · Property Tax	0.00	216,488.00	-216,488.00	0.0%
3372000 · Sales Tax	590,602.83	324,732.00	265,870.83	181.9%
3370000 · LOCAL GRANTS ENTITLMNT OTHER - Other	0.00	0.00	0.00	0.0%
Total 3370000 · LOCAL GRANTS ENTITLMNT OTHER	<u>640,602.83</u>	<u>591,220.00</u>	<u>49,382.83</u>	<u>108.4%</u>
Total 3300000 · INTERGOV REVENUES	<u>640,602.83</u>	<u>591,220.00</u>	<u>49,382.83</u>	<u>108.4%</u>
3600000 · MISC REVENUES				
3610000 · INTEREST, OTHER EARNINGS				
3614000 · Other Interest receipts	143.50	160.00	-16.50	89.7%
Total 3610000 · INTEREST, OTHER EARNINGS	<u>143.50</u>	<u>160.00</u>	<u>-16.50</u>	<u>89.7%</u>
3620000 · RENTS AND LEASES				
3620000 · RENTS AND LEASES	28,363.27	24,500.00	3,863.27	115.8%
Total 3600000 · MISC REVENUES	<u>28,506.77</u>	<u>24,660.00</u>	<u>3,846.77</u>	<u>115.6%</u>
Total 3000000 · REVENUES	<u>669,109.60</u>	<u>615,880.00</u>	<u>53,229.60</u>	<u>108.6%</u>
Total Income	<u>669,109.60</u>	<u>615,880.00</u>	<u>53,229.60</u>	<u>108.6%</u>
Expense				
5000000 · EXPENDITURES				
5580000 · CMTY PLANNING ECON DEV				
5586000 · Planning				
5586040 · Planning Services	17,662.50	151,100.00	-133,437.50	11.7%
Total 5586000 · Planning	<u>17,662.50</u>	<u>151,100.00</u>	<u>-133,437.50</u>	<u>11.7%</u>
5587000 · Economic Development				
5587040 · Econ Dev Services	127,595.07	111,667.30	15,927.77	114.3%
Total 5587000 · Economic Development	<u>127,595.07</u>	<u>111,667.30</u>	<u>15,927.77</u>	<u>114.3%</u>
Total 5580000 · CMTY PLANNING ECON DEV	<u>145,257.57</u>	<u>262,767.30</u>	<u>-117,509.73</u>	<u>55.3%</u>
5590000 · PROPERTY DEVELOPMENT				
5593000 · Prop Dev Depr Amor Xfer Out				
5593040 · Prop Dev Services	419,401.27	585,000.00	-165,598.73	71.7%
5593060 · Prop Dev Capital Outlay	0.00	0.00	0.00	0.0%
Total 5593000 · Prop Dev Depr Amor Xfer Out	<u>419,401.27</u>	<u>585,000.00</u>	<u>-165,598.73</u>	<u>71.7%</u>
Total 5590000 · PROPERTY DEVELOPMENT	<u>419,401.27</u>	<u>585,000.00</u>	<u>-165,598.73</u>	<u>71.7%</u>
5900000 · DBT EXP, CAP OUTLAYS, OTHR DECR				
5920000 · INTEREST OTHR DBT SVC COST				
5925900 · Int Other Dbt Svc Prprty Dev	12,100.00	12,100.00	0.00	100.0%
Total 5920000 · INTEREST OTHR DBT SVC COST	<u>12,100.00</u>	<u>12,100.00</u>	<u>0.00</u>	<u>100.0%</u>
Total 5900000 · DBT EXP, CAP OUTLAYS, OTHR DECR	<u>12,100.00</u>	<u>12,100.00</u>	<u>0.00</u>	<u>100.0%</u>
Total 5000000 · EXPENDITURES	<u>576,758.84</u>	<u>859,867.30</u>	<u>-283,108.46</u>	<u>67.1%</u>
Total Expense	<u>576,758.84</u>	<u>859,867.30</u>	<u>-283,108.46</u>	<u>67.1%</u>
Net Ordinary Income	<u>92,350.76</u>	<u>-243,987.30</u>	<u>336,338.06</u>	<u>-37.9%</u>
Net Income	<u>92,350.76</u>	<u>-243,987.30</u>	<u>336,338.06</u>	<u>-37.9%</u>



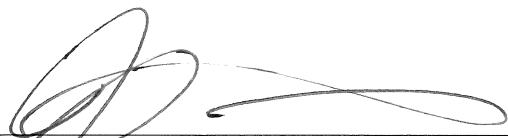
University District Public Development Authority (UDPDA) Voucher Certification – July 2022 Close

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
7/21/22	1098	Century Pacific LLP – payment against contract for services rendered	\$1,687.50
7/26/22	1099	Philadelphia Insurance Co – commercial package	\$510.00
7/25/22	e-transfer	UDDA August Services at new board-approved rate	\$14,422.72



Juliet Sinisterra, CEO

0.11.22

Date



Office of the Washington State Auditor

Pat McCarthy

Exit Letter: University District Public Development Authority

The Office of the Washington State Auditor's vision is increased trust in government. Our mission is to provide citizens with independence and transparent examinations of how state and local governments use public funds, and to develop strategies that make government more efficient and effective.

The purpose of this letter is to share our audit results with management and the Board. This letter is not your official audit report, which will be published on our website. You will receive a separate email with an alert that the report is available.

Audit Highlights

We would like to thank the Authority for their timely responses to our audit requests.

About the Audit

We performed an assessment audit of University District Public Development Authority for the years 2019, 2020 and 2021. This is a risk-based audit wherein we review the annual reports University District Public Development Authority submitted to our Office. We typically perform assessment audits for governments that receive \$300,000 or less in annual revenues or for school districts with less than 250 full-time students. If the government exceeds the thresholds stated or does not comply with filing requirements, or other risk factors are present, then we could perform an onsite audit in the future. Further, if expenditures of federal awards are \$750,000 or more in any fiscal year, notify our Office because federal rules require the Authority to receive a financial and federal audit for that year.

Audit Results

Based on the procedures performed, nothing came to our attention in the areas we reviewed that caused us to believe the Authority did not substantially comply with applicable state laws, regulations, and its own policies, or had significant weaknesses in controls over the safeguarding of public resources. Had we performed additional procedures, other matters might have come to our attention that would have been reported.

Additional Reminders

Below is a list of areas where small local governments might need additional guidance.

Board Compensation

Elected Official rate of pay is set by RCW, depending on your government type. Any Board member who receives less than the full allowable compensation must sign a waiver of compensation and file it with the government's secretary. Please let us know if you would like an example of this waiver.

Procurement and Public Works Projects

State law (RCW 39.04) requires competitive procurement for public works projects and purchases of supplies and equipment for most local government types. Laws that require specific methods of procurement differ by

government type. Further, all public works contracted for by the government must meet state prevailing wage requirements by obtaining an “Affidavit of Prevailing Wages Paid” from the contractor unless the work is performed exclusively by the business owner.

For additional guidance on public works projects and procurement for your government type, please visit Municipal Research and Services Center of Washington’s website: [Procurement and Public Works Requirements](#)

Credit Cards

The state Department of Enterprise Services has a Purchase Card Contract with US Bank that local governments are eligible to use. The card has no annual fee and offers annual rebates on purchases made using the card. For more information, go to [Purchase Card Guidance](#).

It is also important to note that having policies and procedures for credit/debit cards and charge account use is important for safeguarding the local government’s funds. State law (RCW 43.09.2855) allows local governments to use credit cards. This law provides some guidelines for their use, which include adopting a system for their distribution, control, authorization, etc.

Working Together to Improve Government

Local Government Support Team

This team provides support services to local governments through the Budget, Accounting, and Reporting System (BARS), annual online filing technical assistance, and training on accounting, reporting and BARS. Our website and client portal offer many resources, including a client Help Desk that answers auditing and accounting questions, updated BARS Manuals, access to resources and recorded trainings, and other accounting and reporting resources. Additionally, this team helps with the online filing of your financial statements.

The Center for Government Innovation

The Center for Government Innovation of the Office of the Washington State Auditor offers services designed to help you assist the residents you serve, at no additional cost to your government. What does this mean? They provide expert advice in areas like building a Lean culture to help local governments find ways to be more efficient, effective, and transparent. The Center also provides financial management technical advice, best practices, and resources. These can be accessed from the “Improving Government” tab of our website and can help you act on accounting standard changes, comply with regulations, protect public resources, minimize your cybersecurity risk and respond to recommendations in your audit. The Center also offers the Financial Intelligence Tool, better known as FIT, to help you assess and monitor your finances and compare your financial operations to similar local governments like you. You can email the Center for a personal training session to learn all the benefits using the FIT tool can provide. The Center understands that time is your most precious commodity as a public servant, and wants to help you do more with the limited hours you have. If you are interested in learning how the Center can help you maximize your effect in government, call (564) 999-0818 or send an email to Center@sao.wa.gov.

Finalizing Your Audit

Report Publication

Audit reports are published on our website and distributed via e-mail in a PDF. We also offer a subscription service that allows you to be notified by email when audit reports are released or posted to our website. You can sign up for this convenient service at: <https://portal.sao.wa.gov/SAOPortal/>

Audit Cost

In the entrance communication, we estimated the cost of the audit to be \$2,700, and actual audit costs will approximate that amount. Billing invoices are sent at the beginning of the month after the report issuance.

For the next audit cycle, as a result of the increases in revenues, the District is scheduled for an accountability audit with Team Pullman. The estimated cost for the next audit based on current rates is \$7,000. This preliminary estimate is provided as a budgeting tool and not a guarantee of final cost. *If you have questions regarding the next cycle, please contact:*

Team Pullman Audit Manager, Alisha Shaw (shawa@sao.wa.gov; 509-919-2851)

Audit Survey

When your report is released, you will receive an audit survey from us. We value your opinions on our audit services and hope you provide feedback.

Concluding Comments

We appreciate your assistance throughout the audit. We hope you find the information above informative and helpful to the government's operations. If you have any questions or concerns, please call or email at your convenience and we can discuss your audit.

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Stacie Tellers, MSA, CPA, Audit Manager, (564) 999-0922, Stacie.Tellers@sao.wa.gov

Diana Windsor, Assistant Audit Manager, (509) 329-3703, Diana.Windsor@sao.wa.gov