

**REGULAR MEETING NOTICE/AGENDA OF THE
Northeast Public Development Authority (PDA)**

**MEETING OF Friday, November 14th, 2025,
10:30 A.M. – Northeast PDA Offices**

A regular meeting of the Northeast PDA will be held at **10:30 A.M. on Friday, November 14th, 2025**, at the Northeast PDA's offices – 5006 N Market Street – or virtually via Zoom (link in agenda).

The meeting will be conducted in a regular format and will be open to the public. Public testimony will be taken, and discussion will be limited to appropriate officials and staff.

Executive Session

At any time during or after the regular agenda, the NEPDA Board may choose to adjourn into Executive Session for the purpose of discussing privileged legal matters. This portion of the meeting would be closed to the public.

NORTHEAST PUBLIC DEVELOPMENT AUTHORITY (NEPDA) REGULAR BOARD MEETING AGENDA

Date: November 14th, 2025

Time: 10:30 am to 12:00 pm (Pacific Time)

Location: Northeast PDA Offices - 5006 N Market St., or virtual via Zoom

Join Zoom Meeting:

<https://zoom.us/j/5453150461?pwd=VWUzRTg2Y3I5dGhRcVNJS2pCeW8yZz09>

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

Discussion Items:

10:30 am - 10:35 am	Welcome and Introductions
	Approval of Minutes: Approval of meeting minutes from September 12 th , 2025
	Public Comment
10:35 am - 10:45 am	Code Enforcement Update 1. Jason Ruffing, City of Spokane
10:45 am - 10:50 am	Policy Updates (Continued) 1. Retirement Plan Discussion Action Item: Resolution No. 2025-018: A RESOLUTION of the Northeast Public Development Authority to adopt a Retirement Plan Policy and enroll the organization in the Washington State Department of Retirement Systems' Deferred Compensation Plan
10:50 am - 11:00 am	3011 Wellesley & Revenue District Update
11:00 am - 11:25 am	2026 Work Plan Workshop
11:25 am - 11:45 am	2026 Budget Workshop
11:45 am - 11:50 am	CERB Planning Grant Application Action Item: Resolution No. 2025-019: A RESOLUTION of the Northeast Public Development Authority Board of Directors authorizing submission of an application for a Community Economic Revitalization Board grant in the approximate amount of \$75,000 to fund an implementation study of the Hillyard Subarea Plan for the Yard Plan Area

11:50 am - 12:00 pm

General Matters

1. Financials review
2. Major projects update
3. December look-ahead

12:00 pm

Other Business, Closing

Next Meeting: December 12th, 2025, 10:30 am - 12:00 pm

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 Risk Management at 509.625.6221, 808 W. Spokane Falls Blvd, Spokane, WA, 99201; or mLOWmaster@spokanecity.org. Persons who are deaf or hard of hearing may contact Risk Management 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: Sep 12, 2025

Meeting Time: 10:30 am

Location: NEPDA Office, 5006 N. Market, or virtual via Zoom

Attendees

NEPDA Board of Directors

- Michael Cathcart, Chairman
- Josh Kerns, Vice Chair
- Marlene Feist, Sec-Treasurer
- Shelli Sonderen, Member
- Cheryl Stewart, Member

Board Staff

- Jesse Bank, Executive Director
- Jared Aranda, Administrative Manager
- Megan Clark, Legal Counsel

Guests

- Amanda Beck (City of Spokane)

Welcome and Introductions

Call to Order

- Chair Cathcart called the meeting to order at 10:30 am.

Public Comment

- No public comments.

Approval of Minutes

- Member Sonderen made a motion to approve the minutes from the Aug meeting. Second by Member Kerns.

Hillyard Creative District & Market Street

- Introduction
 - ED Bank summarized the dynamic of the Creative District, which was recently designated by the State (via Arts WA) and the Market Street business district.
 - Activities organized under the Creative District continue, with a launch party scheduled for September which will feature speakers such as the Mayor and Councilman Cathcart.
 - Community members are forming a nonprofit organization (501(c)(3) or similar to coordinate local priorities such as the Creative District, façade improvements, and business development.

- Fiscal Sponsorship
 - In the interim, these initiatives need support of a fiscal sponsor and have approached the NEPDA for this support.
 - ED Bank is proposing an agreement that outlines the level of support the NEPDA could provide, primarily through grant agreement compliance with the ARPA-funded neighborhood district grants the City passed through to the Hillyard Neighborhood District.
- Questions
 - Member Arnold asked about the fee and the reasoning behind charging it. Legal Counsel Clark mentioned that it is standard practice to charge an administrative fee to recoup some costs associated with the level of effort required by a PDA with limited staff.
 - Member Sonderen strongly encouraged the board to support this nascent group carrying forward the Creative District. It is composed of people who live, work, or otherwise have deep connections to Hillyard.
- Motion to Adopt
 - Ch. Cathcart made a motion to pass the agreement. Second by Vc Ch Kerns. Motion passed unanimously.

Façade Improvement Grant

- This project is funded by ARPA funding passed through by the City to WA Trust for Historic Preservation (WTFHP), allocating approximately \$500,000 to Hillyard and an equivalent amount to three other core neighborhood districts across Spokane.
- Partnering with WTFHP, the NEPDA has designed a grant making program to disburse approximately \$120,000 to Market Street businesses to freshen up their aging façades.
 - Eligible buildings are Market Street-facing, or on key side streets along the corridor. Funds will be awarded up to \$20,000 max per building and owner.
 - Question – Ch. Cathcart asked about how NEPDA would manage this program if the agency's office building may receive funding.
 - ED Bank highlighted a neutral process that will hand over awarding decisions to a community review board and NEPDA staff/board members will be recused to avoid an appearance of conflict of interest. Note for the record the building that hosts NEPDA's office is privately owned by a third party, and the PDA only leases the space.
 - Ch. Cathcart emphasized the importance of focusing on permanent revitalizations that enhance economic activity along the corridor.
- Questions – VC Kerns asked to confirm if the grant complies with the ARPA deadline for awards of December 2024.
 - ED Bank clarified that the contract was awarded to WTFHP by that deadline, and their project (as stipulated under the terms signed with the City) is to revitalize key neighborhood districts across the City. This grant falls under that umbrella of projects, like the Art Walk and Third Thursday event series. This is a reimbursement grant, where NEPDA and volunteers incur the costs, then seek reimbursement from WTFHP.
- **Resolution 2025-014:** A resolution of the NEPDA to permit the Exec. Dir. to execute an agreement between the NEPDA and the WTFHP regarding the NEPDA receiving \$120,000 in ARPA funds and other funds from the Trust, funded by the City of Spokane to support the Hillyard Façade Improvement Grant.
 - Motion to adopt by Member Sonderen, second by VC Kerns. Passed unanimously.

Policy Development

- **Procurement Policy** update: Regarding Section 4, Par. E, "Alternatively the NEPDA may provide notification..." The word "may" was previously omitted and has now been updated to reflect it.
- **Financial Management Policy** update: increasing Executive Director authority from \$1,000 to \$25,000 as recommended by Member Simmons to align with other PDA's.
- **Executive Authority Policy**: Proposal to remove the stipulation that the Board be notified every time staff travel more than 60 miles. Also, travel section previously gave ED discretion on travel expenses that are "reasonable and necessary." The NEPDA passed earlier this year a Fin. Mgmt crosswalk policy on Travel that further expounds, quantifies, and defines what "reasonable and necessary" means as benchmarked against Government Services Agency (GSA) or other appropriate benchmarks.
- **Personnel Policies**:
 - **Retirement** – AM Aranda is engaged in conversations with the Dep. Of Retirement Services (DRS) to discuss appropriate retirement options for the NEPDA. These programs are offered by the state, which facilitates benefit administration at the PDA level. The Deferred Compensation Plan (DCP) is compatible with other DRS plans and IRS tax advantaged plans. By offering DRS plans, the NEPDA may waive its Social Security tax contributions and divert those funds into an eligible retirement plan. Other considerations include waiting period and vesting of the plan for new employees. DRS requires resolution passage and internal policy to begin plan set up.
 - **Salary and Pay Increase** – Establishes clear methodologies for determining pay increase and salary of PDA employees in line with similar public agencies. Not written as a guarantee or employment contract, simply as a guide and internal control to guide compensation decisions.
 - **PTO** – Removes role-specific accruals, allowing more flexibility for the ED to negotiate depending on specialization level of the role.
 - **Corrective Action** – Establishes industry standard practices such as PIP, employee development, and disciplinary steps. Written as a guide for management, not to be construed as an employment contract. Outlines best practices and when additional counsel is advised (such as AWC or Legal Counsel). Acknowledges relevant anti-discrimination and retaliation laws.
- Question from Member Sonderen – Do we need to have an HR professional to manage these processes?
 - AM Aranda noted that due to the small size of the agency, having internal HR is not feasible. However, the PDA has access to resources such as HR counsel offered through insurance with Assc. Of WA Cities (AWC) that can help with pre-litigation, for example. Also, we can involve legal counsel to help navigate stickier personnel issues as needed.
 - ED Bank noted that these policies are intended to assist PDA staff in navigating personnel issues and to have established policies for grant or audit reasons.
- **Resolution 2025-015**: To amend and adopt certain policies of the NEPDA, specifically: 1) amending the Procurement Policy, Fin. Mgmt Policy, and Exec. Dir Authority Policy, and 2) adopting new personnel policies. Note that the Retirement Policy was tabled for further discussion to be passed in a future meeting.
 - Member Sonderen set a motion to pass as written excluding the Retirement Policy. Second by Member Arnold. Passed unanimously.

Human Resources

- ED Bank announced the promotion of AM Aranda to Director of Public Finance (DPF). As part of this action, more responsibilities will be shouldered by the new DPF such as accounting

management, audit readiness, compliance, etc. ED Bank will also receive a pay adjustment approved by the Board.

- Resolution 2025-016: To amend NEPDA 2025 budget to accommodate pay increases for NEPDA staff.
 - Motion to adopt by VC Kerns and second by Member Arnold.
- Resolution 2025-017: Agreement to modify contract of employment with ED Bank, entering into an amended employment agreement.
 - Motion to adopt by Member Sonderen, second by VC Kerns.
- Additional NEPDA staff position:
 - Reorganizing tasks to maximize efficiency among office staff. Looking for a support admin role to take on time-consuming routine tasks such as meeting coordination, scheduling, minutes, invoice processing, credit card reconciliation, etc.
 - This would be considered for 2026, impacting the coming budget year.
 - No action is being sought, this is intended as a discussion item for the board.
 - Ch Cathcart expressed hesitancy in moving forward at this time given budgetary uncertainty from delayed revenues from the City.
 - Mem. Sonderen suggested pursuing a temp as a way to preserve flexibility amidst uncertainty. ED Bank noted that even without the delayed revenues, NEPDA revenues would be able to cover the position.

Revenue District

- As a result of ongoing audit of City financials, the accuracy of the Sales Tax portion of the revenue district has been challenged by City staff.
- ED Bank agrees that the geofenced retails sales data is imprecise and revenue growth within the district can move in the opposite direction as other areas of the City.
- The challenge this has presented to the NEPDA is that the City has failed to communicate details of these audits and investigations to the degree that it has caused significant harm to the financing abilities of the PDA due to the uncertainty the delay has created.
- ED Bank noted that the new base year data challenged by the City has shown preliminary indications that the City may owe the NEPDA in excess of \$1m, which illustrates how uncertain this process is in regards to financial implications for the PDA and the City.
- Mem. Arnold asked about a general estimate as to when the City would receive the data they are pursuing from Dept. Of Revenue (DOR). ED Bank mentioned that it is uncertain, but there is a chance the City will accept the unreconciled DOR report and adjust the revenues down the road when the DOR data is released.

3011 Wellesley

- Ch. Cathcart expressed concern that given the delay already, how much longer will it continue and to what degree will this disrupt priority projects such as 3011 Wellesley?
 - ED Bank highlighted that the PDA holds the land at 3011 Wellesley without carrying costs. Risks include losing legislature dollars that were awarded in the past budget, losing the Design-Build team, and potentially further delays.
- Mem. Sonderen asked if there is a way for a cosigner to back the debt issuance to prevent delays. LC Clark mentioned this is possible legally. Group discussion ensued. Ultimately, it the group determined it would be impractical to pursue a second signer.
- Ch Cathcart expressed deep concern that the City has already turned away significant public facilities funding to support the 3011 Wellesley project under CDBG, an ARPA Childcare Grant, and now has handicapped the PDA's financing abilities with this latest revenue challenge.

- Mem. Sonderen expressed the need to determine at which point the project becomes a sunk cost and should be considered a loss. ED Bank responded that we are not there yet. The validation package for the project is nearing completion and PDA staff are engaged with partners at Jasmin Group

PDA Financial Review

- City obligated revenues continued to be delayed. No payment has been received by the NEPDA for 2025 as of this meeting for New Construction (City portion), Retail Sales (City portion), and Leasehold Excise (City portion).
 - ED Bank noted the continued throughput of large dollar amounts due to ongoing grant-funded projects such as Freya. These large payments distort the financial statements by showing large influxes and disbursements of funds that are revenue neutral.
- ED Bank clarified that while the County has been able to make payments from the County-only portion of the district, the lack of data from the City has impeded what the County has been able to provide based on the County portion of City projects.

General Matters

- The Beacon Hill project has made significant progress with building in the ground.
- Esmeralda Comm. Pk. Continues site preparation.
- Freya rebuild and watermain upgrade project has completed.
- CERB Grant pursuit is underway to find ways to deploy projects in East Hillyard.
- Subarea plan has passed commission and is preparing for Council Adoption.
- There is potential interest in the 3112 Olympic site.

Notable items, Around the Room, Closing

- Upon conclusion of the Executive Session, no action will be taken.

Chair Cathcart adjourned the meeting at 12:28 PM

NEXT MEETING

Sep 12, 2025, 10:30a –12:00p, Northeast PDA Office (5006 N. Market St.) or virtual via Zoom

Northeast Public Development Authority

Profit & Loss YTD Comparison

September 2025

	Sep 25	Jan - Sep 25
Ordinary Income/Expense		
Income		
ArtsWA Grant-Creative District	0.00	0.00
3370000 · Local Grants, Entitlements		
3370040 · Property Taxes	11,204.21	266,220.77
3370300 · New Construction Tax - County	0.00	30,242.00
3370200 · New Construction Tax - City	0.00	0.00
3370010 · Retail Sales Tax - County	0.00	13,904.40
3370011 · Retail Sales Tax - City	0.00	0.00
3370500 · Leasehold Excise Tax - County	0.00	6,454.73
3370400 · Leasehold Excise Tax - City	0.00	0.00
3370070 · Utility Tax Income	0.00	2,167.12
3370075 · SPIF Interest	7,053.05	25,582.63
3614000 · Money Market Interest	1,252.37	14,959.33
3370001 · Miscellaneous Income		
3370254 · 2019 City Strategic Fund	0.00	625,000.00
3370125 · Grant Admin	0.00	3,193.40
3370252 · Neighborhood Dist (ARPA) Reimb	4,768.98	4,768.98
3370251 · Donation - Creative District	25.00	25.00
3370160 · Department of Ecology-OBC Reimb	0.00	0.00
3370250 · Donation-Community Improvement	0.00	25,000.00
3370060 · SPIF Rebate	0.00	0.00
3370100 · Department of Ecology-IPG Reimb	0.00	55,810.82
3370150 · Spokane County - P5001 Reimb	99,578.35	599,578.35
3370001 · Miscellaneous Income - Other	0.00	0.00
Total 3370001 · Miscellaneous Income	104,372.33	1,313,376.55
3370000 · Local Grants, Entitlements - Other	0.00	49,267.78
Total 3370000 · Local Grants, Entitlements	123,881.96	1,722,175.31
Total Income	123,881.96	1,722,175.31
Expense		
5593006 · Hillyard Facade Grant	0.00	0.00
5593117 · Esmeralda Comm Pk (Stgc Funds)	0.00	0.00
5593115 · Subarea Planning (IPG)	0.00	55,810.82
5593113 · Creative Dist (ARPA-ND)	969.92	6,000.00
5593005 · Myrtle Rd 2025 (OBC)	9,286.50	9,286.50
5593112 · 3112 E Olympic development	0.00	1,952.00
5593004 · Freya St. Re-build (P 5001)	275,421.65	875,000.00
5593003 · Conduit implementation - Welles	0.00	0.00
5593001 · Wellesley Ave. Re-build	0.00	0.00
5593002 · 3011 Wellesley development	46,027.10	286,235.71
5587010 · Wages	16,472.30	164,806.08
5587020 · Payroll Expenses		
WA Cares Expense	0.00	-0.03
FICA	1,290.08	12,907.19
SUTA	82.71	835.60
PFML	0.00	0.82
L&I	0.00	215.42
FUTA	0.00	84.00
Payroll Taxes -GSI	0.00	0.00
401(k)	0.00	0.00
401K Contributions	0.00	0.00
Life and Disability	0.00	0.00
Health Insurance	341.54	20,729.15
5587020 · Payroll Expenses - Other	0.00	15.47
Total 5587020 · Payroll Expenses	1,714.33	34,787.62
5587030 · Office Supplies & Software		
5587035 · Occupancy Expenses	0.00	1,351.51
Repairs & Maintenance	0.00	0.00
Office Supplies	34.77	559.67
Office Equipment <\$2500	0.00	0.00
Printing and Copying	0.00	0.00

Northeast Public Development Authority

Profit & Loss YTD Comparison

September 2025

	Sep 25	Jan - Sep 25
5587030 · Office Supplies & Software - Other	587.10	3,962.40
Total 5587030 · Office Supplies & Software	621.87	5,873.58
5587040 · Legal & Professional Services		
3011- Consultants	0.00	0.00
3011-PDB Team	0.00	0.00
WA Audit expenses	0.00	0.00
Engineering	0.00	0.00
OpenTogether	0.00	0.00
Consulting	2,246.50	4,109.45
Accounting Fees	789.60	11,760.44
Advertising & Marketing	0.00	1,044.77
Legal Fees	0.00	9,861.50
Outside Contract Services	0.00	-682.85
5587040 · Legal & Professional Services - Other	0.00	0.00
Total 5587040 · Legal & Professional Services	3,036.10	26,093.31
5587041 · Travel		
Parking	33.50	199.38
Conference, Convention, Meeting	1,266.96	4,094.11
Meals & Entertainment	81.74	443.98
5587041 · Travel - Other	18.41	868.21
Total 5587041 · Travel	1,400.61	5,605.68
5587043 · Insurance	0.00	4,900.00
5587044 · Communications		
Website	199.00	1,592.99
Postage, Mailing Service	0.00	192.00
Telephone, Telecommunications	239.04	2,033.56
5587044 · Communications - Other	0.00	0.00
Total 5587044 · Communications	438.04	3,818.55
5587046 · Rent & Lease	1,500.00	13,500.00
5587047 · Other Business Expenses		
Bank Fees	0.00	45.00
SPIF Management Fee	22.33	173.03
Code Enforcement	0.00	0.00
Business District Support	0.00	0.00
Donation	0.00	500.00
Community Maintenance Services	1,010.27	11,108.78
Document Recording Fee	0.00	6.00
Tax & Licenses	0.00	1,161.07
Payroll Direct Deposit Fees	27.55	222.24
Dues & Subscriptions		
Library CoStar Membership	0.00	0.00
Dues & Subscriptions - Other	29.95	3,083.63
Total Dues & Subscriptions	29.95	3,083.63
5587047 · Other Business Expenses - Other	0.00	0.00
Total 5587047 · Other Business Expenses	1,090.10	16,299.75
Total Expense	357,978.52	1,509,969.60
Net Ordinary Income	-234,096.56	212,205.71
Other Income/Expense		
Other Income	0.00	0.00
Other Expense		
80000 · Ask My Accountant	0.00	0.00
Total Other Expense	0.00	0.00
Net Other Income	0.00	0.00

Northeast Public Development Authority
Profit & Loss YTD Comparison
September 2025

	Sep 25	Jan - Sep 25
Net Income	-234,096.56	212,205.71

Northeast Public Development Authority

Balance Sheet

As of September 30, 2025

	Sep 30, 25
ASSETS	
Current Assets	
Checking/Savings	
1115000 · Money Market 0678	595,801.98
1114000 · Spokane County Investment Pool	920,744.43
1111000 · 1111000 Checking WTB 0582	282,523.47
Total Checking/Savings	1,799,069.88
Accounts Receivable	
11000 · Accounts Receivable	0.00
Total Accounts Receivable	0.00
Other Current Assets	
2120 · Payroll Asset	0.00
Total Other Current Assets	0.00
Total Current Assets	1,799,069.88
Fixed Assets	
3011 Wellesley	147,080.00
3112 Olympic	221,437.78
Total Fixed Assets	368,517.78
Other Assets	0.00
TOTAL ASSETS	2,167,587.66
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Accounts Payable	
20000 · Accounts Payable	0.00
Total Accounts Payable	0.00
Credit Cards	
2002 · US Bank CC-Jesse	281.99
2001 · US Bank CC-Jared	48.46
Total Credit Cards	330.45
Other Current Liabilities	
2110 · Direct Deposit Liabilities	0.00
24000 · Payroll Liabilities	
L&I	0.00
FICA	2,296.06
SUTA	280.80
PFMLA	397.99
FUTA	84.00
401(k)	0.00
HSA	0.00
Med/Dental/Vision	748.32
SEP-IRA	0.00
24000 · Payroll Liabilities - Other	332.21
Total 24000 · Payroll Liabilities	4,139.38
Total Other Current Liabilities	4,139.38
Total Current Liabilities	4,469.83
Long Term Liabilities	
27200 · Other Liabilities	0.00
Total Long Term Liabilities	0.00
Total Liabilities	4,469.83

Northeast Public Development Authority
Balance Sheet
As of September 30, 2025

	Sep 30, 25
Equity	
30000 · Opening Balance Equity	0.00
32000 · Unrestricted Net Assets	1,950,912.12
Net Income	212,205.71
Total Equity	2,163,117.83
TOTAL LIABILITIES & EQUITY	2,167,587.66

These financial statements have not been subjected to an audit or review or compilation engagement, and no assurance is provided on them. The financial statements omit substantially all of the disclosures, and the statement of cash flows, required by accounting principles generally accepted in the United States of America.

**NORTHEAST PUBLIC DEVELOPMENT AUTHORITY
RESOLUTION NO. 2025-018**

A RESOLUTION of the Northeast Public Development Authority (the “NEPDA”) to adopt a Retirement Plan Policy and enroll the organization in Washington State Department of Retirement Systems’ (DRS) Deferred Compensation Program.

WHEREAS, the NEPDA was originally established by City of Spokane Ordinance No. C-34813 on December 12, 2011 and reformed by the Interlocal Agreement between the City of Spokane and Spokane County through City of Spokane OPR #2019-0928 and Spokane County Resolution #19-1390 to assist the City of Spokane and Spokane County to facilitate economic development of the Northeast area of the City and County;

WHEREAS, the NEPDA has a need, as a quasi-governmental entity, to review and amend its policies and procedures from time to time, and to adopt new policies, to govern its expenditures, personnel management, employees, and to ensure compliance with existing laws and regulations, and govern its accounting and expenditures of public funds;

WHEREAS, the NEPDA Board finds it desirable to offer a retirement plan to present and future employees as an employee recruitment and retention tool;

WHEREAS, the DRS offers the DCP to political subdivisions statewide, which provides a centralized platform to administer retirement programs on behalf of subdivisions, thereby decreasing local administrative burden;

WHEREAS, NEPDA staff have reviewed the other available options for retirement plan administration and find the DCP to be the best fit for the NEPDA’s needs;

WHEREAS, the NEPDA Board finds it desirable for the efficient and effective governance of the NEPDA’s affairs to adopt the Retirement Plan Policy, which is attached hereto and incorporated herein by reference as “**Exhibit A**,” and to enroll in the DCP using the forms attached hereto and incorporated herein by reference as “**Exhibit B**.”

BE IT RESOLVED, that pursuant to the authority provided in the NEPDA’s bylaws, the Board of Directors hereby adopts the amendments to its Personnel Policies, set forth in “**Exhibit A**,” and instructs the Executive Director to enroll in the DCP, as set forth in “**Exhibit B**.”

BE IT FURTHER RESOLVED, that the officers and executive director of the NEPDA are hereby authorized and directed to take all action necessary and proper to effectuate the foregoing.

BE IT FURTHER RESOLVED, any actions of the Board of Directors or staff of the NEPDA prior to the date hereof and consistent with the terms of this resolution are ratified and confirmed.

ADOPTED by an affirmative majority vote of the Board of the Northeast Public Development Authority on the 14th day of November, 2025.

NORTHEAST PUBLIC DEVELOPMENT AUTHORITY

BOARD CHAIR

CERTIFICATE

I, the undersigned, Secretary of the Northeast Public Development Authority Board of Directors, a municipal corporation organized under the laws of the State of Washington, do hereby certify that the foregoing resolution was duly approved and adopted by the Board of Directors of the corporation at a meeting of the Board of Directors duly called and held on the 14th day of November, 2025, at which meeting a quorum was present; and that said resolution, as set out above, will appear in the minutes of said meeting in the corporation's minute book.

DATED this _____ day of November 2025.

SECRETARY

EXHIBIT A

PO Box 7323, Spokane, WA 99207



NEPDA Retirement Plan Policy

Effective Date: 08/08/2025 (Upon Board Approval)

1. Purpose

The purpose of this policy is to establish a **retirement savings program** for employees of the Northeast Public Development Authority (NEPDA) that supports long-term financial security, promotes staff retention, and aligns industry best practices for small public-sector agencies such as public development authorities in the state of Washington.

This policy seeks to establish a formalized framework for adoption of a basic retirement plan offered by the Washington Department of Retirement Services (DRS), which may be expanded further in the future if deemed necessary by the Executive Director and Board.

Plan Portability: Employees' accounts within the DRS *Deferred Compensation Program* are fully transferable to other DRS-eligible employers or may be rolled into an IRS-eligible Individual Retirement Plan (IRA). This provides employees with flexibility and continuity of retirement benefits following separation from NEPDA or in the event of NEPDA's sunset.

2. Policy Statement

NEPDA shall enter into an agreement with the Washington State Department of Retirement Systems (DRS) Deferred Compensation Program (DCP), a 457(b) public retirement plan, in accordance with the DRS-provided Resolution.

In accordance with DRS requirements for employers electing to participate in the DCP with an employer-funded benefit, NEPDA will provide an employer contribution as a percentage of each eligible employee's gross wages into the DCP account that is *independent* of any employee deferral election. This contribution is made regardless of whether the employee elects to contribute. At the initiation of this agreement, NEPDA elects to set its contribution

rate equal to 9.0% of employee gross salary. This amount may be adjusted according to budget availability or to maintain competitiveness with market conditions.

This retirement plan structure minimizes administrative burden while allowing NEPDA to offer a streamlined and cost-effective benefit offered by the State to public sector employees, ensuring equitable retirement support for all eligible staff without requiring employee contribution. Any contributions made by an employee shall be voluntary.

Costs related to the program include a nominal administrative fee charged by DRS based on the participant's selected investment funds (typically under 0.25%, subject to change), as well as NEPDA payroll and staff time to manage enrollment and reporting.

Retirement plan costs are classified as *fringe benefits* and are allowable under federal awarding agency rules—specifically 2 CFR 200.431—provided they are reasonable and based on established policy (e.g., this document).

3. Eligibility

- All **benefits-eligible employees** [which are defined under this policy as all full-time, regular employees or part-time, regular employees that are approved by the Executive Director] are eligible to participate in the plan upon hire in accordance with their offer letter, NEPDA policies, and DRS requirements.
- Temporary, part-time, or contract employees are not eligible unless explicitly authorized by the Executive Director and consistent with DRS requirements.

4. Contribution Details

- **Employer Contribution:** NEPDA will contribute 9.0% of gross wages on behalf of each eligible employee into the employee's DRS DCP account.
- **Employee Contributions:** Employees may *voluntarily defer* additional pre-tax or Roth contributions into their DRS 457(b) account, subject to IRS limits and plan availability.
- There is no matching structure; the employer contribution is not contingent upon employee contributions.

- Contributions are funded through **local NEPDA revenues**, unless federal/state grant agreements **explicitly allow** retirement costs. If allowed, such contributions shall be made by grant funding when available.
-

5. Administration

- The plan is administered by the Washington State Department of Retirement Systems.
 - NEPDA will coordinate enrollment and contributions through its payroll and administrative systems.
 - NEPDA will ensure timely and accurate remittance of contributions in compliance with applicable federal and state regulations.
 - NEPDA will submit enrollment forms and maintain documentation for each participating employee, in compliance with DRS recordkeeping requirements. The Executive Director, or designee, is responsible for ensuring plan compliance and coordination with DRS.
-

6. Vesting

- Contributions made by NEPDA will *accrue* starting on **date of hire** but will be *deposited* only after the employee completes **a probationary period** of service to be determined upon hire as allowed by DRS. If separation occurs before this period, no employer contribution will be made.
 - Employer contributions are 100% vested after a waiting period of six months.
 - If an employee separates prior to the probationary period, whether voluntarily or involuntarily, any amount accrued will be **forfeited** by the employee.
-

7. Compliance

This policy shall comply with the Internal Revenue Code Section 457(b), Washington State laws governing public employee retirement systems, and applicable DRS plan rules.

Employer contributions shall be made each payroll period and reflected in the employee's DRS account within the timelines required by WAC 415-501-470.

Federal cost principles (2 CFR 200 Subpart E) allow pension costs as fringe benefits when documented through established policy and equitably allocated. 2 CFR 200.431(b) (Fringe benefits in federal programs).

Retroactive contributions must be reported and remitted in writing to DRS, per RCW 41.50.140(3).

Plan portability is governed under IRS Section 457(b) and by the DRS Deferred Compensation Program as outlined in WAC 415-501 and DRS plan documents. State law under RCW 41.54 supports portability and program structure.

Plan assets are held in trust by the Washington State Investment Board (WSIB) for the exclusive benefit of participants and their beneficiaries. NEPDA has no fiduciary responsibility for the administration of plan assets beyond its statutory obligation to remit contributions in a timely manner.

8. Funding Source & Grant Restrictions

This program is backed by **local NEPDA revenues** unless a grant agreement explicitly **permits** fringe benefit funding for retirement under its terms.

All costs will be charged consistent with federal cost principles under 2 CFR 200.431 and applicable state guidance. Employee contributions are voluntary and follow grant-specific cost-allowability rules when applicable.

Staff salary may be reimbursed, in whole or in part, by any applicable grant as eligible. In cases where NEPDA personnel qualify under existing grant agreements, costs should be billed towards any applicable grants first.

9. Review and Amendments

This policy will be reviewed annually and may be amended by the NEPDA Board of Directors to reflect changes in organizational capacity, benefit competitiveness, or regulatory requirements.

10. Deferred Compensation Program (DCP) Catch-Up Contribution Addendum

Effective January 1, 2026, NEPDA will comply with new Washington State Deferred Compensation Program (DCP) requirements related to catch-up contributions for highly compensated employees aged 50 or older.

Mandatory Roth Contributions for Highly Compensated Employees

Employees age 50 or older who meet the IRS definition of **highly compensated** (based on prior-year FICA wages, e.g., \$145,000 in 2024) will have all DCP **age 50+ catch-up contributions** reported as **Roth** contributions once they exceed the standard annual DCP limit (e.g., \$23,500 in 2025). This requirement does **not** apply to contributions made under the three-year catch-up provision.

- **Highly Compensated Employee (HCE)** status is determined annually and reported to DRS each January.
- **Mandatory Roth Contribution (MRC) status** applies once an HCE exceeds the standard DCP annual limit.
- Participants **do not need to take action**; NEPDA will ensure contributions are properly reported as Roth once MRC status is triggered.

All reporting will be conducted in accordance with DRS guidance. If an employee does not receive FICA wages, they are not subject to MRC reporting.

Questions about eligibility or reporting may be directed to Human Resources or DRS Employer Support Services.

Contact for Questions:

For questions related to *eligibility* or *policy* clarifications, employees may contact the Executive Director, or designee. Coordination with the **administrator** regarding *payroll deferrals* will be facilitated internally as applicable.

For any plan or program *administration* questions such as investments or account access, the employee may reach out to the Washington State DRS Deferred Compensation Program at their website: <https://www.drs.wa.gov/plan/dcp/>

EXHIBIT B



Deferred Compensation Program (DCP)

Resolution No. _____

Organizations use this form to request DCP participation and to change their automatic enrollment option if they're currently participating.

Email completed form to:
Employer Support Services

drs.employersupport@drs.wa.gov

Participation Status

_____ (legal name of organization), a political subdivision of Washington state, authorizes and approves this resolution.

☐ Organization is requesting to participate in the Washington State Deferred Compensation Program.

Or

☐ Organization already offers DCP and is changing the automatic enrollment option.

Automatic Enrollment Option and Employer Contributions

[RCW 41.50.770](#) permits counties, municipalities and other political subdivisions to participate in the DCP automatic enrollment provision as outlined in [WAC Chapter 415-501](#).

Does the organization want to participate in automatic enrollment? ☐ Yes ☐ No

Submit employer-paid contributions 90 days **after** the initial employee enrollment. This will prevent the auto-enrolled participant from withdrawing the employer-paid contributions within the first 90 days.

Authorizing Signature(s)

The organization:

1. Requests to participate in DCP, as allowed by [RCW 41.50.770](#).
2. Has reviewed the program provisions and agrees to accept all terms and conditions.
3. Understands and agrees that all employee deferrals are held in trust by the Washington State Investment Board for the exclusive benefit of program participants and eligible beneficiaries.

Passed this _____ day of _____, 20 ____

Signature

Title

Printed Name

Optional: To include additional resolution signatures, add a separate sheet of paper.



**NORTHEAST PUBLIC DEVELOPMENT AUTHORITY
RESOLUTION NO. 2025-019**

A RESOLUTION of the Northeast Public Development Authority (the “NEPDA”) Board of Directors authorizing submission of an application for a Community Economic Revitalization Board (“CERB”) grant in the approximate amount of \$75,000 to fund an implementation study of the Hillyard Subarea Plan (“HSAP”) for the Yard Plan Area.

WHEREAS, Community Economic Revitalization Board funds are available to support feasibility and planning work in furtherance of economic development; and

WHEREAS, the NEPDA desires to pursue an objective feasibility study analysis for implementation of the HSAP in the Yard Plan Area consistent with the purposes of the CERB; and

WHEREAS, the CERB Project represents a commitment of resources toward enhancing the vitality of the area and expansion of economic and employment opportunities of the NEPDA together with increased tax revenues; and

WHEREAS, in the event the application for CERB funding is approved, and the grant is accepted by the NEPDA, the NEPDA will comply with all applicable federal and State requirements in regard to environmental impact of the project; and

WHEREAS, the project will not result in the transfer/relocation of jobs from one part of the state of Washington to another; and

WHEREAS, the matching portion of the grant is minimum of 20% of the project amount. The NEPDA will investigate and evaluate options for joint participation in the matching obligations with the CERB grant; and

WHEREAS, the NEPDA finds that an application should be submitted for consideration by CERB, and that such submission will promote economic development within the NEPDA.

NOW THEREFORE, BE IT RESOLVED that the NEPDA Board of Directors authorizes the Executive Director to:

1. Submit an application to the Community Economic Revitalization Board, for and on behalf of the NEPDA for CERB funding in the approximate amount of \$75,000 for the CERB Project; and
2. Provide such additional information as may be necessary to secure approval of such application; and

3. Enter into an agreement for such funding in the event such application is approved.

BE IT FURTHER RESOLVED that this Resolution shall be effective upon passage and signatures hereon in accordance with law.

ADOPTED by an affirmative majority vote of the Board of the Northeast Public Development Authority on the 14th day of November, 2025.

NORTHEAST PUBLIC DEVELOPMENT AUTHORITY

BOARD CHAIR

CERTIFICATE

I, the undersigned, Secretary of the Northeast Public Development Authority Board of Directors, a municipal corporation organized under the laws of the State of Washington, do hereby certify that the foregoing resolution was duly approved and adopted by the Board of Directors of the corporation at a meeting of the Board of Directors duly called and held on the 14th day of November, 2025, at which meeting a quorum was present; and that said resolution, as set out above, will appear in the minutes of said meeting in the corporation's minute book.

DATED this _____ day of _____, 2025.

SECRETARY