

# AGENDA

## NORTHEAST PUBLIC DEVELOPMENT AUTHORITY (NEPDA) REGULAR BOARD MEETING

**Date:** December 10, 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:

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10:30 am to 10:35 am      **Welcome & Introductions**

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10:35 am to 10:40 am      **Approval of Minutes:** Approval of Meeting Minutes from November 12, 2021.

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10:40 am                      **Public Comments:** None scheduled

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10:40 am to 10:50 am      **Board Member Updates:** None scheduled

**Legal Counsel Updates:** PRA/OPMA Training Requirements

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10:50 am to 11:30 am      **Executive Director Updates**

- Marcom Update
  - Marcom Transition Plan Recommendation
  - 2022 Grant Application Recommendation
  - 2022 Public Affairs Strategy & Work Plan Recommendation
  - Transition Update
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11:30 am to 11:45 am      **Resolution 2021-019**

**A RESOLUTION** of the Northeast Public Development Authority (the “NEPDA”) to authorize the Board Chair to sign a public affairs strategy and implementation support agreement with Scarlett Oak Strategies and Maul Foster Alongi (the “Public Affairs Team”), subject to NEPDA legal counsel review, for the purpose of facilitating public, political and stakeholder support to secure dedicated funding for northeast Spokane, a diverse and historically disadvantaged area; including but not limited to, securing grant funding for the design, engineering, and acquisition of right of way for certain roads connecting to the North Spokane Corridor.

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11:45 am                      **Notable items, Around the Room, Closing**

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# AGENDA

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**NEXT MEETING: January 14, 2022, 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).**

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## **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:** November 12, 2021

**Meeting Time:** 10:30 AM

**Location:** Board Members and Public attendance via Zoom.

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#### **Welcome and Introductions**

Commissioner Kerns called the meeting to order at 10:32 AM. He noted that a quorum was present.

#### **Attendees:**

NEPDA Board of Directors

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

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
- Brian McClatchey, City of Spokane
- Steve MacDonald, City of Spokane
- Teri Stripes, City of Spokane
- Marc Burris, Jacobs
- Cyrus Gorman, Stantec

#### **Approval of Minutes**

Board Chair Kerns asked if anyone was opposed to approving the Regular Board Meeting Minutes from September 10, 2021. He noted that there was not meeting in October. Hearing no objections, a motion was made by Scott Simmons to approve the minutes. The motion was seconded by Cindy Wendle. The motion passed unanimously.

#### **Public Comment:**

Teri Stripes, City of Spokane, and Cyrus Gorman of Stantec, summarized the City's EPA grant application, which will focus on housing and job creation in northeast Spokane.

## MINUTES - Regular Meeting

### Grant Guidelines

- Issued 09/21/21. - Applications due 12/01/21.
- City can apply for \$500,000 EPA Brownfield Community-Wide Assessment (CWA) Grant as solo applicant. Funds can be used for assessment and planning, not for design.
  - Primary focused on NE Spokane. 3 census tracts. Priorities include:
    - Centers and Corridor sites
    - Priority brownfield sites
    - Economic growth
    - Housing
    - Equity and social justice

If awarded the grant, funds will be available in October 2022. At that time, the NEPDA will need to conduct outreach with various property and business owners to conduct environmental site assessments (ESA's) on their property. Teri noted that this had been successfully implemented in the U-District PDA, where they conducted 13 Phase 1 ESA's. The goal is to identify and encourage remediation efforts, which are a pre-condition to renovation or development.

### **Board Updates**

ARPA Update: City and County update on status of American Rescue Plan Act funding priorities and requirements.

Commissioner Kerns noted that the County had launched a community survey to obtain feedback about where funds should be used. Approximately 600 responses had been received to date. David Guthrie asked if funding for infrastructure was still limited to water, sewer and broadband, and excludes roads. Scott Simmons said yes, these limits still apply, but he has heard that the definition of infrastructure "may" be modified/expanded. Marlene Feist explained that the City is collecting information from the community, and recently completed a series of events at various high schools with Mayor Woodward.

Scott advised that Comcast had submitted a large funding request to pay for rural broadband, but which might also apply to more urban areas like the NEPDA. Michael Cathcart updated the board on a new broadband effort he is working on the Councilwoman Wilkerson, which would provide wi-fi type high speed internet very inexpensively within the City. This could be a game changer for hard to serve areas, and low-income communities. The expected cost per household is \$5 to \$7 per month. Scott Simmons agreed, and said that the last mile of cable to individual households and businesses was too expensive, and a wi-fi internet solution is an exciting, cost-effective solution.

Cindy Wendle suggested that the business community needs a solution like this, particularly small businesses. She also questioned whether the NEPDA had submitted an ARPA funding request to the City Council. Mr. Guthrie reminded the board that we had submitted a list of funding priorities this summer, when funding was expected to occur in September. Councilman Cathcart concurred, noting that the NEPDA list he submitted included approximately \$5 million in funding priorities. Commissioner Kerns questioned how often the City meets to discuss its funding plans. Michael explained that he was not sure how often the funding committee meets, and when the City Council will vote on the funding priorities. He explained that he is not on the committee that is reviewing the requests, but has been told that all priorities will be voted on by the full Council.

### Executive Director Updates

- Business Cluster Analysis

The Executive Director showed a PowerPoint presentation, highlighting our initial analysis of the concentrations of businesses (clusters) presently in the NEPDA. He explained that we are evaluating business data using NAICS and SIC codes, and will then obtain contact information for similar businesses from UpLead, which will be used for our targeted email campaign. The goal is to recruit new businesses from inside and outside the region. Brand New Consulting will help the NEPDA develop content for our email marketing efforts.

#### Summary of Targeted outbound email campaign

- **Business Clusters** – develop database and cluster analysis to evaluate existing business in the NEPDA, and categorize these businesses by NAICS & SIC codes.
  - **Database of Businesses** - create a database of businesses using **UpLead** that we will target for recruitment to northeast Spokane
  - **Cost** - \$400/mo. for 12,000 credits. 1 credit = 1 contact
  - **Outreach** - We will target similar businesses for recruitment, along with other businesses not in the NEPDA, but which may benefit from close proximity to these clusters.
  - **Email Marketing Focus**
    - Urban industrial (generally east and north of the NSC) – Local and outside region (I-5 corridor)
    - Hillyard Core Retail – Local only
    - Separate content being developed for each email campaign
    - Through our CRM, the NEPDA will track outreach and interactions, and refine marketing campaign based on data analytics and KPI's.
- Beacon Hill update – Vistas Plat extension

David Guthrie advised the board that Pete Rayner and his development partner Ryan Buth have requested a 5-year extension to the Vistas at Beacon Hill Plat/PUD. Approval for the extension is required by the City Council by 12/14. He asked whether the board would sign a letter of support for the plat extension? Councilman Cathcart said that he strongly supports writing a letter. He explained that Pete Rayner has sold some of the property, and the new developer is well capitalized, and will break ground in the Spring. They have an excellent design, and they have spent large sums of money installing a water system. This project will bring needed workforce housing to the City and northeast Spokane. Scott Simmons questioned whether the design complies with current standards? Marlene Feist noted that the City was reviewing the street requirements at this time. She also noted that Steven MacDonald has additional project information, which she will provide to the Executive Director. Guthrie noted that minor design changes from the original hearing examiner approval should not be used as a reason to reject the extension. If there is a major design deficiency, that should be reviewed. Rejection of the plat extension based on minor design changes is not in the spirit of the hearing examiners original approval, and its not good business. Cindy Wendle agreed, stating that we cannot change the rules mid-process. Developers need to understand that government can't make changes to prior commitments, without a very good reason. Conversation ensued. Guthrie noted that he would

## MINUTES - Regular Meeting

review the materials provided by Marlene and Steve, and draft a letter of support for board review and approval. Michael Cathcart reiterated his strong support for the project and letter.

- East Wellesley Ave. - Grant Update

Mr. Guthrie reminded the board about our \$3.5M Earmark request to reconstruct east Wellesley Ave., which was submitted to Congress by Congresswoman McMorris-Rodgers. He commented that he spoke recently with Patrick Bell in CMR's office. Mr. Bell explained that the recently passed \$1.2T infrastructure bill did NOT include funding for earmarks, i.e. community projects like east Wellesley Ave. reconstruction. Therefore, we will not receive this grant funding to reconstruct east Wellesley.

The Executive Director also explained that he had reviewed the City of Spokane – 6-Yr. Capital Plan (2022-2027), and despite extensive outreach by the NEPDA, there is no funding allocated to street improvements in the NEPDA, including Wellesley.

- Tax Incentives for small manufacturing businesses in City and County

David Guthrie reminded the board about a City of Arlington tax incentive for manufacturing businesses, and questioned whether the board would support an effort to create a “small business” tax exemption, which would encourage new development in the NEPDA, which has approximately 700 parcels of less than .75 acres. He summarized the concept as follows:

- **Purpose:** to encourage new MFG and industrial uses on undeveloped or underutilized lands zoned for industrial and MFG uses within the city through tax incentive, thereby increasing employment opportunities for family living wage jobs
- **Applicability:** all underutilized properties in the City's and County's light and general industrial zones
- **Exemption:** The value of “qualifying” new construction of industrial/MFG facilities is exempt from property taxation.
- **Limited to:** Only applies to new construction of manufacturing buildings of less than 10,000 square feet.
- **Abatement Period:** up to 10 years
- **Proposal:** Create as a “rebate” vs. an exemption

Steve MacDonald asked how the tax exemption was applied. Guthrie explained that it only applied to the new building value, not existing improvements, or land. Commissioner Kerns asked if this was authorized by State statute. David commented that it was approved by statute. Both Commissioner Kerns and Councilman Cathcart expressed interest in reviewing the City of Arlington Ordinance.

- North NEPDA Expansion Analysis RFP

The Executive Director discussed expanding the NEPDA boundary north of Magnesium Road. This would add large tracts of industrial zoned land to the NEPDA, which we don't have. This site is largely greenfield, is close the NSC and Parksmith Interchange, and is relatively flat, with good soils and access. In his opinion, this is very attractive development site for industrial, commercial, residential and mixed-use development. He noted that he had complied with MRSC requirements by soliciting a select group of qualified engineering firms to help us understand what is required to provide infrastructure and access to the proposed expansion area. For the City and County to make an informed decision, more data was required. This would include a high-level analysis (feasibility study) identifying where services are presently, how they would be provided to the site, and the cost. Guthrie recommended hiring Storahaug Engineering to prepare the initial feasibility study. The cost of the feasibility study is \$25,000.

## MINUTES - Regular Meeting

Michael Cathcart asked whether this land was inside the UGA, and within the City priority water service area. Guthrie explained that the property was inside the UGA, but not within the City priority water service area. The expansion area is in the County. Josh Kerns asked about the scope of the work. Is this for full design? David explained that no, it is not the full design, which is significantly more expensive. This is an initial feasibility study to provide the City and County with enough information to make an informed decision about the viability of expansion. Cindy Wendle questioned whether this will be supported by the elected officials at the City and County? "There is no point in spending money on something that has little or no chance of success." Guthrie indicated that he was not sure about elected official support, as we are in the early stages, and the City and County will need more data to make an informed decision. Councilman Cathcart said that he agreed. Without additional information, we can't make an informed decision about the merits of this concept. Additional discussion ensued, concluding with a decision to proceed with the feasibility study.

- Public Affairs Strategy & Implementation RFP

Due to a lack of time to discuss this issue fully, the matter was deferred until the NEPDA Regular Board Meeting in December

- Grant Assistance RFQ

David Guthrie reminded the board about the need for grant support in 2022, ensuring the NEPDA has the best possible chance of securing competitive grant funding. After complying with MRSC RFP requirements, and reviewing proposals from a select group of firms, David recommended that the board approve the team of T-O Engineers, Maul Foster Alongi, and Budinger and Associates. Upon contract award, the Grant Support Team will make 2022 grant application recommendations to the NEPDA. At this time, we know that we will submit an ARPA EDA Economic Adjustment Assistance Grant application. This is a flexible grant that includes planning and construction. If awarded, the NEPDA will use these funds to plan, design, engineer, and acquire right of way for a grid network of roads connecting to the NSC. This grant application is due March 31, 2022. The estimated cost is \$15,000-\$20,000 per grant application.

Mr. Guthrie advised the board to review the draft 2022 budget summary, which was attached to the board meeting invitation. He noted that the cost of the North NEPDA Expansion Feasibility Study and Grant Support team are included in the budget. He also explained that a key piece of the grant application process will be a public affairs effort, so that both are synced. Due to time constraints, Guthrie noted that we will need to discuss the public affairs element at the next meeting. Board discussion ensued, concluding with a decision to proceed with the grant support agreement, and engaging the team of T-O Engineering, Maul Foster Alongi, and Budinger and Associates.

- Notice of Resignation

The Executive Director advised the board that he had previously tendered his resignation notice to the Board Chair, effective 12/31/21. He acknowledged his appreciation for the board, and offered to assist as needed with the transition. He commented that despite the challenges of operating during a pandemic, and with very limited capital, a solid foundation had been laid for the next executive director and board to build on. The board expressed its gratitude to Mr. Guthrie for his efforts on behalf of the NEPDA. Cindy Wendle asked David to prepare a draft job description for board review. Commissioner Kerns agreed. Mr. Guthrie indicated that he would provide the job description for board review. Scott Simmons and Josh Kerns discussed how the job opening should be managed. No decision was made. Scott indicated that he would discuss the matter with the head of Human Resources at Spokane County.

## MINUTES - Regular Meeting

- Action Items

### Resolution 2021-017

A **RESOLUTION** of the Northeast Public Development Authority (the “NEPDA”) to authorize the Executive Director to prepare and issue a request for proposal to select qualified companies to conduct a feasibility study exploring an expansion of the NEPDA north of Magnesium Road.

Board Chair Kerns asked if there was motion to approve hiring Storhaug Engineering to conduct a north NEPDA expansion area feasibility study, at a cost not to exceed \$25,000. A motion was made to approve by Michael Cathcart. The motion was seconded by Cindy Wendle. The motion was approved unanimously.

### Resolution 2021-018

A **RESOLUTION** of the Northeast Public Development Authority (the “NEPDA”) to authorize the Executive Director to prepare and issue a request for proposal to select a qualified planning and design consultant to assist with the preparation of transportation and infrastructure funding grants in support of the NEPDA in securing grant funding for the 2021 legislative session related to the prospective design, engineering, and right-of-way acquisition for a grid network of Complete Streets connecting to the North Spokane Corridor.

Board Chair Kerns asked if there was motion to approve hiring the grant support team of T-O Engineering, Maul Foster Alongi, and Budinger & Associates, to assist the NEPDA with our 2022 planning and infrastructure grant applications. A motion was made to approve by Michael Cathcart. The motion was seconded by Cindy Wendle. The motion was approved unanimously.

### Resolution 2021-019

A **RESOLUTION** of the Northeast Public Development Authority (the “NEPDA”) to authorize the Executive Director to prepare and issue a request for proposal to select qualified companies for public affairs strategy and implementation in support of the NEPDA in securing grant funding for the 2021 legislative session related to the prospective design, engineering, and acquiring of right of way for certain roads connecting to the North Spokane Corridor.

**Due to a lack of time for full discussion, this Resolution was deferred to the December Regular Board Meeting.**

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12:00 pm      **Notable items, Around the Room, Closing:**

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**NEXT MEETING:** December 10, 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