



Meeting of the PHPDA Governing Council

Tuesday, July 12, 2022 5:30 - 7:00 PM

Physical Location: Quarters 2 Building, Pacific Tower, 1200 12th Ave S., Seattle, WA 98144

Virtual Location: <https://zoom.us> | Meeting ID: 870 9305 8824
<https://us02web.zoom.us/j/87093058824?pwd=qTfwTTYqF1SvA6hItJVLWOTwXaza9e.1>

Phone Option: +1 253 215 8782

Password: FREEDOM (Numeric Password for Phone: 7512958)

MEMBERS PRESENT		NOT PRESENT	ALSO PRESENT	
Sue Taoka	Doris Koo	Susan Crane	John Kim	Christina Bernard
AyeNay Abye	Ellie Menzies	Virgil Wade	Mallory Fitzgerald	Gene Yoon
Nancy Sugg	Gloria Burton (arrived 5:50pm)		Whitney Regan	Denise Stiffarm
Bob Cook				

Doris Koo called the meeting to order at 5:34 PM. A quorum was present. There was no public comment.

The Governing Council voted to amend the agenda to add an action item under SCIDpda North Lot Closing Documents regarding the Assignment, Assumption, and Consent Agreement related to the King County loan. (Moved/2nded by Bob Cook/Ellie Menzies, 6 of 6 in favor)

Consent Calendar Minutes

The Governing Council approved the minutes for the June 14, 2022 Governing Council meeting. (Moved/2nded by Doris Koo/Sue Taoka, 6 of 6 in favor)

The Governing Council accepted as information:

- The Special Program Committee minutes from June 1, 2022
- The Finance & Audit Committee minutes from June 1, 2022

Ratification of June Action Items

Legal Counsel Denise Stiffarm discussed the ratification of the below June action items. The ratifications relate to amendments to our Charter. PHPDA amended our Rules and Regulations in May to address the in-person meeting requirement and make changes before the Governor’s emergency order to the Open Public Meetings Act was lifted. We did not amend our Charter at that time so we inquired whether valid quorum was present at the June Governing Council meeting. Any Council member can request that any action items be removed from the list for action as a separate item.

- 5.10.2022 Governing Council Minutes
- 2021 Independent Audit
- Retention of K&L Gates (Res. 06-2022)
- PHSKC Letter to Executive Constantine
- Seattle University MOU
- Third Amendment to PacMed Lease

The Governing Council voted to ratify the Council’s motions on the June action items. (Moved/2nded by Bob Cook/Nancy Sugg, 6 of 6 in favor)



Meeting of the PHPDA Governing Council

Tuesday, July 12, 2022 5:30 - 7:00 PM

Physical Location: Quarters 2 Building, Pacific Tower, 1200 12th Ave S., Seattle, WA 98144

Virtual Location: <https://zoom.us> | Meeting ID: 870 9305 8824

<https://us02web.zoom.us/j/87093058824?pwd=qTfwTTYqF1SvA6htJVLWOTwXaza9e.1>

Phone Option: +1 253 215 8782

Password: FREEDOM (Numeric Password for Phone: 7512958)

Staff Report

The Executive Director updated the Governing Council on the Staff Report.

- He had a conversation with a contact at the Department of Public Health – Seattle and King County about the letter PHPDA sent to Executive Constantine regarding the hiring of a new Director of Public Health. The contact was appreciative of the letter we sent and believes stepping up with input from the community may have had a positive impact on the final hiring decision. Additionally, the contact is leaving the Department of Public Health and interested in joining the PHPDA as a Strategic Advisor or Council member.
- The Executive Director provided an update on Governing Council appointments. The Office Coordinator has been following up with the City PDA Liaison. The paperwork has been forwarded to the City Clerk, but we have not received confirmation that the appointments are finalized.

Governance

Amendments to Charter (Resolution 07-2022)

The Council Chair and Executive Director discussed amendments to the Charter.

- The amendments align the Charter language to be consistent with recently approved changes to our Rules and Regulations that allow for a majority of an established quorum to participate virtually.
- The Office Coordinator will send the Charter documents to the City Clerk and Mayor's office for final approval.

The Governing Council voted to approve Resolution 07-2022, the amendments to the PHPDA Charter substantially as stated in Exhibit A. (Moved/2nded by Doris Koo/Ellie Menzies, 6 of 6 in favor)

PHPDA's Statement on Roe v. Wade

The Associate Director reviewed PHPDA's statement on Roe v. Wade.

- PHPDA plans to share the statement externally and include statements from some grantees.
- The statement is consistent with our past actions and reflects the values included in our work.

The Governing Council voted to approve the draft of PHPDA's statement on Roe v. Wade with the acknowledgement that minor changes may be made by PHPDA staff. (Moved/2nded by Doris Koo/Sue Taoka, 6 of 7 in favor) (Gloria Burton Abstained)

Property and Real Estate

Update on Quarters Buildings

The Executive Director provided updates on the Quarters buildings.



Meeting of the PHPDA Governing Council

Tuesday, July 12, 2022 5:30 - 7:00 PM

Physical Location: Quarters 2 Building, Pacific Tower, 1200 12th Ave S., Seattle, WA 98144

Virtual Location: <https://zoom.us> | Meeting ID: 870 9305 8824

<https://us02web.zoom.us/j/87093058824?pwd=qTfwTTYqF1SvA6hItJVLWOTwXaza9e.1>

Phone Option: +1 253 215 8782

Password: FREEDOM (Numeric Password for Phone: 7512958)

- He and the Real Estate Consultant met with Commerce last week to discuss an amendment to their Tower lease that would include Quarters 3-10. Commerce considers this a stand-alone agreement rather than an amendment due to the Washington state budget proviso, which includes funds for a short-term Quarters lease.

Department of Commerce Access Agreement

The Executive Director discussed a Department of Commerce Access Agreement.

- PHPDA plans to continue discussions at the August meeting.

The Governing Council did not take action on the Department of Commerce Access Agreement.

PacMed's Quarters Lease Extension (Fourth Amendment to 2003 Lease)

The Executive Director discussed PacMed's Quarters lease extension (fourth amendment to 2003 lease).

- PacMed is unable to move into their new location by July 31 and asked for another lease extension. It will be the same as the third amendment, but with different dates.
- The fourth amendment extends PacMed's Quarters lease through the end of August.

The Governing Council voted to approve PacMed's Quarters lease extension (fourth amendment to 2003 lease), authorizing the Executive Director to execute a lease with PacMed. (Moved/2nded by Bob Cook/Sue Taoka, 7 of 7 in favor)

SCIDpda North Lot Closing Documents

Legal Counsel Denise Stiffarm and the Executive Director discussed North Lot closing documents.

- SCIDpda planned to close on July 15, but moved the closing date to end of July.
- Finance Committee recommended approval of the North Lot closing documents.
- SCIDpda created a second legal parcel on the North Lot due to boundary adjustments. The North Lot is now split into two parcels, Parcel Y and Parcel Z. The Lot on the Hill LLLP (partnered with SCIDpda) will purchase Parcel Y and SCIDpda will purchase Parcel Z.
- Amended Purchase Agreement with Partial Assignment
 - Purchase and Sale Agreement (PSA) was amended due to the separation of North Lot parcels and requires both Parcel Y and Parcel Z to close at the same time.
 - Recognizes as exhibits updated forms of the Amended and Restated Reciprocal Easement Agreement and Continuing Property Conditions Agreements.
- Amended and Restated Reciprocal Easement Agreement
 - Recognizes there are now three separate parcels for the Pacific Tower Campus as well as a new lot and Pacific Tower Drive configurations
 - Assigns sole construction costs to the Parcel Y buyer and maintenance of Pacific Tower Drive will be a shared cost between PHPDA and the Parcel Y buyer.
 - Eliminates the "skybridge easement" between the Tower and North Lot



Meeting of the PHPDA Governing Council

Tuesday, July 12, 2022 5:30 - 7:00 PM

Physical Location: Quarters 2 Building, Pacific Tower, 1200 12th Ave S., Seattle, WA 98144

Virtual Location: <https://zoom.us> | Meeting ID: 870 9305 8824
<https://us02web.zoom.us/j/87093058824?pwd=qTfwTTYqF1SvA6hItJVLWOTwXaza9e.1>

Phone Option: +1 253 215 8782

Password: FREEDOM (Numeric Password for Phone: 7512958)

- Two Continuing Property Conditions Agreements, one for each parcel
 - Includes designs for Parcel Y and Parcel Z.
 - Parcel Y will continue in compliance with Historic South Downtown PDA (HSDPDA) loan obligations and removes Parcel Z from any obligations related to the HSDPDA loan
 - Parcel Y is no longer tied to the King County loan, only Parcel Z is tied to the loan
 - Only Parcel Y has obligations to design and construct Pacific Tower Drive
- Two Assignment and Assumptions of Work Product, one for each parcel
 - Formal transfer of PHPDA’s predevelopment work product to the purchasers of each North Lot parcel. Purchase Price includes the value of this work product.
- Assignment and Assumption of the HSDPDA Funding Agreement
 - Lot on the Hill LLLP for proposes of Parcel Y will assume PHPDA’s obligations.
 - HSDPDA has already approved the agreement
- A&R REA Exhibits
 - Includes Driveway Easement (Exhibit E) and Utilities Easement (Exhibit F)
- Assignment, Assumption, and Consent Agreement related to the King County loan
 - Ties up assignment by the PHPDA and consent from King County to transfer the loan to SCIDpda. There will be amendments to previous documents connected to the loan.
 - The expiration of covenants will affect the deed restrictions. The specific deed restrictions tied to the loan will end in fifty years.
- PHPDA included Buy Back Agreements, which means we are first in line to purchase the North Lot back if it is for sale again.
- Any Council member can request that any documents be removed from the package for action as a separate item.

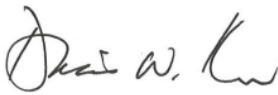
The Governing Council voted to authorize the Executive Director to execute at closing the North Lot Closing Documents identified in the agenda as amended in forms substantially similar to that reviewed by the Governing Council at tonight’s meeting. This motion is not intended in any way to limit the broad authority in Resolution 17-2019 for the Executive Director to take any and all actions necessary to implement the closing and sale consistent with the North Lot Purchase and Sale Agreement.

(Moved/2nded by Bob Cook/AyeNay Abye, 7 of 7 in favor)

Governing Council thanked our Real Estate Consultant and Legal Counsel for their assistance with the North Lot sale.

Adjournment

The meeting was adjourned at 6:41 PM.

Minutes approved:  8/10/2022
(Date)