

AGENDA

NORTHEAST PUBLIC DEVELOPMENT AUTHORITY (NEPDA) REGULAR BOARD MEETING

Date: July 9, 2021

Time: 10:30 AM to Noon (Pacific Time)

Location: Zoom Meeting

Join Zoom Meeting

<https://us02web.zoom.us/j/84649921163?pwd=MnA0WDhvNXE5ZE9VQmlucmVFUHVBT09>

Meeting ID: 846 4992 1163

Passcode: 191969

One tap mobile

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Attendees: Northeast Public Development Authority Board of Directors, Invitees and Guests

Discussion Items:

10:30 am to 10:35	Welcome & Introductions
10:35 am to 10:40 am	Approval of Minutes: Approval of Regular Meeting Minutes from June 11, 2021
10:40 am to 11:30 am	Public Comments: Marketing Support Proposal - Tony Baird, The Woodshop
11:30 am to 11:35 am	Board Member Updates: None scheduled
11:35 am to 11:50 am	Executive Director Updates <ul style="list-style-type: none">○ Marketing & Communication○ Procurement Policy revisions○ RAISE Planning Grant○ Esmeralda Commerce Park
11:50 am to 11:55 pm	Action Items: None scheduled
11:55 am to 12:00 pm	Notable items, Around the Room, Closing

NEXT MEETING: August 13, 2021, 10:30 AM to Noon, by Zoom or at the Northeast Community Center, 4001 North Cook Street, Spokane, WA 99207 (south conference room, lower level).

AGENDA

DISCLOSURES

AMERICANS WITH DISABILITIES ACT (ADA) INFORMATION: The City of Spokane is committed to providing equal access to its facilities, programs and services for persons with disabilities. Individuals requesting reasonable accommodations or further information may call, write, or email Human Resources at 509.625.6363, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or. Persons who are deaf or hard of hearing may contact Human Resources through the Washington Relay Service at 7-1-1. Please contact us forty-eight (48) hours before the meeting date.

EXECUTIVE SESSION: An Executive Session may be called during the meeting. The purpose must be announced and is limited by RCW 42.30.110. Examples include: (1) to discuss with legal counsel litigation, potential litigation and/or legal risks (RCW 42.30.110(1)(i)); (2) to consider the acquisition of real estate by lease or purchase when public knowledge regarding such consideration would cause a likelihood of increased price (RCW 42.30.110(1)(b)); and (3) to consider the minimum price at which real estate will be offered for sale or lease when public knowledge regarding such consideration would cause a likelihood of decreased price (final action selling or leasing public property shall be taken in a meeting open to the public)(RCW 42.30.110(1)(c)).

NORTHEAST PUBLIC DEVELOPMENT AUTHORITY

Date: June 11, 2021

Meeting Time: 10:30 AM

Location: Board Members and Public attendance via Zoom.

Welcome and Introductions

Board Chair Kerns called the meeting to order at 10:34 AM. He noted that a quorum was present.

Attendees:

NEPDA Board of Directors

- Josh Kerns
- Michael Cathcart
- Cindy Wendle
- Scott Simmons
- Cheryl Stewart

Not in attendance:

- Jordan Tampien
- Marlene Feist

Board Staff

- David Guthrie, Executive Director
- Megan Clark, Legal Counsel

Guests

- Ron Valencia, Spokane County
- Shae Blackwell, City of Spokane

Approval of Minutes

Commissioner Kerns asked if anyone was opposed to approving the Regular Board Meeting Minutes from May 14, 2021. Hearing no objections, a motion was made by Scott Simmons to approve the minutes. The motion was seconded by Scott Cindy Wendle. The motion passed unanimously.

Public Comment:

None

Board Updates

Megan Clark, NEPDA general counsel, updated the board about her research into the benefits of applying for membership to the MRSC. The Municipal Research and Services Center (MRSC) is a nonprofit organization that helps local governments across Washington State better serve their communities by providing legal and policy guidance on any topic. MRSC serves all 281 cities and towns in Washington, all 39 counties, and hundreds of special purpose districts, state agencies, and other government partners. Megan advised that we would use the MRSC primarily for contracting with service providers.

MINUTES - Regular Meeting

Commissioner Kerns asked for more detail about the MRSC, and the reasons joining. Megan noted that the MRSC provides guidance to local government agencies in Washington State on contracting for services. Contractors wishing to perform services for public entities or agencies may register with MRSC. By becoming a member, the NEPDA can more efficiently request proposals from contractors and other service providers who we may not otherwise be aware of. Membership should also expedite an RFP process for the NEPDA. She also noted that the NEPDA will have to update our procurement policy to reflect membership and compliance with MRSC guidelines. Membership and compliance may also reduce potential liability to the NEPDA.

Scott Simmons advised that the City of Spokane has used MRSC for some time, and they were generally pleased with the services. Councilman Cathcart questioned whether we are required to use MRSC for all contracts if we are a member. Megan Clark noted that smaller contracts are not subject to MRSC, but larger contracts would be. The cost to join is \$135 a year. She noted that she has reviewed the membership agreement and didn't have any major concerns, and further advised that the NEPDA board will need to formally consider approving membership by Resolution at the next meeting.

Executive Director Updates

Procurement Policy

Megan Clark noted that we will need to modify the NEPDA procurement policy to add language regarding membership in MRSC. David Guthrie explained that in addition to changes to reflect MRSC membership, we should consider creating a new "lower tier" contract award threshold. Megan recommended revising (increasing) the lowest tier to amounts to \$20,000. Currently, the NEPDA lowest tier is capped at \$10,000. David Guthrie explained that this is still much lower than the minimum tiers established by either the U-District or West Plains (S3Rs) PDA's. Their lowest tier is capped at \$50,000. The purpose of the revision is to more efficiently conduct NEPDA business, and mitigate risk.

Guthrie explained that the NEPDA hasn't really needed to join MRSC previously, because our contracts for services have been relatively small. Going forward, we may have larger contracts, including retention of a company to support NEPDA marketing and communication, i.e. website updates, email campaigns, direct mail, and related marketing activities. We envision hiring a local marketing agency for one year, at cost not to exceed \$2,000 per month, or \$24,000 for one year.

By way of example, Guthrie explained that the RAISE Planning Grant the NEPDA is working on has a short timeline for submittal. Soliciting RFP's for modest contract amounts required for the RAISE grant application would result in the loss of three or more weeks, which would jeopardize our ability to submit our RAISE application on time. Because T-O Engineering and Maul Foster Alongi have done significant prior work for the NEPDA, which is directly applicable to the RAISE grant application, they are uniquely qualified to perform this work. Therefore, it is preferential to negotiate contracts with T-O and MFA in this situation, which ensures that we meet the July application deadline. He also noted that the lower tier requirement will state that the NEPDA is encouraged to seek three bids for each contract below \$20,000, but is not required to. Contracts estimated to exceed \$20,000 will be required to comply with the MRSC request for proposal processes. Josh Kerns noted that the board has a resolution to consider regarding this matter.

American Recovery – Grant Funding & Support Needs

The Executive Director explained that he has spoken to the City about NEPDA funding priorities. Mr. Guthrie explained that he met with Shauna Harshman, City Council Manager of Neighborhood Connectivity Initiatives and Transportation Benefit District Administrator; and, Erik Poulsen, Legislative Director with the City, in mid-May; and also with Johnnie Perkins, City Administrator, in early June. In these conversations, he outlined NEPDA priorities, including the following:

- City of Spokane support for a \$1 million RAISE Planning Grant Application
- RAISE Planning Grant “local match” funding: \$200,000 (20% of \$1M)
- Northeast Spokane Sub-area Plan funding: \$250K
- Wellesley Avenue Corridor Study funding: \$40K
- Wellesley Avenue reconstruction “local match” funding: \$990K (30% of \$3.3M cost)

Why a RAISE Planning Grant?

- Pivot to planning instead of construction
- Focus on the upfront work needed to **create “shovel ready” grant applications**
 - He noted that the City (ICM) supports a NEPDA RAISE planning grant application
- The Planning Grant requires a ~15% Right-of-way (ROW) design for Freya, Myrtle, Rowan and Havana. Additional elements of the Planning Grant Application include:
 - Affected property owner exhibits
 - Drone survey and base mapping
 - ROW acquisition estimates
 - Construction cost estimates
 - Planning level look at environmental, probable Environmental Impact Assessments (EA) required
 - Geotech, Archeology
 - Economic benefit (Economic Impact Assessment)
 - Historical/Cultural/Social analysis

The Executive Director explained that RAISE Planning Grant Letters of Support are required from local, State, and Federal legislators. He would work with Board Chair Kerns to draft a template to send to elected officials.

The board discussed Covid Relief funding requirements, which generally focus on helping replace lost revenues incurred as a result of the pandemic. Scott Simmons noted that no funding may be used as a local match for infrastructure, and that funding for infrastructure was limited to water, sewer and broadband, and not roads. Cindy Wendle advised that we should be ready to pivot, as the rules are evolving. Josh Kerns agreed, noting that initial funding rules were very restrictive. This is a common problem across the country, and modifications are likely. Michael Cathcart noted that all funding requests to the City are due not later than 9/1/2021. Cindy suggested preparing a specific proposal for U.S. House and Senate members representing the area and state. She also suggested that funding requested should be split equally between the City and County. The Executive Director noted that this would be consistent with the Interlocal Agreement governing the NEPDA. Michael said he believed that the Administration would support the use of American Recovery funds in the NEPDA.

TIB Grant

David Guthrie noted that the NEPDA may still apply for a TIB Pavement Preservation Grant

- TIB only requires a 20% local match (\$660,000)
- 90%+ of the work required for TIB
- Application due in August
- Probability of Success is moderate to low, because TIB only has \$8 million to \$9 million for eastern Washington. The NEPDA grant request would represent a very high percentage of the total.

Avista

Guthrie noted that the NEPDA will apply to Avista for Economic & Cultural Vitality grant. The grant application date is open July 1st – 31st. He explained that we anticipate using funding for marketing for both Spokane Made and Make It Spokane.

Esmeralda Commerce Park

The Executive Director advised the board that he had received feedback from LB Stone, indicating they intend to build Phase 1 by 12/31/2022. They will provide written response by the end of next week. Scott Simmons asked whether or not LB Stone had considered multi-family on the site instead of industrial. Guthrie noted that he had asked LB Stone this question in the past, suggesting that the need for quality affordable housing is acute in Spokane. To date, LB Stone has not provided any indication they are interested in developing medium or high-density housing on the ECP site. They have expressed concerns about the amount of industrial square footage being developed regionally, and its impact on ECP. Their preference is to slow development until the NSC is complete near the end of the decade.

NEPDA Spokane County Land Analysis

David Guthrie explained that he presented a NEPDA County land analysis by sub-area to Spokane County officials, including Commissioner Kerns and County CEO Scott Simmons. The analysis ranked priority investment areas within the NEPDA portion of the County. Guthrie recommended expanding the NEPDA boundary to the north of Magnesium Road, to include between 200 to 400 acres. Discussion ensued about the location of the Urban Growth Boundary and public utilities. Josh Kerns advised that Harley Douglass was interested in developing 40 acres he owns into housing in this area, at ~8 units per acre. Cindy Wendle supported the conversion of some of this land to housing from industrial uses. Josh Kerns and Michael Cathcart indicated they would talk to the other commissioners and council members if the board agreed to consider expanding the NEPDA. It was noted that the City and County would have to agree to amend the existing NEPDA Interlocal Agreement.

Guthrie advised that this is high-value land for the NEPDA, given its large size, topography, good soils, and access/proximity to the NSC and Parksmith interchange. He also explained that there are only a handful of property owners in this area. It's much easier to negotiate agreements for infrastructure with a handful of people, compared to negotiating with hundreds of property owners (to improve Myrtle, Freya, Rowan and Havana in the City). He encouraged the board to strongly consider expanding the NEPDA boundary north of Magnesium Road. Scott Simmons questioned why property owners would benefit or agree. Mr. Guthrie advised that the NEPDA can facilitate grant funding to build infrastructure to access this area, at a fraction of the cost (to the property owner). If for example, the NEPDA and County secured an EDA grant to build infrastructure to this property, the EDA grant would fund 70% of the cost, and property owners would fund 30%. The 30% could also be financed through an LID. This is a big advantage to the property owners, i.e. in lieu of funding 100% of the infrastructure themselves.

Marketing & Communication

The Executive Director provided a marketing summary for board review and comment. The draft included the following details

- **NEPDA (Make It Spokane)**
 - focus on brand awareness and outbound marketing (B2B) outside the region
 - create electronic version of existing trifold
 - create collateral materials to mail to interested parties
 - buy and build out email lists
 - Utilize a service (Zoom, Uplead, LinkedIn) which will help provide the contacts needed to do outreach by phone or personal email.
 - outbound marketing vs. nurturing campaign. *Outbound email marketing would be very different than a nurturing campaign.*
 - we would use automation to nurture leads that are already showing (inbound) interest by opting into an email list when on the web site or some other digital tactic.
 - Suggest tactics to cause prospects to opt-in
 - build relationships with real estate and business brokers in eastern Washington as well as western Washington.
 - utilize CRM for email, drip, transformational stories, lead generation, referrals.
- **Hillyard Business Association (Spokane Made)**
 - focused on brand awareness and (B2B and B2C) marketing inside the region. Guthrie suggested that the opportunity for awareness of B2C might be bigger than B2B
 - Billboards – 3 to 4 sites, refresh after 3 to 6 months
 - Direct Mailers to neighborhood with unique offers (discounts) to consumers in NE.
 - 90-day Facebook campaign – people can sign up to receive local stories and deals from NE Spokane businesses
 - Free giveaway – local event tickets, raffle items of significance. Provide email to be eligible.
 - Utilize “neighborhood” app to frequently post events, music, promotional offers, etc.
 - Highlight a different business on the website weekly or more often as needed to rotate through all businesses. Let businesses know when they are being highlighted.
 - Quarterly newsletter – provide valuable content for NE businesses

Board discussion ensued. There was a general consensus that billboards are not needed at this time. There are better places to invest our limited capital. Cindy Wendle questioned the value of a Facebook campaign. She suggested that it’s unlikely to be successful in Hillyard, which is community that values personal contact, not electronic communication. Guthrie agreed, but noted that it’s impossible to conduct a meaningful marketing effort relying solely on personal contacts. We do need to consider print and electronic marketing and communication strategies. Josh, Michael and Cindy agreed that additional updates on the website were needed, letting people know about activities and events. Guthrie advised that the proposed marcom support contract we are discussing would enable the NEPDA to update our website with real time information for the community.

Due to time constraints, the marketing discussion was cut short. The Executive Director noted that he was securing three proposals from marketing agencies to develop a plan to support NEPDA marcom efforts, and would have recommendations available at the July Board meeting.

MINUTES - Regular Meeting

The following resolutions were considered by the board

Action Item No. 1: RESOLUTION 2021-010 of the Northeast Public Development Authority (the “NEPDA”) to authorize the Executive Director to contract with the Municipal Research and Services Center of Washington (MRSC) to have their official rosters hosted in the online database for the NEPDA’s use for small public works contracts, consulting services, and vendor services developed and maintained by MRSC through MRSC Rosters and authorizes the NEPDA Executive Director to sign that contract.

Action Item No. 2: RESOLUTION 2021-011 of the Northeast Public Development Authority (the “NEPDA”) to authorize the Executive Director to prepare and issue to select qualified companies an informal request for proposal for ongoing marketing services supporting the NEPDA and the Hillyard Merchants’ Association.

Action Item No. 3: RESOLUTION 2021-012 of the Northeast Public Development Authority (the “NEPDA”) to authorize the Executive Director to execute a contract with T-O Engineers, Inc. for purposes of preparing an application for a planning grant under the Rebuilding American Infrastructure with Sustainability and Equity (“RASE”) grant funding program, and permitting the Executive Director and T-O Engineers, Inc. to submit the RAISE grant application to the United States Department of Transportation for consideration.

Action Item No. 4: A RESOLUTION 2021-013 of the Northeast Public Development Authority (the “NEPDA”) to authorize the Executive Director to execute a contract with Maul Foster Alongi (“MFA”). for purposes of assisting in the preparation of an application for a planning grant under the Rebuilding American Infrastructure with Sustainability and Equity (“RASE”) grant funding program, specifically assisting in addressing the proposed projects’ environmental sustainability, cultural and social impact, and economic competitiveness.

Resolution: Board Chair Kerns questioned whether anyone objected to approving Action Items 1 – 4 in a single motion. Hearing no objections, a motion to approve Resolutions 2021-010 – 2021-013 was made by Scott Simmons. The motion was seconded by Cindy Wendle. All four resolutions were approved by unanimous consent.

11:55 am to 12:00 pm **Notable items, Around the Room, Closing:** N/A

David Guthrie noted that NEPDA May and YTD financials are attached to the meeting invite. Please review, and let him know if you have questions.

NEXT MEETING: June 11, 2021, 10:30 AM to Noon, at the Northeast Community Center, 4001 N Cook Street, Spokane, WA 99207 (south conference room, lower level).

Board Chair Kerns adjourned the meeting at 12:01 PM