



Meeting of the PHPDA Governing Council

Tuesday, March 14, 2023 5:30 - 7:00 PM

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

Meeting: <https://zoom.us> **Meeting ID:** 827 4737 3733

<https://us02web.zoom.us/j/82747373733?pwd=RWNqUmFVNnYxMGdIN3JNMnczTFVIZz09>

Phone Option: 1-253-215-8782

Password: SHAMROCK (Numeric Password for Phone: 96841397)

MEMBERS PRESENT		NOT PRESENT	ALSO PRESENT	
Bob Cook	Doris Koo	Gloria Burton	John Kim	Christina Bernard
Virgil Wade (until 7:05pm)	Sue Taoka		Mallory Fitzgerald	Gene Yoon
Douglass Jackson	AyeNay Abye		Whitney Regan	Denise Stiffarm
Martine Pierre-Louis (until 6:22pm) (returned 6:29pm)	Paul Feldman		Michael Finch	

Virgil Wade called the meeting to order at 5:31 PM. A quorum was present. There was no public comment.

Consent Calendar Minutes

The Governing Council approved the minutes from the February 14, 2023 meeting. (Moved/2nded by Doris Koo/Sue Taoka, 8 of 8 in favor)

The Governing Council accepted as information:

- The Program Committee minutes from February 1, 2023
- The Special Finance & Audit Committee minutes from February 1, 2023

Staff Report

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

- He provided updates on grant activities and thanked Review Panel participants.

Financial Stewardship

Year End 2022 Financial Statements

The Associate Director reviewed the Year End 2022 Financial Statements.

- During the Finance Committee’s March meeting, they reviewed, accepted, and forwarded the statements without new lease accounting entries to the Governing Council because the statements with lease accounting entries were not available yet. Finance Committee accepted the statements with the acknowledgement that the Council will review a version of the statements with lease accounting entries.
- The Council received two sets of statements: one set is the standard year end statements like they have seen in past years and the other set includes the new lease accounting entries under GASB 87.
- Between Q3 2022 and end of 2022, SCIDpda closed on the North Lot sale. The pre-development costs PHPDA capitalized have been expensed. There is no longer a loan from King County because SCIDpda took it over. The deposit on the sale is recognized as income.
- There is now a receivable from SCIDpda on the balance sheet. It is a promissory note for \$526,000 that is due in a couple of years.



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- The Profit & Loss statement shows the total net impact from the North Lot sale, which is just under a \$5 million increase in net assets.
- PHPDA received some extra income in 2022:
 - PacMed stayed in the Quarters buildings longer than expected
 - Department of Commerce signed a Quarters Access Agreement. Four months of the ten-month agreement is recognized as 2022 income and the remainder will be recognized as 2023 income.
- The prepaid insurance and accrued PTO are updated once a year at year end.
- As part of the budget process every year, PHPDA tracks the reserve and savings goal. At the end of 2022, PHPDA had \$18 million between the reserve and undesignated net assets.
- The Associate Director provided a brief background on lease accounting. The entries restate back to 2020 because in the audit, when PHPDA does comparative years, it must go back to 2020.
- The year-end statements with lease accounting entries include entries for 2020- 2022 cumulatively.
- At the beginning of each lease, PHPDA is booking large amounts on both sides of our balance sheet. PHPDA ends up with a difference in income and net assets compared to past accounting because these large amounts in the balance sheet will decrease at different rates.
- For the reserve and savings goal, the Associate Director will pull out the net impact from the lease accounting entries so that PHPDA will end up with consistent amounts, matching the same number we initially had before the new accounting rules.
- The Profit & Loss statement will look the same throughout the year because the lease accounting updates only occur at the end of each year.
- The Associate Director and Committee Chair discussed interest rates with PHPDA's accounting firm. Going forward, PHPDA will use the prime rate for all leases. Previously we planned to review any publicly available information on debt issued by lessee at or around the time of the start of the term and use a similar rate, matching length of debt to length of lease as closely as possible, but using the prime rate for all leases will be more consistent internally and with what others are doing.
- The Associate Director will share the approved financial statements with PHPDA's independent auditor.

The Governing Council voted to approve the Year End 2022 Financial Statements. (Moved/2nded by Paul Feldman/Bob Cook, 8 of 8 in favor)

Grantmaking & Grant Management

2023 Nimble Grant Cycle 2 Awards (Res. 01-2023)

The Grants Manager discussed the 2023 Nimble Grant Cycle 2 Awards.

- 2023 Nimble Grant Cycle 2 runs April 1, 2023- March 31, 2024.
- The Review Panel consisted of PHPDA Staff (John Kim and Gene Yoon), Governing Council members (Doris Koo and Virgil Wade), and a Strategic Advisor (Diane Pietrowski).
- Received twenty-three (23) applications.



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- The PHPDA awarded about \$65k in Nimble Grant Cycle 1, leaving roughly \$210K budgeted for the remaining two cycles.
- The Review Panel met on March 8th and recommended funding four agencies, totaling \$104,625:

Benefits Law Center	Genetic Support Foundation
Somali Family Safety Task Force	Voices of Tomorrow

- The Review Panel recommended fully funding three proposals and partially funding one for specific equipment.
- The evaluators commented on their experience reviewing applications. One reviewer suggested PHPDA possibly update the Nimble Grant application to allow for more program details. Also, potentially change the scoring questions to help evaluators clearly understand what they are scoring on so that scores are consistent.
- A Council member asked about aligned funding. The Council also asked about creating a referral network to share proposals with other funders.
- One of the evaluators suggested helping applicants form a community-built coalition so they can apply for a larger amount of funds targeting a bigger health equity issue outside of the Nimble Grant intent.
- The Council discussed funding programs at larger organizations and why these larger organizations are asking for funding from a small source like the Nimble Grant program.
 - Some larger organizations ask for outside funding because the program may not be on their organizations radar so the funding helps get the program noticed internally.
- The Council considered setting up a panel to discuss why larger organizations are not covering Equity, Diversity, and Inclusion (EDI) with their own funds and not making EDI work a priority.

The Governing Council voted to approve the amended Resolution 01-2023, approving the recommended funding proposal by the 2023 Nimble Grant Cycle 2 Review Panel and for the PHPDA Executive Director to execute 2023 Nimble Grant Cycle 2 contracts. (Moved/2nded by Doris Koo/Douglass Jackson, 8 of 8 in favor)

Ad Hoc Grants Work Group

The Associate Director and Program Committee Chair discussed an Ad Hoc Grants Work Group.

- The group will allow for further discussion on grant-related topics that have come up at PHPDA Staff meetings, Program meetings, and Review Panel meetings.
- The Program Committee Chair asked Paul Feldman, Michael Leong (Program Strategic Advisor), Martine Pierre-Louis, and Bob Cook to be members of the group and they all agreed to participate. Paul Feldman will be the Chair and PHPDA included one member from the Finance Committee, Bob Cook, due to financial implications.
 - The Associate Director will also be a member and the Grants Manager will attend meetings, assist with logistics, and provide input.
- The ad hoc group Chair and Staff are meeting next week to begin discussing next steps.
- Recommendations from the ad hoc grants work group will likely impact the New Major, Renewal, and Nimble Grant guidances and application questions.



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- Before each ad hoc group meeting, Staff can send a list of discussion items to the Council to keep the Council informed.
- There will likely be two to three meetings starting in late spring or early summer. The recommendations made by the ad hoc group will be brought to the Council for approval.

The Governing Council voted to authorize the Ad Hoc Grants Work Group as a sub-group to the Governing Council. (Moved/2nded by Sue Taoka/AyeNay Abye, 7 of 7 in favor)

Governance

Program & Finance Committee 2023 Workplans

The Program Committee Chair reviewed the Program Workplan on Grantmaking & Advocacy.

- The 2023 Program work plan is similar to previous years. A large part of the Committee's responsibility is grantmaking and grants management.
- At the last Program Committee meeting, the Committee recognized other tasks outside of grantmaking.

The Finance Committee Chair reviewed the Finance Workplan.

- Major tasks are ongoing throughout the year and similar to years past.
- The Finance Committee may reprioritize some tasks throughout the year.

The PHPDA Staff plan to look over both work plans to see what needs to be accomplished this year and what tasks are more ambitious. Possibly color code what needs to get done, what can be accomplished next, and what does not have a specific timeframe. Staff will keep in mind their work load and capacity.

2022 Annual Report to the City of Seattle

The Associate Director presented to the Council the 2022 Annual Report to the City of Seattle.

- Our priorities and other activities are reported, including real estate and finances. Priorities for 2023 include continued grantmaking, grantee support and engagement, participating in local and regional health policy and planning, stewarding the property, and expanding grantee relations.

The Governing Council voted to approve and forward the 2022 Annual Report to the City of Seattle. (Moved/2nded by Bob Cook/Doris Koo, 8 of 8 in favor)

2023 Governing Council Retreat

The Executive Director led a discussion on the 2023 Governing Council retreat.

- Due to intervening events, the Executive Director suggested the 2023 Governing Council retreat be postponed until 2024. The Council agreed with the suggestion.
- The Office Coordinator will inform Strategic Advisors on postponing the retreat.



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Property & Real Estate

North Lot Update

The Executive Director updated the Committee on the North Lot.

- The Executive Director is working with PHPDA's Real Estate Consultant and Property Manager, JLL, on a water issue.
- When the North Lot construction began in late 2022, there was an issue with sediment in the water causing brown water in the Pacific Tower and it was discovered the cause is from the use of hydrant water.
 - JLL concluded that updating the water filtration system will help address the issue and determined the existing water pumps need to be replaced.
 - The updates will involve Department of Commerce, PacMed, and SCIDpda. PHPDA is currently gathering information to conduct the updates.
- The Communications Manager has been working with SCIDpda on cohesive property signage. Planning to update both of the main landmarked signs on the north end of the Pacific Tower Campus so the community can clearly see who is located on the property.
- Based on community input, the current signage and wayfinding can be improved.

Update on Quarters Buildings

The Real Estate Consultant, Michael Finch, and Executive Director provided an update on the Quarters Buildings

- Michael Finch provided an update on Quarters 3-10 and marketing. Last year, PHPDA signed a Quarters Access Agreement with Commerce so Commerce could conduct a feasibility study of the Quarters. Currently working on possible funding to continue the access agreement.
- Commerce formed a program work group to discuss potential programming for the Quarters. The group included providers and people with lived experience. Commerce is reviewing the program work group's report. The Pacific Tower Campus is a good fit for the programming discussed in the report.
- PHPDA is working with the Washington State legislature to address our capital and operating fund needs and will likely hear about their final decisions by the end of April.
- Now that PHPDA has more details about potential Quarters programming, PHPDA began community outreach. Governing Council members and PHPDA's Communications Manager attended the March Beacon Hill Council meeting. Also, PHPDA revived the Makers Master Plan community advisory group which includes Beacon Hill community leaders. In both meetings, the program ideas we shared were well received.
- PHPDA reached out to SCIDpda to see if they could possibly help manage the Quarters exterior construction. Also, if the Quarters do become available, SCIDpda could potentially lease them for additional affordable housing.
- PHPDA would like the Quarters programming to harmonize well with existing campus stakeholders and neighbors and find one master lessee, such as Commerce or another Washington State agency, that could help support the potential programming being discussed.



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Ratify Local Community Project Capital Request Submission

The Executive Director discussed the ratification of the Local Community Project (LCP) capital request submission. Finance Committee accepted the ratification and forwarded it to the Governing Council.

- PHPDA had conversations with a Washington State representative about potential programming in the Quarters. The representative sought information from PHPDA for a capital request to be completed by February 17, 2023 and sponsored by the representative and others. The scope of the capital project is rehabilitation of the exteriors of Quarters 3-9 for future use, including possible youth residential use.
- The capital request title includes language around housing and youths so PHPDA is committed to that type of programming and plans to include it in Quarters communications going forward.

The Governing Council voted to ratify the Local Community Project capital submission. (Moved/2nded Doris Koo/Douglass Jackson, 7 of 8 in favor) (AyeNay Abye Abstained)

The Council Chair announced the PHPDA Executive Director has accepted the position of CEO at HealthierHere. The Executive Director will start at HealthierHere no later than June 1. The Council plans to discuss next steps and the transition to a new Executive Director. The Executive Committee consisting of Governing Council members worked with Pyramid Communications to draft a statement on the Executive Director's exit from PHPDA. The Executive Committee and Executive Director reached out to close PHPDA partners to inform them of the change. The Executive Director commented on his work at PHPDA and his decision to leave. The Governing Council encouraged PHPDA Staff to reach out to Council members with questions or concerns.

Adjournment

The meeting was adjourned at 7:11 PM.

Minutes approved 

4/12/2023
(Date)

From: [Whitney Regan](#)
To: [Doris Koo](#)
Subject: RE: PHPDA GC Acting Chair Signature Requested
Date: Wednesday, April 12, 2023 10:06:00 AM
Attachments: [image007.png](#)
[image008.png](#)
[image009.png](#)
[image001.png](#)
[image002.png](#)
[image003.png](#)

Thank you, Doris! I will add your digital signature to the documents.



phpda.org

Whitney Regan (she/her) | **Office Coordinator**
206.432.3027 | w.regan@phpda.org | [2021 Annual Report](#)

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



For grant related matters, email grants@phpda.org.
[Join our email list](#) for news and funding announcements.

From: Doris Koo <doris.w.koo@gmail.com>
Sent: Wednesday, April 12, 2023 9:59 AM
To: Whitney Regan <w.regan@phpda.org>
Subject: RE: PHPDA GC Acting 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!

Please affix my electronic signature on these documents. Thank you Whitney.

Doris

From: Whitney Regan [<mailto:w.regan@phpda.org>]
Sent: Wednesday, April 12, 2023 9:49 AM
To: Doris Koo <doris.w.koo@gmail.com>
Subject: PHPDA GC Acting Chair Signature Requested

Good Morning Doris,

Please see attached for the Governing Council's 3/14 minutes and the special 3/30 minutes. Also, attached is Resolution 02-2023. All were approved at the 4/11 meeting.

With your permission, I can add your digital signature to the documents.

Thank you!



Whitney Regan (she/her) | **Office Coordinator**
206.432.3027 | w.regan@phpda.org | [2021 Annual Report](#)

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