

North East Spokane

Public Development Authority

August 10, 2018

1:00 PM – 3:00 PM

Minutes

Attendance

NEPDA Members present: Anthony Carollo, Mike Fagan, Laura McAloon, Craig Riley, Scott Simmons

Staff present: George Dahl, Anna Everano, Chris Green, Charlie Wolff, Andrew Worlock

Consultants and Guests present: Connie Bischoff, Brad Ferris (Craft3), Pete Rayner (Beacon Hill project), Ian Robertson

Meeting called to order

Discussion Items:

Approval of July 13, 2018 Meeting Minutes – Laura McAloon motioned to approve the July 13 minutes with a minor correction; M/S by Craig Riley; all in favor with no abstentions or objections.

City Staff Liaison – Chris Green with Planning and Development Services introduced himself. He will be transitioning into staff liaison role previously held by Melissa Owen. Chris previously worked for the City from 2008-2010 and rejoined the City on July 23.

Amendment to Agenda – Laura McAloon motioned to amend agenda to move Beacon Hill discussion to front of agenda. M/S by Craig Riley.

Beacon Hill – Chair Carollo provided a summary of the issue raised by Beacon Hill developer Pete Rayner in correspondence with the City. In short, in 2017, \$650,000 in CDBG funding was approved towards construction of a water booster station to serve the Beacon Hill area. Due to a variety of issues, including finding a suitable recipient for the grant funds and audit concerns raised by HUD, the project appears unlikely to be completed during the timeframe required under the CDBG allocation. A \$3 million loan from Craft3 for the booster station project remains in place, but the financing does not pencil with the \$650,000 in CDBG funds reallocated. In addition to the CDBG funding issue, Beacon Hill faces challenges due to upcoming deadlines for expiration of plat approval (September 2018) and of the Tax Increment Financing (TIF) district (end of 2018).

Several board members expressed support for the project in general and discussion of potential funding alternatives for the pump station followed.

Mike Fagan left the meeting at 1:30 pm.

George Dahl, staff with the CDBG program in Community, Housing, and Human Services (CHHS) joined the meeting at 1:40 pm and provided additional background on the CDBG process, deadlines, and concerns raised by HUD. George Dahl indicated that another CDBG funding opportunity will be available for the next cycle with applications due in Fall 2018. Andrew Worlock noted that earlier in the year, NEPDA had allocated \$2 million in strategic funds from the City for various projects within the PDA boundaries, such as Wellesley Avenue and Rowan Avenue improvements. These projects may fit CDBG criteria better than the proposed booster station, and the board could reallocate funding sources accordingly. Scott

Simmons suggested that the board consider moving a portion of funds committed to the Rowan Avenue project (\$750,000), which doesn't involve a leveraged funding package like the Wellesley Avenue project and which is closer in previously allocated amount to the amount needed for the pump station (\$650,000).

- Scott Simmons motioned to amend the Board's earlier recommendation to reallocate \$650,000 of the \$750,000 previously allocated to the Rowan Avenue improvements to the booster station. M/S by Laura McAloon; all in favor with no abstentions or objections.
- Laura McAloon motioned to, in recognition of NEPDA's provision of funds for booster station costs, require a fully executed development agreement between the PDA, Beacon Hill, and the City (if necessary) no later than August 31, 2018. If a development agreement is not reached by the specified timeline, the NEPDA may move to reconsider funding. M/S by Scott Simmons; all in favor with no abstentions or objections.
- Laura McAloon motioned to request direct staff to apply for any and all CDBG funds to apply for public infrastructure within the PDA in the upcoming funding cycle. Scott Simmons amended the motion to replace "direct staff" with "request staff support." Craig Riley seconded the amendment. M/S by Scott Simmons; all in favor with no abstentions or objections.
- Laura McAloon motioned to request that Pete Rayner draft a letter of support for a joint City/County PDA for consideration of the NEPDA board. M/S by Scott Simmons; all in favor with no abstentions or objections.

Meeting adjourned at 2:56 pm

Action Items:

- Application(s) for CDBG funds for public infrastructure within the upcoming cycle.

Other/Ongoing Agenda items:

- Draft RFQ for consultant hire.
 - CDBG 2018-2019 funding cycle applications for Rowan Avenue project.
 - YARD Funding/Financing; PBIA, LID, LIFT, Next Steps (ongoing)
 - Opportunity Zone Designation, final rules for investment, funds developed and projects in which to invest.
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