



## University District Public Development Authority (UDPDA)

### Board of Directors' Meeting Agenda

Tuesday, January 9, 2018 – Avista Corp, 1411 E Mission St, Spokane

2:00pm-2:30pm Board Meeting

2:00 Welcome – Hill

#### Administration

- MOTION – Consent Agenda
  - December 5, 2017 draft UDPDA board meeting minutes
  - UDPDA financials as of November 30, 2017
  - UDPDA 2018 budget

- Recap of 2017 warrants

Warrant #	Date	Amount	Paid to	For
1001	4/17	\$120	Traveler's Insurance	Public official bond
1002		VOID		
1003	8/24	\$663	Philadelphia Insurance	Business owner's package
1004		VOID	For City of Spokane	
1005	11/20	\$17,500	UDDA	Per Services Agreement – first half 2017
1006	12/6	\$1,052	HUB International	D&O insurance

- Renewal of Confidentiality and Conflict of Interest policies
- PDA proxy information – meetings in progress

2:10 Development Committee Report – Pearman-Gillman

2:30 Adjourn

#### Upcoming important dates:

- **March 6, 2018** – UD Board meeting at Downtown Spokane Library hosted by City, 2:00pm-4:30pm
- **May 1, 2018** – UD Board meeting at Whitworth UD campus, 2:00pm-4:30pm
- **June 5, 2018** – UD Board meeting at Providence, 2:00pm-4:30pm
- **September 4, 2018** – UD Board meeting at GSI, 2:00pm-4:30pm
- **October 9, 2018** – UD Board Retreat at GU-Hemmingson, 1:00pm-5:00pm
- **November 6, 2018** – UD Board Annual meeting at WSU, 2:00pm-4:30pm
- **December 4, 2018** – UD Board meeting at McKinstry, 2:00pm-4:30pm, and holiday social from 4:30pm-6:00pm



## University District Public Development Authority (UDPDA)

### Board of Directors' Board Meeting Minutes

Tuesday, December 5, 2017 – 2:00pm-2:24pm

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

**Board Members Present:** Catherine Brazil, Mayor David Condon (non-voting), Elaine Couture (via phone), Dr. Mary Cullinan, Lou Gust, Latisha Hill, Kent Hull, Taudd Hume (non-voting), Dr. Christine Johnson, Tom Johnson, Mariah McKay, Todd Mielke, Karl Otterstrom, Kim Pearman-Gillman, Tom Quigley (via phone), Mark Richard, Council President Ben Stuckart, Beck Taylor, Kim Zentz

**Board Members Absent:** Barry Baker (UDDA retreat only), Bruce Butterworth, Dr. Daryll DeWald (UDDA retreat only), Dr. Thayne McCulloh

**Other Participants and Invited Guests Present:** Andrew Worlock (City), Charlie Wolff (City), Mary Joan Hahn (Gonzaga); and 2018 new board members Bill Bouten (Bouten Construction), Teresa Dugger (GeoEngineers, Inc.), Ezra Eckhardt (STCU), Cindy Leaver (Numerica Credit Union), Dr. David O'Brien (MultiCare Health System), Brandon Rapez-Betty (STA), and Dr. Francisco Velazquez (formerly PAML, LLC and PAML Ventures)

**Staff Present:** Lars Gilberts, Alden Jones

#### Call to Order:

Chairman Otterstrom called the meeting to order at 2:00pm. The board then proceeded with the following action items:

- a) Otterstrom asked the Board to review the November 7, 2017 UDPDA board meeting minutes. **MOTION to approve the minutes** (Mielke); seconded (Taylor) and passed unanimously.
- b) Otterstrom asked the Board to review the UDPDA financials as of October 31, 2017. **MOTION to approve financials as presented** (T. Johnson); seconded (C. Johnson) and passed unanimously.
- c) Otterstrom asked the Board to review and ratify new language in section 3.10.3 in the UDPDA redlined bylaws. **MOTION to approve** (C. Johnson); seconded (T. Johnson) and Director Richard asked for clarification on the factors the board considered when restructuring the bylaws regarding board composition. After a summary of the Governance Committee's recommendation and previous board discussion, Director Richard registered his concern with moving his participation from an organizational partner ensconced in the bylaws to an elected community position that could change over time. The motion passed 15-2 with directors Hull and Richard voting no.
- d) Otterstrom asked the Board to review and approve UDPDA Resolution 2017-1 "Concerning the Admission of New Directors onto the Board". **MOTION to approve** (Pearman-Gillman); seconded (Cullinan) and passed 15-2 with directors Hull and Richard voting no.

Otterstrom adjourned the meeting at 2:24pm.

\_\_\_\_\_  
Lou Gust, board secretary

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Date

2:02 PM

12/08/17

Accrual Basis

**UDPDA US BANK -5313**

**Balance Sheet**

As of November 30, 2017

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	<u>Nov 30, 17</u>
<b>ASSETS</b>	
Current Assets	
Checking/Savings	
10115 · UDPDA Checking USB	2,231.39
Total Checking/Savings	<u>2,231.39</u>
Total Current Assets	<u>2,231.39</u>
<b>TOTAL ASSETS</b>	<b><u>2,231.39</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
Equity	
32000 · Unrestricted Net Assets	50.00
Net Income	2,181.39
Total Equity	<u>2,231.39</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>2,231.39</u></b>

**UDPDA US BANK -5313**  
**Profit & Loss Budget Performance**  
**November 2017**

	Nov 17	Budget	Jan - Nov 17	YTD Budget	Annual Budget
<b>Ordinary Income/Expense</b>					
<b>Income</b>					
<b>43100 · INTEREST &amp; INVESTMENTS</b>					
43110 · Interest-Savings, Short-term CD	0.01		0.06		
<b>Total 43100 · INTEREST &amp; INVESTMENTS</b>	0.01		0.06		
<b>43400 · DIRECT PUBLIC SUPPORT</b>					
43430 · New Contributions	0.00	0.00	0.00	4,113.00	4,113.00
<b>Total 43400 · DIRECT PUBLIC SUPPORT</b>	0.00	0.00	0.00	4,113.00	4,113.00
<b>46200 · CONTRACT INCOME</b>					
46210 · UDRA Proceeds	0.00	3,181.00	17,500.00	31,819.00	35,000.00
<b>Total 46200 · CONTRACT INCOME</b>	0.00	3,181.00	17,500.00	31,819.00	35,000.00
<b>46700 · OTHER INCOME</b>					
47010 · UDDA Contribution	0.00	0.00	3,000.00	3,156.00	3,156.00
<b>Total 46700 · OTHER INCOME</b>	0.00	0.00	3,000.00	3,156.00	3,156.00
<b>49000 · PRIOR YEAR CARRYOVER</b>	0.00	0.00	0.00	-3,156.00	-3,156.00
<b>Total Income</b>	0.01	3,181.00	20,500.06	35,932.00	39,113.00
<b>Expense</b>					
<b>60200 · PERSONAL SVCS CONTRACTS</b>					
60203 · Management, Organiz Services	17,500.00	3,181.00	17,500.00	31,819.00	35,000.00
<b>Total 60200 · PERSONAL SVCS CONTRAC...</b>	17,500.00	3,181.00	17,500.00	31,819.00	35,000.00
<b>60300 · OTHER CONTRACTUAL SVCS</b>					
60324 · Insurance D&O	0.00	0.00	0.00	0.00	1,032.00
60325 · Insurance Other	0.00	0.00	783.00	681.00	681.00
60329 · Licenses and Permits	0.00	0.00	0.00	0.00	250.00
60335 · Audit svcs, bank fees	-44.12	0.00	35.67	0.00	2,000.00
60353 · Postage, Mailing Services	0.00	0.00	0.00	0.00	50.00
60372 · Archives & Records Mgmt	0.00	0.00	0.00	0.00	100.00
<b>Total 60300 · OTHER CONTRACTUAL SVCS</b>	-44.12	0.00	818.67	681.00	4,113.00
<b>Total Expense</b>	17,455.88	3,181.00	18,318.67	32,500.00	39,113.00
<b>Net Ordinary Income</b>	-17,455.87	0.00	2,181.39	3,432.00	0.00
<b>Net Income</b>	<u>-17,455.87</u>	<u>0.00</u>	<u>2,181.39</u>	<u>3,432.00</u>	<u>0.00</u>

**UDPDA US BANK -5313**  
**Profit & Loss Budget Overview**  
 January through December 2018

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	Jan - Dec 18
<b>Ordinary Income/Expense</b>	
<b>Income</b>	
46200 · CONTRACT INCOME	
46210 · UDRA Proceeds	35,000.00
<b>Total 46200 · CONTRACT INCOME</b>	<b>35,000.00</b>
49000 · PRIOR YEAR CARRYOVER	750.00
<b>Total Income</b>	<b>35,750.00</b>
<b>Expense</b>	
60200 · PERSONAL SVCS CONTRACTS	
60202 · Accounting, Financial Services	33,200.00
<b>Total 60200 · PERSONAL SVCS CONTRACTS</b>	<b>33,200.00</b>
60300 · OTHER CONTRACTUAL SVCS	
60324 · Insurance D&O	1,052.00
60325 · Insurance Other	836.00
60329 · Licenses and Permits	250.00
60335 · Audit svcs, bank fees	200.00
<b>Total 60300 · OTHER CONTRACTUAL SVCS</b>	<b>2,338.00</b>
60500 · SUPPLIES & MATERIALS	
60564 · Office Supplies	200.00
<b>Total 60500 · SUPPLIES &amp; MATERIALS</b>	<b>200.00</b>
<b>Total Expense</b>	<b>35,738.00</b>
<b>Net Ordinary Income</b>	<b>12.00</b>
<b>Net Income</b>	<b>12.00</b>

## Title 12 Public Ways and Property

### Chapter 12.10 Disposition of Surplus Real Property

#### Section 12.10.040 Allowable Methods of Property Disposition

A. Surplus City real property may be disposed of using any of the following methods:

1. Direct Sale. Using City legal staff, third party title/escrow companies, and third party reports such as appraisals and environmental studies, the City may sell property directly to another party. This approach does not require the services of a professional listing broker or the additional considerations of a special disposition. Typical examples for which this method are most well-suited include:
  - a. Remnants, defined as: 1) small parcels of land, usually smaller than 2,000 square feet, 2) irregular shapes, and 3) are unlikely to support any stand-alone development. Remnants are often the leftover parcels from right of way dedications and developments. The most likely buyer of a remnant property will be an abutting property owner.
  - b. Unsolicited offers the City receives from public or private parties on city-owned real estate properties that have not been surplusized or are not actively being marketed for sale.
  - c. Sales to Public Development Authorities or Limited Redevelopment Authorities, provided that such sales comply with Chapter 39.33, RCW.
2. Listing with Real Estate Broker. In order to generate the greatest return on the sale of a property, subject to applicable procurement laws, the City may contract with a professional commercial real estate broker who specializes in commercial or residential properties for broker listing in some cases. Broker listings are ideally suited for land parcels and improved properties in established neighborhoods for which (1) the anticipated use of the subject properties will be similar to their present uses, and (2) future development of the subject parcel is expected to conform to the well-established land uses prevalent in the subject property's vicinity.
3. Land Swaps. The City may also, as specifically authorized by chapter 39.33, RCW, dispose of real property via a land swap with another public entity, such as a school district, county, the federal government, or other municipal corporation.
4. Special Dispositions. Some City-owned real property may merit the use of a special disposition method because they can provide benefits that far exceed the limitations of monetary market value. Special disposition of these properties can further the objectives and goals of the City and can actually be a catalyst for economic development and expansion of community services. All special dispositions should be reviewed for compliance with Article 8, Section 7 of the Washington State Constitution, which generally prohibits gifting of City property.
  - a. Key characteristics qualifying a property for special disposition status include the following:
    - i. Properties that have a nexus with a Public Development Authority, such as where the property is within the geographic area of a public development authority (PDA), or where a PDA has expressed specific interest in the subject property.
    - ii. Properties within City-designated targeted investment areas or a neighborhood where redevelopment is a focus of revitalization efforts.
    - iii. Properties for which there is strong community interest, as expressed by neighborhood councils, local businesses, schools, and other community organizations.
    - iv. Properties which may, if the use is changed from the current use, create a substantial impact on neighboring property owners.

- v. The needs of multiple stakeholders, including those mentioned above, may necessitate the use of a disposition method other than a listing or direct sale.
  - vi. The City may use a special disposition method where the City anticipates that a likely buyer will request a zoning change, a street dedication, a right of way vacation, or zoning changes.
  - vii. Special disposition methods may be appropriate where the City retains requires property rights after the sale of the property, such as access easements, air rights, purchase options, and other conditions not already addressed elsewhere.
  - viii. The RERC report may contain a recommendation for the use of a special disposition method for reasons other than those listed above, based on the specific circumstances.
- b. Prior to finalizing a report which recommends a special disposition method, the RERC shall hold a public hearing regarding the subject property. The RERC will issue a notice of public hearing no sooner than 10 days and no more than 25 days prior to the hearing. Notice will be sent to all property owners within 1,000 feet of the subject property and officers of the applicable neighborhood council. The RERC shall incorporate the public hearing comments in its recommendation report.
  - c. The primary means for performing a special disposition is a City-issued Request for Proposal (“RFP”). The RERC will develop the RFP criteria as part of any recommendation report which recommends disposition via a special disposition process. The criteria used in evaluating responses to the RFP will be enumerated and weighted on a property-specific basis. For instance, the RFP criteria on a residential parcel in one area of the City may vary significantly from that on an industrial property in another area.
    - i. Some RFP criteria may be:
      - A. Compatibility with adopted neighborhood plan
      - B. Compliance with the City of Spokane’s Comprehensive Plan
      - C. Job creation potential
      - D. New tax base expansion or creation potential
      - E. Ultimate range of purchase price and earnest money
      - F. Relevant purchase contract conditions
      - G. Experience and capability of the buyer
      - H. Timeline for completing the project and/or project phases, as applicable
  - d. The RFP process may use a direct sale closing process or it may become part of the listing requirements with a licensed broker. Alternatively, the RERC may recommend a long term lease. The RERC report shall contain a recommendation concerning the method of disposition.

Date Passed: Monday, December 5, 2016

Effective Date: Wednesday, January 18, 2017

ORD C35459 Section 1