



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

Wednesday, December 2, 2020 – 3:00 PM – 4:30 PM

Join Zoom <https://us02web.zoom.us/j/85399622275?pwd=RUdKWmISSVQzUjdHRlZ0OUUp0dDh3dz09>

Meeting ID: 853 9962 2275; Passcode: 365147

One tap mobile +12532158782,,85399622275#,,,,,0#,,365147# US (Tacoma)

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

Find your local number: <https://us02web.zoom.us/j/85399622275?pwd=RUdKWmISSVQzUjdHRlZ0OUUp0dDh3dz09>

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) on March 6, 2020, only matters that are necessary and routine or matters necessary to the current public health circumstances will be addressed at this meeting. In accordance with OPMA and guidance issued by the AG, no public comment will be permitted at this meeting. If you have public comment for the UDPDA board, please submit it in writing by December 1 to lgilberts@spokaneudistrict.org.

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

3:03 Administrative actions – Gilberts

- Proposed MOTION – Consent Agenda
 - November 4, 2020 draft UDPDA board meeting minutes
 - Financials as of October 31, 2020 and Voucher Certification

Date	Voucher Warrant #	Warrant Description	Amount
10/27/20	1063	HUB International, 2020-2021 D&O insurance	\$1,121.00

3:05 UW Spokane Center update – Antonietti/Gilberts

- Financial impact
- Alternatives and recommended next steps

3:25 SIP loan for Sprague Phase 2b – Gilberts

- Discussion and proposed MOTION

3:35 BID considerations – Gilberts

3:50 UDRA update and 2021 budget – Gilberts

- Update on methodology and 2020 reconciliation
- 2021 budget and MOTION

4:00 UDPDA Purpose, Board Roles and Responsibilities

4:20 Public comment

4:30 Adjourn – *Gilberts*

Proposed 2021 UDPDA meetings (via Zoom until further notice; start/end times may be adjusted to account for UDDA meeting timing)

- **Feb 3** – 2:00pm-4:30pm
- **March 3** – 2:00pm-4:30pm
- **May 5** – 2:00pm-4:30pm
- **June 2** – 2:00pm-4:30pm
- **Sept 1** – 2:00pm-4:30pm
- **Oct 6 retreat** – 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, November 4, 2020 – 3:06 PM – 4:18 PM via Zoom

Board Members Present: Dan Antonietti, Council President Breean Beggs, Bill Bouten, Lars Gilberts, Commissioner Mary Kuney, Katy Sheehan

Board Members Absent: Paul Warfield

Others Present for Full Meeting: Taudd Hume (legal counsel), Alden Jones (UD staff), Tonya Wallace (City of Spokane)

Call to Order and Administrative Actions

Chair Gilberts called the meeting to order at 3:06 PM, reminded the group of the Public Decorum Rules, noted a slight change to the order of agenda items, and that an Executive Session will take place. Gilberts then asked the board to review the draft September 2, 2020, UDPDA board meeting minutes, and the UDPDA financials and voucher certifications as of September 30, 2020. **MOTION to approve the consent agenda with minutes and financials** (Bouten), seconded (Kuney), and passed unanimously.

University District Revitalization Area (UDRA) Finance Update

Gilberts acknowledged the City Council's recent passing of Ordinance C35940 which amends C34470 and recognized Wallace's outstanding work to address UDRA financial issues. Wallace indicated that the Department of Revenue does not calculate sales tax by PDA areas, so she is working to deliver an equitable, consistent, least labor-intensive methodology that is "as close to the mark" as possible for the three PDAs. Wallace is planning on remitting an estimated amount for 2020 by the end of the year with a reconciliation and true up later on. Gilberts said that the 2021 UDPDA budget is in progress and will be presented for approval at the December 2 board meeting.

Parking Update

Gilberts shared the updated University District Parking Structure "Site/Project Evaluation Criteria Scoring Rubric" based on UDPDA board input at the September 2 meeting. Updated terminology included being the "last dollar in," making housing a mixed-use priority, and ensuring any parking structure is adaptable and/or expandable. Beggs and Sheehan expressed thanks for the ability to provide additional feedback. A **MOTION to accept the updated "Site/Project Evaluation Criteria Scoring Rubric"** (Antonietti)—with the addition of a date on the document—and seconded (Kuney), passed unanimously.

Sprague Avenue Phase 2b

Gilberts noted that Sprague Avenue Phase 2b is going out to bid in late December and that the construction project will require a \$4M Spokane Investment Pool (SIP) loan to monetize future revenues. The proposed terms of the loan, as well as an estimated amortization schedule, were included in a memo from the City dated October 14, 2020, and were explained by Wallace. Kuney offered to help negotiate the loan and Hume recommended a final vote once the final loan details are in place.

Wayfinding Update

Gilberts reported that Baldwin Sign Company will excavate sign locations between November 9-20, 2020.



Development Update

Antonietti shared a draft “UDPDA Property Transaction Evaluation Criteria” matrix developed by the UDDA Development Committee’s UW Spokane Center subcommittee to help frame conversations and assess UDPDA property transaction opportunities. The board reviewed the matrix and approved using it in an advisory capacity at this time.

Next, Antonietti directed the group to a letter in the updated board packet from deChase Miksis dated October 28, 2020, requesting up to \$285K in public right of way assistance for their proposed development at Browne and Riverside. The UDDA Development Committee (DC) discussed this request in a meeting on October 29th (with Bouten recusing himself), assessed it against the “UDRA-Eligible Project Evaluation Criteria” matrix, and recommended that the UDPDA board approve the up to \$285K amount. The DC believes that the deChase Miksis development will:

- provide at least 100% ROI in 15 years;
- increase the value of the adjacent, UDPDA-owned UW Spokane Center property;
- provide sales tax construction reimbursement that will exceed 100% of the investment;
- set aside 20% for income-restricted housing;
- increase the tax base by stimulating nearby businesses;
- mitigate UDPDA cash flow by requesting reimbursement at the end of the project;
- improve placemaking by aligning with the City Line and emphasizing bike, bus, ped tenant lifestyle;
- continue their long-standing track record and reputation of excellence in the Pacific Northwest in this development type; and
- use UDRA funds as the “last dollar in” after STA and City support.

The board concurred with these conclusions and the strong alignment with the UDRA criteria but asked about the tight timeline. Gilberts mentioned that the developers are hoping to finalize financing by early December. Gilberts and Antonietti said the DC was comfortable with the timeline and confident in the merits of the proposal.

Hearing no further comments, **MOTION to approve public right of way improvements up to \$285,000 for the deChase Miksis development at Brown and Riverside** (Antonietti), seconded (Sheehan), abstained (Bouten), and passed unanimously.

Executive Session

The board adjourned into executive session to discuss information relating to RCW 42.30.110(1)(b-c). Legal counsel Hume joined the discussion.

Regular Session

The regular session resumed at 4:17 PM and public comments were requested. Hearing none, Gilberts asked the board if they had any meeting preferences in 2021 (beyond the required six meetings a year). The board indicated the 2020 frequency was fine.

Gilberts adjourned the meeting at 4:18 PM.

Mary Kuney, Secretary

Date

UD Public Development Authority
Balance Sheet
As of October 31, 2020

	<u>Oct 31, 20</u>
ASSETS	
Current Assets	
Checking/Savings	
10128 · NUM Checking UDPDA	48,485.37
10129 · NUM MM UDPDA	2,500.66
Total Checking/Savings	<u>50,986.03</u>
Total Current Assets	50,986.03
Fixed Assets	
12005 · Fixed Asset	515,930.00
Total Fixed Assets	<u>515,930.00</u>
TOTAL ASSETS	<u>566,916.03</u>
LIABILITIES & EQUITY	
Equity	
32000 · Retained Earnings	31,147.67
32001 · 201 W Main	515,930.00
Net Income	19,838.36
Total Equity	<u>566,916.03</u>
TOTAL LIABILITIES & EQUITY	<u>566,916.03</u>

UD Public Development Authority
Profit & Loss Budget vs. Actual
 October 2020

	Oct 20	Budget	\$ Over Budget	% of Budget
Ordinary Income/Expense				
Income				
3000000 · REVENUES				
3300000 · INTERGOV REVENUES	0.00	0.00	0.00	0.0%
3600000 · MISC REVENUES				
3620000 · RENTS AND LEASES	9,000.00	5,631.25	3,368.75	159.8%
3600000 · MISC REVENUES - Other	0.11			
Total 3600000 · MISC REVENUES	<u>9,000.11</u>	<u>5,631.25</u>	<u>3,368.86</u>	<u>159.8%</u>
Total 3000000 · REVENUES	<u>9,000.11</u>	<u>5,631.25</u>	<u>3,368.86</u>	<u>159.8%</u>
Total Income	9,000.11	5,631.25	3,368.86	159.8%
Expense				
5000000 · EXPENDITURES				
5580000 · CMTY PLANNING ECON DEV				
5586000 · Planning	0.00	0.00	0.00	0.0%
5587000 · Economic Development	1,121.00	0.00	1,121.00	100.0%
Total 5580000 · CMTY PLANNING ECON D...	<u>1,121.00</u>	<u>0.00</u>	<u>1,121.00</u>	<u>100.0%</u>
Total 5000000 · EXPENDITURES	<u>1,121.00</u>	<u>0.00</u>	<u>1,121.00</u>	<u>100.0%</u>
Total Expense	1,121.00	0.00	1,121.00	100.0%
Net Ordinary Income	<u>7,879.11</u>	<u>5,631.25</u>	<u>2,247.86</u>	<u>139.9%</u>
Net Income	<u><u>7,879.11</u></u>	<u><u>5,631.25</u></u>	<u><u>2,247.86</u></u>	<u><u>139.9%</u></u>



University District Public Development Authority (UDPDA) Voucher Certification – October 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
10/27	1063	HUB International, 2020-2021 D&O insurance	\$ 1,121.00

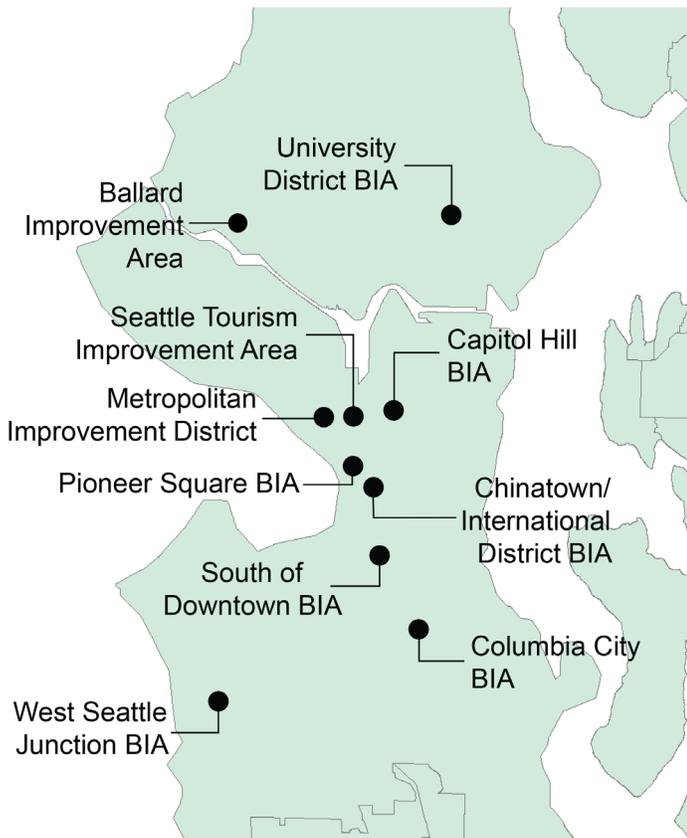

Lars Gilberts, CEO, UDDA and UDPDA board chair

11/9/2020
Date

BIAs in Washington

Typical BIA Functions:

- Cleaning Services
- Safety Services & Coordination
- Marketing & Events
- Business Development
- Beautification & Design
- Neighborhood Voice
- Community Organizing
- Leadership



What is a Business Improvement Area?

Business Improvement Areas (BIAs) are self-help funding mechanisms for business district revitalization and management. They are special assessments on businesses and/or properties within defined boundaries. BIAs include programs and services for the mutual benefit of the ratepayers being assessed, such as security, public area maintenance, marketing, and beautification. The legal authority for the establishment and management of BIAs is set forth in the Revised Code of Washington (RCW) Chapter 35.87A and the City ordinance passed to form a specific BIA.

A BIA can be established by petitioning City Council to do so, as long as there is support of enough ratepayers to meet 60% of the total assessment. After receiving the petition, the City Council will vote to initiate a resolution to officially establish the BIA, following a committee process that includes a public hearing. Once a City Ordinance is passed, all properties within the BIA boundary will be assessed.

Each BIA is governed by a ratepayer advisory board that is comprised of a representative mix of ratepayers in good standing within the BIA. The City invoices all ratepayers, collects the assessments, and reimburses BIA expenses.

There are about twenty BIAs in Washington State. Seattle has ten BIAs: Broadway/Capitol Hill, Chinatown/International District, Columbia City, Downtown (Metropolitan Improvement District), Seattle Tourism Improvement Area, Pioneer Square, University District, West Seattle, SODO and Ballard.

For more information on BIAs refer to RCW Chapter 35.87A or to the City of Seattle's BIA Handbook at: https://www.seattle.gov/Documents/Departments/economicDevelopment/OISI/Handbook-042112_WebCopy.pdf

UD Public Development Authority
Profit & Loss Budget Overview
January through December 2021

	<u>Jan - Dec 21</u>
Ordinary Income/Expense	
Income	
3000000 · REVENUES	
3300000 · INTERGOV REVENUES	
3370000 · LOCAL GRANTS ENTITLMNT OTHER	550,000.00
Total 3300000 · INTERGOV REVENUES	550,000.00
3600000 · MISC REVENUES	
3620000 · RENTS AND LEASES	67,575.00
Total 3600000 · MISC REVENUES	67,575.00
Total 3000000 · REVENUES	617,575.00
Total Income	617,575.00
Expense	
5000000 · EXPENDITURES	
5580000 · CMTY PLANNING ECON DEV	
5586000 · Planning	
5586040 · Planning Services	15,000.00
Total 5586000 · Planning	15,000.00
5587000 · Economic Development	
5587040 · Econ Dev Services	157,900.00
5587060 · Econ Dev Capital Outlays	10,000.00
Total 5587000 · Economic Development	167,900.00
Total 5580000 · CMTY PLANNING ECON DEV	182,900.00
Total 5000000 · EXPENDITURES	182,900.00
Total Expense	182,900.00
Net Ordinary Income	434,675.00
Net Income	<u><u>434,675.00</u></u>



University District (UD) DRAFT - Roles and Responsibilities

The University District is a place where business and education grow together to create a collaborative, healthy, and prosperous region. The University District uses its unique connectivity to create shared community wellness and vibrancy by developing the infrastructure and programming that enable a globally-recognized hub of education, innovation, research, and health care. (Updated 2018 Mission)

Rational for revisiting UD and board roles and responsibilities

- The UD's founders established it knowing it would need to grow and repeatedly adapt over time to achieve its potential to influence the City and region's economy and transform east downtown.
- The successful transition of the University District Public Development Authority (UDPDA) was a critical success factor for 2020 to unlock more potential in the UD.
- With the UDPDA successfully transitioned, the University District Development Association (UDDA) can now begin its transition to a more long-lasting set of goals and responsibilities.
- Without a clear long-term set of goals and milestones, future transitions will be unanticipated, unnecessarily stressful, and likely later than they should be.
- The pandemic has limited interactions and interrupted plans that would have made the transition of the UDPDA and separation of roles feel less stark. Additionally, COVID-19 has highlighted regional economic needs, opportunities, and vulnerabilities.
- The likely process to develop a Comprehensive Economic Development Strategy (CEDS) highlights the need and opportunity to grow a more skilled, resilient, and productive regional economy.

Proposed UDPDA purpose – *strategically leverage the PDA's revenues and assets to maximize the lasting economic vitality in the UDRA*

Proposed UDDA purpose - *strategically organize and leverage the UD's partners and place to maximize regional economic prosperity by partnering with the UDPDA to draw resources into the UD that multiply resources in the region*

Proposed UDPDA roles

- Secure or provide funding to create jobs, increase sales and property taxes, and housing development in the UDRA by appropriately investing in:
 - Infrastructure (e.g. roads, sidewalks, stormwater management, parking)
 - Multifamily housing developments
 - Public facilities and place-making amenities
 - Activities that support the preceding items (e.g. marketing, collaterals, staff)
- Identify and address regulatory, environmental, and other barriers that prevent, limit, or slow the creation of jobs, increased sales and property taxes, and housing development.
- Identify critical services that should endure beyond the 2039 end of the UDRA funding and provide an agreed-upon level of 'endowment' or support to sustain critical UDPDA missional elements.

Proposed UDDA roles

- Support the cohesion and growth of the business and educational partners within the University District Revitalization Area (UDRA).
- Advise, advocate to, and collaborate with governmental (e.g. City, state), economic development (e.g. **UDPDA**, ADO), and business groups (e.g. GSI, Valley Chamber, West Plains Chamber, DSP) that impact how one can live, learn, work, or play within the UDRA or partners that operate within the UDRA.
- Lead and support the promotion and marketing of the UD's development opportunities as well as the educational and related business value and prospects both within and outside of the market.

- Support and advocate for high-quality, nimble, future-looking education, and skill-building that is easy for employers and partners to leverage and access.
- Pursue the development of a globally recognized health and life science hub anchored in the UDRA.
- Create and support a vibrant, healthy, connected, and equitable UD through arts, events, diverse amenities, easily access experiences, quality transit, and parking options, etc.

Proposed committee roles and alignment

- UDPDA Committees:
 - Development Committee
- UDDA committees:
 - Marketing and Engagement
 - Higher education strategy and coordination