

AGENDA

NORTHEAST PUBLIC DEVELOPMENT AUTHORITY (NEPDA) REGULAR BOARD MEETING

Date: August 13, 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

+12532158782,,84649921163#,,,,*191969# US (PST)

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 July 9, 2021
10:40 am to 11:10 am	Public Comments: Marketing Update – David Mitchell and Susan Kellnar with Brand New Consulting
11:10 am to 11:15 am	Board Member Updates: City and County update on status of American Rescue Plan (ARP) funding priorities and requirements, including updated U.S. Department of Treasury guidelines if available.
11:15 am to 11:45 am	Executive Director Updates <ul style="list-style-type: none">○ Marketing – Next 90 days○ NEPDA office location○ CEDS○ Grant Funding<ul style="list-style-type: none">○ RAISE, Avista, EDA, TIB○ ARP (City/County – joint application)○ Federal Highway Administration approval – Myrtle & Rowan○ Esmeralda Commerce Park Development Agreement<ul style="list-style-type: none">○ Reallocate \$1.25M ECP infrastructure reimbursement<ul style="list-style-type: none">▪ City Agreement○ Local match for road improvements or acquire/assemble real estate?○ Support for Bigelow-Forker Corridor Freight Mobility & safety project○ NE Pathways to Employment○ New Developments
11:45 am to 11:55 pm	Action Item No. 1: Resolution 2021-015 of the Northeast Public Development Authority (the “NEPDA”) to update and revise the NEDPA’s Procurement Policy

AGENDA

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

NEXT MEETING: August 17, 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).

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: July 9, 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 10:36 AM. He noted that a quorum was present.

Attendees:

NEPDA Board of Directors

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

Not in attendance:

- Jordan Tampien

Board Staff

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

Guests

- Ron Valencia, Spokane County
- Shae Blackwell, City of Spokane
- Tony Baird & Laura Harbinson, The Woodshop

Approval of Minutes

Commissioner Kerns asked if anyone was opposed to approving the Regular Board Meeting Minutes from June 11, 2021. Hearing no objections, a motion was made by Michael Cathcart to approve the minutes. The motion was seconded by Scott Simmons. The motion passed unanimously.

Public Comment:

Tony Baird and Laura Harbinson from the Woodshop, a full service marketing agency, presented a marketing and communication support plan to the NEPDA board.

Tony and Laura explained that The Woodshop (TWS) is a full service marketing firm, including digital and traditional marketing, SEO services, website and brand and collateral design. They offer very strong reporting, testing and transparent processes to measure clicks, site traffic, and other metrics. TWS will work alongside the NEPDA to create a marketing strategy for both Make It Spokane and Spokane Made brands and the best possible path to achieving goals that satisfy both the board's objectives and the target

MINUTES - Regular Meeting

demographics' needs. Goals include: increased brand awareness and outreach to begin the process of lead generation and Top of Mind awareness.

- Increased impressions and expanded brand recognition.
- Increasing the positive perception of the Hillyard and Northeast Spokane area.
- Highlighting local, emotional stories and bringing culture and history of the area to the forefront.

TWS explained that content created will feature aspects that appeal to regional business owners/investors, depending on the brand.

- Increase email marketing database
- Increase website visits
- Increase awareness of brands and growth of lead lists.
- Supply a clear message with our content that supports both brands
- Creating content that compels the consumer and makes a connection within the community.
- Content will strengthen bonds within and outside the Spokane area about our passionate people and great city.
- Creating evergreen content that allows maximum use of the assets
- Ultimately, increase business development leads for NEPDA

Various tactics were discussed, including transformational stories of the businesses and their owners, rooted in the neighborhood, videos, web content, email content, social media content, print and digital ads, and a neighborhood into packet. A one year budget to successfully implement the marketing and communication plan is estimated by TWS at approximately \$3,500 per month, or \$42,000 per year.

The Executive Director reminded the board that Make It Spokane was the brand name for the NEPDA, and is focused on recruitment outside the area. Spokane Made is the brand name for the Hillyard Merchant's Association, and is focused on increasing brand awareness regionally, local business recruitment and support. Cindy Wendle noted that we needed a single overarching message for Make It Spokane and Spokane Made. David Guthrie suggested that the overarching brand is the "Spokane Makers District." Northeast Spokane is considered gritty by some, but Hillyard likes it that way. We (Hillyard) aren't trying to appeal to everyone. We are focused on attracting the makers, builders, suppliers, artisan, craftsman, contractors and others, who want to be a part of the "workbench" of the region. We are blue collar and proud of that fact. We presently have successful business clusters that we can build on. It's well documented that clusters of businesses increase the productivity with which companies can complete, regionally and nationally. We will identify businesses locally and throughout the Northwest who are not located in northeast Spokane, but who may benefit from locating near the identified business clusters. We will then create an outbound marketing campaign targeting these businesses, and actively recruit them to the Spokane Makers District.

Board Updates

Michael Cathcart noted that he met with a team at Doordash, who expressed interest in working with the Hillyard Merchants Association to help grow local business.

Executive Director Updates

Procurement Policy

Megan Clark, NEPDA general counsel, updated the board about her prior research into the benefits of applying for membership to the MRSC, and recommended revisions to the NEPDA Procurement Policy, to insure alignment with MRSC requirements.

MINUTES - Regular Meeting

Megan Clark noted that we will need to modify the NEPDA procurement policy to add language regarding membership in MRSC. The purpose of the revision is to more efficiently conduct NEPDA business, and mitigate risk. Procurement Policy revisions are expected to include:

- Purchased Services (defined: routine, necessary, continuing contracts – ex. internet service provider)
 - Under \$5k – no competition
 - \$5k-\$50k – obtain 3 informal quotes (selecting from MRSC to the best of NEPDA’s ability)
 - \$50k-\$300k – notification to public/MRSC, obtain 3 quotes, shall select from MRSC
 - \$300k+ - formal RFP, shall select from MRSC
- Personal Services (defined: contracts that involve some kind of technical expertise, but are not architectural or engineering in nature – ex. Marketing, accountant/financial)
 - Under \$20k – competition encouraged but not required, select from MRSC to best of NEPDA’s ability
 - \$20k-\$50k – obtain 3 informal quotes, select from MRSC to best of NEPDA’s ability
 - \$50k-\$300k - notification to public/MRSC, obtain 3 quotes, shall select from MRSC [Note: we may want to break this down even further since that is such a wide range of amounts]
 - \$300k+ - formal RFP, shall select from MRSC
- Professional Services (defined: architectural/engineering)
 - Under \$20k – competition encouraged but not required, select from MRSC to best of NEPDA’s ability
 - \$20k-\$150k – Review MRSC roster, select 3 prospective candidates, request informal quote + select from roster, retain printout showing candidates reviewed
 - \$150k-\$300k – Formal RFP to request to MRSC candidates or formal RFQ, shall select from MRSC based on the qualifications required in the statute
 - \$300k+ - Formal RFQ to MRSC candidates, shall select from MRSC based on the qualifications required in the statute

Ms. Clark noted that before finalizing, she would review the Federal rules to see if there are any applicable limits or thresholds to ensure we comply with federal grant requirements, and to ensure there are no other specific requirements for architectural/engineering services contracts, which appear to be the biggest source of litigation. She also noted that there may be areas where the MRSC roster doesn’t make sense in some of these, and we can make our use of it permissive. For the larger contracts and the architectural/engineering, it will probably be best to utilize MRSC’s list, since those will be where the most potential challenges are.

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. Megan further advised that the NEPDA board will need to formally consider approving Policy revisions by Resolution at the next meeting.

RAISE Planning Grant

The Executive Director updated the board regarding the \$1M RAISE Planning Grant the NEPDA intends to submit.

- Integrated Capital Management at the City has been kept in the loop, and supports our grant application

MINUTES - Regular Meeting

- We have requested letters of support from the Mayor and Council President, along with local elected representatives. Councilman Cathcart and Commissioner Kerns noted that they would provide a joint letter of support, which should strengthen our application
- The Mayor's office (Johnnie Perkins has not responded) to date.
- It appears that the Mayor and or Council are working with WSDOT to submit a RAISE Planning Grant to build a Lid (bridge) over I-90. Spokane International Airport is also submitting a RAISE grant application. Both will compete with the NEPDA RAISE Grant Application.
- Breean Beggs was unaware of our pending grant application. At this time, its not clear whether he will support the NEPDA application.
- Meeting with Breean, Candace Mumm, Kate Burke, Erik Poulsen, Shawna Harshman, and various City staff today between 1 – 2 pm (City PIES Meeting).
- The application is due this Monday, July 12th.
- The NEPDA application is the only application of the three submitted in the region which checks the equity, social justice, and economic development boxes. We should therefore have a very strong application.

Guthrie explained that the City would like a resolution confirming NEPDA board approval to fund the local match required for the RAISE Planning Grant. Megan Clark noted that she has prepared a resolution for board consideration, which includes a commitment to fund the local match, which is 20% of the grant amount. Mr. Guthrie advised that T-O Engineering had estimated the local match requirement in the amount of \$230,000. Scott Simmons noted the proposed resolution did not include a maximum amount, and suggested that any resolution by the board should include a not-to-exceed local amount. Marlene Feist commented that ICM has confirmed that the local match required by the NEPDA is actually \$234,000, not \$230,000.

After further discussion, the board chair asked if there was a motion to fund \$234,000 as local match funding for the RAISE Planning Grant. Scott Simmons made a motion to approve. Chery Stewart seconded the motion. Hearing no objections, the board voted unanimously to approve a resolution to fund the RAISE Planning Grant local match, in an amount not to exceed \$234,000.

Esmeralda Commerce Park (ECP)

The Executive Director explained that LB Stone has responded in writing to NEPDA proposed revisions/amendment to the ECP Development Agreement. He noted the following:

- NEPDA proposal to LB Stone
 - Extend Phase 1 completion until 12/31/2023.
 - Waive the right to request reimbursement of any portion of the \$1.25M until 1/1/2029.
 - Agreement termination date unchanged
 - Subject to City Council Approval
- LB Stone Response
 - Delay completion of Phase 1 until 12/31/2028.
 - Reimbursement delayed until 1/1/2029.
 - Termination date unchanged

Board discussion ensued. It was unanimously agreed by the board members present that the developer's response was not acceptable. While the board supports the Esmeralda Commerce Park development, and commends LB Stone for the quality of its work, delaying the project until 2028 was not consistent with the original representations made by developer when the infrastructure reimbursement was approved by

MINUTES - Regular Meeting

the NEPDA board. At that time, reimbursement of developer infrastructure was predicated upon developer building Phase 1 by 2021, and over 400,000 SF by 2029, with projections of 1,000+ jobs by 2029. The board noted that it would consider future reimbursement proposals from LB Stone if and when it could commit to a firm deadline. The Board agreed that the Executive Director should write a letter to the City recommending denial of the proposed terms and conditions included in Amendment to the ECP Development Agreement between the City and LB Stone.

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

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

Board Chair Kerns adjourned the meeting at 12:05 PM