



Meeting of the Finance Committee

Wednesday, November 3, 2021, 9:00 – 10:30 AM

Meeting: <https://zoom.us> | Meeting ID: 864 6723 2182
<https://us02web.zoom.us/j/86467232182?pwd=Nkc5dDkxVHVJbm90Q0lyREIRdFZZZz09>
Phone Option: +1 253 215 8782
Password: 730788

MEMBERS PRESENT		NOT PRESENT	ALSO PRESENT	
Doris Koo	Sue Taoka	AyeNay Abye	John Kim	Gene Yoon
Bob Cook	Paul Feldman		Christina Bernard	Denise Stiffarm
Gloria Burton (Arrived 9:09am)			Whitney Gerlach	Michael Finch
			Maiko Winkler-Chin (Until 9:30am)	Josh Sellers Park (Until 9:30am)

Doris Koo called the meeting to order at 9:06 a.m. A quorum was present. Representatives from SCIDpda were present. There was no public comment.

Consent Calendar Minutes

The Finance Committee voted to approve the amended Finance minutes from October 6, 2021 (Moved/2nd Bob Cook/Sue Taoka, 5 of 5 in favor)

Real Estate

North Lot Project Update

The Executive Director and Legal Counsel updated the Committee on the North Lot Project.

- The Committee discussed the No Build Covenant and Condominium Sale Prohibition Covenant for SCIDpda's permitting.
- The Executive Director introduced representatives from SCIDpda, Josh Sellers Park and Maiko Winkler-Chin. SCIDpda gave updates on the North Lot Project.
 - The current prospective closing date is April 19, 2022.
 - They discussed investors and lenders and how funding will be dispersed to various parts of the project.
- Josh Sellers Park discussed the details of each covenant. The covenants will be withdrawn if the project does not materialize.
- Legal Counsel reviewed the covenants with the Committee. The covenants were created to help protect PHPDA in the unlikelyhood SCIDpda does not close.
- SCIDpda discussed Phase 2 of the project with low-income housing requirements.

The Finance Committee voted to accept and forward the No Build Covenant and the Condominium Sale Prohibition Covenant to the Governing Council (Moved/2nd Paul Feldman/Bob Cook, 5 of 5 in favor)

Update on Program Committee and Grantmaking

The Executive Director updated the Finance Committee on Program Committee and grant activities.

- The Program Committee supports the program portion of the Draft 2022 PHPDA Budget.
- They are continuing to fine-tune the 2022 Major Grants Guidance and will forward the Guidance to the Governing Council in December for approval.

Financial Stewardship

Investment Update



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The Associate Director reviewed the Investment Update with the Finance Committee. The LGIP rate has increased since last month and we continue to look into other investment options before the North Lot sale finalizes next year.

September/Q3 2021 Financial Statements

The Associate Director reviewed the September/Q3 2021 Financial Statements.

The Finance Committee voted to accept and forward the September/Q3 2021 Financial Statements to the Governing Council (Moved/2nded by Sue Taoka/Bob Cook, 5 of 5 in favor)

2022 Draft Budget and Reserve Plan

The Associate Director discussed the 2022 Draft Budget and Reserve Plan. She noted a few things changed since the Committee's last review.

- Increased the Grants software budget for a database either within our current Grants software or for a separate database.
- The Associate Director updated Health insurance estimates and may explore other options before final renewal.
- A substantial change for Communications that includes a new website. Some costs may be capitalized and those will not be an expense in 2022.
- Program Committee reviewed the grant and program expenses and recommended inclusion of that for the 2022 budget.
- The Building Operating expenses line is tied to the Tower budget.
- The Brokerage costs section of the Reserve Plan does not include fees for the likely upcoming PacMed lease, as those are expected to be paid before the end of 2021.
- The Committee plans to revisit the Reserve Plan at the end of Q2 2022 if a long-term Quarters lease has been signed and/or after SCIDpda finalizes the North Lot Project.

Property Management

Q3 2021 Tower Operating Expenses

The Associate Director reviewed the Q3 2021 Tower Operating Expenses.

- Seattle City Lights is not sending bills consistently.
 - The Finance Committee considered accruing a monthly charge in lieu of getting a bill. The Associate Director will reach out to JLL regarding the accrual.

Property Management Contract (Res 11-2021)

The Associate Director discussed the Property Management Contract (Res 11-2021).

- Starting November 25, JLL will manage the Quarters buildings and East Garage in addition to the Tower and West Garage. The Governing Council will review the contract every three years.
- If a third party takes over the Quarters lease, JLL would still manage the property.
- PHPDA has a thirty-day termination in place if a breach of contract or other change occurs.



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The Finance Committee voted to accept and forward Resolution 11-2021 on renewing and expanding the Property Management Contract to the Governing Council (Moved/2nd by Doris Koo/Paul Feldman, 5 of 5 in favor)

Real Estate

Master Plan Update

The Executive Director discussed the Master Plan Update.

- Makers is in the final stages of editing and will present the final draft to the Governing Council next week.
 - Makers will review the Evaluation Tool, but plan to hold off on training for the Tool until spring 2022.

Update on Quarters Leasing (Res. 10-2021)

The Legal Counsel Denise Stiffarm and Real Estate Consultant Michael Finch discussed Resolution 10-2021 on Quarters Leasing.

- The Executive Director spoke to PacMed about lease negotiations.
- Real Estate Consultant Michael Finch discussed Deferred Maintenance updates.

The Finance Committee voted to accept and forward Resolution 10-2021 on Quarters Leasing to the Governing Council (Moved/2nd by Bob Cook/Sue Taoka, 5 of 5 in favor)

PacMed Clinic Lease Renewal (Res 08- 2021)

The Executive Director and Real Estate Consultant Michael Finch discussed Resolution 08-2021 on the PacMed Clinic Lease.

- PHPDA and PacMed are ready to move forward with the new lease.

The Finance Committee voted to accept and forward Resolution 08-2021 on PacMed Clinic Lease Renewal to the Governing Council (Moved/2nd by Sue Taoka/Paul Feldman, 5 of 5 in favor)

Adjournment

The meeting adjourned at 10:29 a.m.

Minutes approved: Doris Koo 12/8/21
by JOHN KIM (Date)

Whitney Gerlach

From: Doris Koo <doris.w.koo@gmail.com>
Sent: Tuesday, December 7, 2021 10:04 AM
To: Whitney Gerlach
Cc: John Kim
Subject: Re: PHPDA FC Chair Signature Requested

CAUTION: This email originated outside the organization. Please don't click links, open attachments, or reply with confidential details unless you are certain you know the sender and are expecting the content. NEVER PROVIDE CREDENTIALS via email!

Thank you. I authorize John to sign on my behalf.

Sent from my iPhone

On Dec 7, 2021, at 10:00 AM, Whitney Gerlach <w.gerlach@phpda.org> wrote:

Good Morning Doris,

Apologies for the delay getting the meeting minutes to you. Please see attached for the Finance Committee's 11/3 minutes which were approved at our 12/1 meeting last week.

John is cc'ed to this email. Let us know if you would like him to sign the minutes on your behalf.

Thank you!

<image001.jpg>
www.phpda.org

Whitney Gerlach (she/her) | Office Coordinator
206.432.3027 | w.gerlach@phpda.org | [2020 Annual Report](#)

<image003.png> <image003.png> Pacific Hospital Preservation
& Development Authority
[1200 12th Ave S](#) Quarters 2 Seattle, WA 98144

For all grant related matters, please email grants@phpda.org.

<A. Finance Committee Minutes 11.3.2021.docx>