



University District Public Development Authority (UDPDA)

Board of Directors' Meeting Minutes

Tuesday, July 11, 2017 – 2:05-2:45pm

McKinstry Station, 850 E. Spokane Falls Blvd., Roundhouse Rooms 1&2

Board Members Present: Barry Baker, Catherine Brazil, Bruce Butterworth, Chancellor Lisa Brown, Mayor David Condon, Elaine Couture, Lou Gust (via tel), Taudd Hume, Latisha Hill, Tom Johnson, Mariah McKay, Karl Otterstrom, Kim Pearman-Gillman, Mark Richard, Council President Ben Stuckart, Kim Zentz

Board Members Absent: Dr. Mary Cullinan, Kent Hull, Dr. Christine Johnson, Dr. Thayne McCulloh, Todd Mielke, Tom Quigley, Beck Taylor

Other Participants and Invited Guests Present: Bob Eggart (WSU), Andrew Worlock (City), Mary Joan Hahn (Gonzaga), Larry Probus (Whitworth), Charlie Wolff (Mayor's office)

Staff Present: Lars Gilberts, Alden Jones

Call to Order:

Chairman Otterstrom called the meeting to order at 2:05pm.

- a) Otterstrom asked the Board to review the draft June 6, 2017 UDPDA board meeting minutes. **MOTION to approve the minutes** (Zentz); seconded (Couture) and passed unanimously.
- b) Otterstrom asked the Board to review the UDPDA financials as of May 31, 2017. **MOTION to approve the financials as presented** (T. Johnson); seconded (Baker) and passed unanimously.

Open Public Meetings Act Training

Otterstrom reminded directors to complete the on-line OPMA training.

UDPDA-UDDA Draft Services Agreement

This draft agreement creates a contractual relationship whereby the UDDA provides administrative and oversight services to the UDPDA. The document is similar to a prior agreement used between Downtown Spokane Partnership and the UDDA. UDPDA legal counsel and staff also consulted with pertinent city staff and the state auditor's office re contractual requirements. Hume asked the group for any additional comments or questions via email to be incorporated into a final agreement that will be brought to the board for approval at the August 1 meeting.

UDRA Update: Draft UDRA project evaluation criteria

At the June board meeting, members asked the Development Committee and staff to develop UDRA project evaluation criteria. The goal of the UDRA funds (as defined by the UDRA Business Plan) is to revitalize the area through qualifying projects that can be evaluated and tracked by indicators that are readily available, measurable and meaningful to the intended purpose stipulated in the state legislation and city ordinance C-34470 and that promote progress consistent with the Spokane County Comprehensive Plan. While many qualifying UDRA projects will increase taxable property values and sales tax, a return on investment rate and additional primary (related to ROI, timeliness and "but for the UDPDA") and secondary (related to placemaking or other value) criteria are needed to help prioritize

UDRA investments and increase its value over time. The Development Committee will test, modify and refine the evaluation criteria and report back to the full board. Comments from the board included:

- There is a need to better understand the methodology to calculate the base sales tax in the District and a request to isolate and quantify the amount since 2009;
- Recommendation for UDPDA planning purposes, that the City provide UDPDA with report of any activity in UDRA account and/or annual report;
- The Department of Revenue (DoR) is responsible to provide assistance and could be contacted to help;
- Suggestion that the City (Gavin) send a proposal to DoR indicating how they plan to handle the revenue and unless they have concerns or questions, will proceed according to stated proposal;
- The UDRA investment strategy may change over time; e.g., early investments may have a greater emphasis on a higher ROI and/or revenue generation;
- ROI is often difficult to formulate, however, calculations could utilize the county assessor's methodologies and analysis tools as well as the City's citywide significance scores;
- Past city projects show that ROI calculation is both an art and a science;
- All members agreed that the UDRA Business Plan does not need to be revised to incorporate the proposed project evaluation criteria; and
- Evaluation criteria should not be overly restrictive or create delays, but instead should provide a transparent and fair public process for analyzing proposals and measuring outcomes for funded UDRA projects.

Otterstrom adjourned the meeting at 2:45pm.



Lou Gust, board secretary

10/4/2017

Date