

AGENDA

NORTHEAST PUBLIC DEVELOPMENT AUTHORITY (NEPDA) REGULAR BOARD MEETING

Date: September 17, 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 August 13, 2021

10:40 am to 11:00 am **Public Comments:** Computing For All, Ritu Bahl

About Computing for All: Computing For All (CFA) is a non-profit organization dedicated to developing the future of tech talent through inclusive, employer-driven education. Since its founding in 2015, they have worked to break down systemic barriers that prevent youth and young adults of all races, genders, and cultural backgrounds from launching tech careers.

11:10 am to 11:15 am **Board Member Updates:**

ARPA Update: City and County update on status of American Rescue Plan Act funding priorities and requirements, including updated U.S. Department of Treasury guidelines if available.

Esmeralda Commerce Park Update: Marlene Feist update on status of LB Stone (ECP) Development Agreement termination and allocation of reimbursement proceeds to the NEPDA for other economic development purposes.

11:15 am to 11:45 am **Executive Director Updates**

- Computing For All – NE Pathways to Employment
 - Marketing update - BNC
 - Targeted outbound email campaign to small business
 - Email platform research (Uplead, Zoom Info, Adapt)
 - Cluster analysis
 - Washington State Transportation Commission Presentation
 - North NEPDA Expansion Analysis RFP
 - Public Affairs Strategy & Implementation RFP
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AGENDA

11:45 am to 11:55 pm **Action Item No. 1: Resolution 2021-016** of the Northeast Public Development Authority (the “NEPDA”) to revise and update its Employment Agreement with Executive Director David Guthrie. The NEPDA finds it desirable for the efficient and effective governance of the NEPDA’s affairs to authorize the NEPDA Board Chair to enter into a revised Employment Agreement with Mr. Guthrie and to update the terms and conditions of his employment as the Executive Director of the NEPDA.

Action Item No. 2: Resolution 2021-017 of the Northeast Public Development Authority (the “NEPDA”) to invite proposals from qualified consulting firms to advise the NEDPA on public affairs strategy and engagement for the upcoming 2021 State of Washington legislative session, for purposes of securing dedicated funding for grant level right-of-way design, engineering, and acquisition,

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

NEXT MEETING: October 8, 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: August 13, 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 10:33 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
- Jordan Tampien

Not in attendance:

- N/A

Board Staff

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

Guests

- Ron Valencia, Spokane County
- Shae Blackwell, City of Spokane
- David Mitchell and Susan Kellnar, Brand New Consulting (BNC)

Approval of Minutes

Commissioner Kerns asked if anyone was opposed to approving the Regular Board Meeting Minutes from July 9, 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:

The Executive Director introduced David Mitchell and Susan Kellnar, from Brand New Consulting. He explained that BNC was hired to assist with NEPDA social media and marketing platforms over the last 30 days. Mr. Guthrie noted that David Mitchell is the founder and owner of BNC, which is located in northeast Spokane. In addition, David Mitchell is a northeast resident. BNC 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. BNC will work alongside the NEPDA to create a marketing strategy for both Make It Spokane and Spokane Made brands.

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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 Hillyard and Northeast Spokane area.
- Highlighting local, emotional stories and bringing culture and history of the area to the forefront

Mr. Mitchell explained that our goal is to increase the NEPDA email marketing database, increase website and social media visits, and ultimately, increase business development leads for NEPDA. Various tactics were discussed, including transformational stories of the businesses and their owners, videos, web content, email content, social media content, print and digital ads, and a neighborhood intro packet.

David and Susan presented the results of their efforts over the last 30 days, and a marketing and communication support plan for the next 90 days. They noted that they have built the foundation for our digital outreach, including new sites on Facebook, Instagram, LinkedIn, Twitter and Google Business. The first video of a northeast business (Alcobra Metals) was created, in addition to a YouTube introductory video for Make It Spokane and Spokane Made. The board viewed both videos. Michael Cathcart asked how the Alcobra Metals video will be used. David Guthrie explained that it's our intent to post this on our websites, social media, and include this type of video in our outbound email marketing efforts. Our goal is to shoot one video a month.

Cindy Wendle suggested we utilize snippets of video from other platforms, and to make sure we include a call-to-action. We want people to "like" us, and sign up for emails. We also need to continually maintain our websites and social media, so they always include the most current and relevant information. Marlene Feist noted that she would help us share any information on City social media or websites. They have a lot of followers and links to other sites, which should improve search engine results for NEPDA sites. Scott Simmons noted that he was generally aware of Alcobra Metals, but didn't know much about their business. He thought the video was well done, and was very impressed with Alcobra's business after learning more about it. Councilman Cathcart and Commissioner Kerns agreed.

The Executive Director explained that he is working with BNC and Tilladelse to explore ways to brand northeast Spokane as the Spokane Makers District. 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. In the near future, we will identify businesses locally and throughout the Northwest who are not located in northeast Spokane, but who may benefit from locating here. We will then create an outbound marketing campaign targeting these businesses, and actively recruit them through a targeted email campaign to the Spokane Makers District.

Board Updates

Scott Simmons and Josh Kerns each explained that the U.S. Treasury has not provided any additional guidance regarding allowable uses for American Rescue Plan Act (ARPA) funds. It was noted that the County Commissioners have convened a Council of Governments on September 10, 2021. This is a multi-jurisdictional study session designed to share information to advance regional objectives. The Executive Director noted that the City of Spokane website indicates that disbursement of ARPA funds would commence on September 1, 2021, which appears unlikely. Michael Cathcart agreed, and said that the process of determining how funds will be allocated by the City has been largely hidden from public view. There is an upcoming study session planned, which he will participate in. Hopefully, the study session will shed some much need light on the subject.

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Commissioner Kerns explained that while the Treasury had not provided any new guidance, he expected ARPA Funding to run similar to CARES Act funding. People will have an opportunity to present their requests to the County. Cindy Wendle and Cheryl Stewart confirmed that the pending infrastructure bill in the U.S. Congress may impact Treasury guidelines about how ARPA funds may be used. The Executive Director reminded the board that ARPA funding is a huge opportunity for the NEPDA. Ideally, the NEPDA will present a multi-jurisdictional (City & County) application for grant funding.

Executive Director Updates

Marketing – Next 90 Days

David Guthrie explained that we intend to produce 3 videos, one newsletter, update all social media, create a print mailer for businesses in northeast Spokane asking them to sign up to SM site (including a promotional giveaway), and Spokane Makers District research and brand strategy development. He then questioned the board if they had any additional comments regarding the proposed marcom plan for the next 90 days. There were no follow up comments by the board.

NEPDA office location

With additional funding pending, and as we ramp up our marketing, the Executive Director suggested it may be a good time to consider a retail storefront type office in downtown Hillyard, with an office and decent sized meeting space. If the board agrees, he said he will find a few options for further consideration. Cheryl Stewart asked if this location would include space for both Make It Spokane and Spokane Made. David Guthrie said he thought it made sense to co-locate.

Community Economic Development Strategy (CEDS)

The NEPDA was not included on the CEDS Steering Committee initially. The Executive Director made sure he is included, and will represent the NEPDA. He noted that it's critical that the NEPDA advocate for our needs, not someone else.

Grant Funding Update

Mr. Guthrie quickly summarized our grant application status, including a pending EDA planning grant. The NEPDA has submitted a \$1M RAISE planning grant, requested a \$3.4M earmark through the office of Congresswoman McMorris-Rodgers, and \$40,000 grant from Avista. He also noted that we have a lot of additional planning needs. ARPA or EDA may be viable sources of capital for this scope of work. Planning needs include:

E. Wellesley Ave. Corridor Study: \$30,000. (to consider alternative zoning/land uses, including mixed-use, between the new Wellesley interchange and Havana St. Having a community-based plan can be used to secure design and construction grant funding)

Downtown Hillyard Visioning Plan: \$40,000 (to provide a conceptual idea of how downtown Hillyard could be reimagined to better accommodate pedestrian and bicycle traffic, and to provide a catalyst for residential and mixed-use development in the area, including the Market-Haven corridor, generally between Wellesley and Francis. Having a community-based plan can be used to secure design and construction grant funding.)

Downtown Hillyard Zoning and Code Analysis: \$25,000 (to identify all zoning barriers that exist, including financial and physical models to highlight the impact of changing key zoning district standards. Prepare a list of key recommended zone district changes that address barriers for both new construction types and interim use types. Craft development incentives that go beyond zone standard changes. This information can be used to make zoning changes or to create incentives, to catalyze financially feasible infill development)

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Northeast Spokane Sub-Area Plan: \$250,000 (to give Hillyard a voice in the process, align the Hillyard community, NEPDA board, and City of Spokane, so we are all working from the same playbook)

Road Design: Engineering, geotechnical, survey, right-of-way exhibits, environmental surveys/testing: **\$500,000+** (to design a grid network of paved roads, i.e. Complete Streets, connecting to the NSC). This includes design for Freya, Myrtle, Havana, Wellesley, and Rowan. Without design and right-of-way, we can't build roads, which is required to attract quality employers, and compete effectively with other industrial sub-markets in the region.

North NEPDA Expansion Land Use Plan: \$25,000. (to create a high-level land use utility and master plan including residential, commercial, and industrial areas north of Magnesium Rd, and a grid network of roads/infrastructure).

South NEPDA Sub-Area Plan: \$60,000 (if the Northeast Sub-Area Plan is not approved/funded).

Guthrie noted that the City received Federal Highway Administration approval to reclassify Myrtle & Rowan to arterials (at the NEPDA's request), which means these roads are now eligible for State and Federal funding

Esmeralda Commerce Park Development Agreement

David Guthrie noted that the City has reached out to LB Stone about terminating the Esmeralda Commerce Park Development Agreement. He reminded the board that if and when the Agreement is terminated, we will have the opportunity to consider investment alternatives for the \$1.25M previously allocated to ECP infrastructure reimbursement.

Scott Simmons suggested that the board consider various alternatives for the use of the ECP reimbursement funds. He asked the Executive Director to provide options and recommendations to the board for review and consideration. The Executive Director agreed, and said he would follow up at a later date with options for board consideration.

New Developments

The Executive Director briefly updated the board on the following recent announcements

1. NW Corner of Francis and Freya - Truck stop, retail complex, and potential hotel. (*Significant construction and retail sales tax for NEPDA*)
 - o 2021- \$8M truck stop and retail (frontage)
 - o 2022 – hotel (secondary)
2. 5016 N Market St. – Dogtown Brewery
 - o Spring 2022 opening likely
 - o 7,000 SF building – hopes to attract additional tenants, i.e. cidery, coffee, etc.
3. 3800 E Joseph - Airdrome Northwest
 - o Inflated indoor sports practice facility
4. SWC of Francis & Market St
 - o Circle K – \$1.25M C-Store and gas station
 - o 5,200 SF store with 35 car parks

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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. 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 there may be areas where the MRSC roster doesn’t make sense in some of these smaller contracts, 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 advised the board that he recommends approval of the Procurement Policy revisions. He also asked Megan Clark if she recommended approval. Ms. Clark confirmed her agreement, and recommends board approval.

Action Item No. 1: Resolution 2021-015 of the Northeast Public Development Authority (the “NEPDA”) to update and revise the NEDPA’s Procurement Policy. Board Chair Kerns asked if there was motion to approve. Scott Simmons made a motion to approve Resolution 2021-015. Michael Cathcart seconded the motion. Hearing no objections, Board Chair Kerns asked for a vote of the board, which unanimously approved.

Executive Session

At 11:50 AM, the board adjourned to Executive Session

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At 12:13, the board meeting was re-commenced. Board Chair Kerns explained that it was agreed in the executive session that the Executive Director would receive a 3% cost of living salary adjustment. The board approved the ability to provide additional performance based compensation if when approved by the board. Furthermore, the board members shall submit performance reviews of the Executive Director for the past year within two weeks. Board Chair Kerns and Vice-Chair Cathcart will meet with the Executive Director to assess his performance. Future performance reviews will be completed by the board in August of each year. Megan Clark explained that she would update the Executive Director Employment Agreement to reflect these changes. Scott Simmons explained that an annual performance review is important for NEPDA success. He also noted that a COLA is warranted, and that there are significant benefits of retaining good people. It's hard to replace knowledge that is obtained through experience.

Josh Kerns asked whether there was motion to prepare a new employment agreement for the Executive Director, including an annual performance review every August, a 3% COLA effective August 1, 2021, and each year thereafter, effective on January 1st. Cheryl Stewart made a motion to approve. Scott Simmons seconded the motion. Hearing no objections, a board vote was taken, which was unanimously approved.

12:15 pm **Notable items, Around the Room, Closing:** N/A

NEXT MEETING: September 17, 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 12:15 PM