### Members Present

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<tbody>
<tr>
<td>Mike Heinisch</td>
<td>Rhonda Berry</td>
<td>Nancy Sugg</td>
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<tr>
<td>Ellie Menzies</td>
<td>Judy Tobin</td>
<td>Christina Bernard</td>
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<td>5:39 – 6:40</td>
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<td>Rikka Dayao</td>
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<td>Doris Koo</td>
<td>Susan Crane</td>
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<td>Teresa Mosqueda</td>
<td>Tony McLean</td>
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### Also Present

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<td></td>
<td>Jeff Natter</td>
<td>Denise Stiffarm</td>
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<td>Rikka Dayao</td>
<td>Michael Finch</td>
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<td>5:54 – 6:27</td>
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<td></td>
<td>Mallory Fitzgerald</td>
<td>Maria Barrientos</td>
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Mike Heinisch called the meeting to order at 5:30 p.m. A quorum was present. There was no public comment.

The Governing Council approved the September 13th and September 28th Governing Council minutes (Moved/Second by Judy Tobin/Doris Koo, 8 of 8 in favor).

The Governing Council accepted as information the Finance & Audit Committee minutes from August 9, 2016 and the Program Committee minutes from September 7th, 2016.

### Executive Director and Staff Report

The Executive Director advised the Governing Council that there was no Executive Director and Staff Report for September, due to the Governance Retreat. For the month of September, PHPDA staff focused on work for the Nimble Grant Cycle 3, continued training the new Grants Coordinator and Office Coordinator, and continued work on the North Lot Project, including preparation for the Charter Amendment, organized a Real Estate Committee, and facilitated in the hiring process for a pre-development consultant.

### Governance

**Governing Council Appointments (Resolution 17-2016)**

The Executive Director advised that the Governing Council Member seats for Tony McLean and Nancy Sugg are both up for renewal for the 2017 – 2019 term. Both Tony McLean and Nancy Sugg have agreed to continue as members of the PHPDA Governing Council. Both seats were originally appointed by the Governing Council. Appointments are subject to the approval of the City Council of Seattle. The PHPDA Governing Council confirms the appointment of Nancy Sugg and Tony McLean to serve a three-year term beginning in January 2017 as members of the PHPDA Council.

Rhonda Berry announced her leave from the Governing Council, effective at the end of the 2016 term in December. Rhonda strongly believes in the mission of the PHPDA and has enjoyed her time on the council. Her decision to leave is due to a heavy workload and other professional and personal commitments.

The Executive Director advised that due to Rhonda Berry’s withdrawal, there will be an open council seat to be filled for the 2017- 2019 term. Rhonda recommended that Bob Cook be considered to fill the open seat. Bob Cook has served as a Strategic Advisor to the PHPDA on the Finance Committee.
2014, and is the CFO for the Washington State Housing Finance Commission. He has experience in housing and tax credits, and would provide valuable counsel as the PHPDA moves forward with the North Lot Project. Council Chair Mike Heinisch supports the recommendation for Bob Cook. The Executive Director's second recommendation is Paul Feldman, who is also a Strategic Advisor on the Finance Committee. Tony McLean and Judy Tobin voiced their support for either nomination. Mike Heinisch suggested that an ad hoc committee be established for the purpose of interviewing nominees.

The Executive Director reminded the Governing Council that any appointing nomination to the Council would only be advisory, as the Mayor's Office has the final authority. He also urged the Governing Council members to contact him if they have other individuals in mind as potential nominees.

The Governing Council voted to approve Resolution 17-2016 reappointing Nancy Sugg and Tony McClean as members of the Governing Council (Moved/2nd by Judy Tobin/Mike Heinisch, 7 of 8 in favor, Tony McLean abstained).

Grantmaking
2017 Nimble Fund Cycle 1 Review Panel

The Finance and Grants Manager informed the council that applications for the 2017 Nimble Fund Cycle are due on November 16th, 2016. The PHPDA will conduct a review meeting in December. The Nimble Fund Review Panel will consist of Nancy Sugg, Ellie Menzies, Sharyne Shiu-Thornton, Christina Bernard and Rikka Dayao. The Nimble Fund Review Panel will recommend which programs to fund, which will be forwarded to the Governing Council for approval.

The Governing Council voted to appoint the following members to the Nimble Fund Cycle 1 2017 Review Panel: Nancy Sugg, Ellie Menzies, Sharyne Shiu-Thornton, Christina Bernard and Rikka Dayao. (Moved/2nd by Judy Tobin, Tony McLean, 8 of 8 in favor

Fourth Year Grant Funding

The Executive Director advised that during the Program Committee meeting on October 6th, the advisors recommended that there should be no exceptional fourth year Major Grant funding for 2017. This means that a single program is eligible for only three years of consecutive Major Grant funding.

The Governing Council agreed that to compare three-year grantees to new grantee applications would be unfair. Three years of grant funding is generous, and prevents programs from becoming stagnant or becoming dependent on PHPDA funds. A three year limitation will also help ensure that the PHPDA continues to be current and innovative with our grantmaking.

The Governing Council voted to accept the recommendation from the Program Committee for no fourth year funding exceptions in 2017 (Moved/2nd by Doris Koo/Susan Crane, 8 of 8 in favor).
Meeting of the PHPDA Governing Council
October 11, 2016 5:30-7:00 p.m.
Quarters 2 Building, Beacon Hill
1200 12th Ave South  Seattle, WA 98144

Financial Stewardship
Transfer to Reserve Account

The Finance and Grants Manager advised that per the adopted 2016 PHPDA Operating Budget, $225,000 plus un-awarded and returned unexpended grant funds were to be transferred to reserve. ($436.00 net fund not awarded to grant funds, $8661.00 returned from Nimble funds, and $92,786.00 returned from Major funds) The total amount to be transferred to the Reserve Account is $326,883.

The Governing Council voted to approve the recommendation from the Finance Committee for a designation of an additional $326,883.00 as part of the Pacific Tower and Property Reserve Fund. (Moved/Second by Judy Tobin/Rhonda Berry, 8 of 8 in favor).

Property Management
Tower Envelope Assessment (Resolution 18-2016)

The PHPDA property manager, JLL, has determined it necessary to perform an exterior envelope assessment on the Tower, which fits within the PHPDA’s obligation under the Tower Lease. The assessment will cost approximately $32,500.00, which will be paid out from the reserve fund. The assessment will contribute to the long-term viability of the Tower; the Governing Council agreed that it is in the best interest of the PHPDA to invest in the current and future asset of the Tower. An agency will be hired to perform the assessment, and will commence as soon as possible.

The Governing Council voted to approve Resolution 18-2016 to authorize the Executive Director to expend up to $32,500.00 from the PHPDA Reserve Fund for the exterior envelope assessment project. (Moved/Second by Doris Koo/Susan Crane, 8 of 8 in favor).

Real Estate
North Lot Project Update

The Executive Director updated the Governing Council on the progress of the North Lot Development Project. The Charter Amendment was submitted to Kenny Pittman at City of Seattle, and was approved by Mayor Ed Murray. Doris Koo and Mike Heinisch met with the HSDPDA board concerning the Transit-Oriented Development funds. The HSDPDA board voted unanimously to negotiate a contract with the PHPDA. The TOD fund of $1.75 million will be transferred directly to the PHPDA in the form of a grant, under the condition that the grant will fund the PACE program. If the PHPDA reneges on its promise to site the PACE program, the PHPDA will pay back the funds plus interest in the event of default.

The Executive Director thanked the Real Estate Committee for their thoughtful selection of Maria Barrientos for the pre-development consultant for the North Lot Project. She is well qualified and excited to be working with the PHPDA. The Executive Director and Maria Barrientos will be meeting with councils and members from the Beacon Hill community, as well as political entities to collect feedback and concerns about the project. Maria and her design team have drafted several site planning layouts.
Community Relations
Sponsorship for Pacific Tower Rededication Event

The Executive Director informed the council that the Pacific Tower will hold a re-dedication ceremony on November 2nd. Lincoln Ferris has asked the PHPDA to contribute $2,500.00 for a plaque in the Tower to mark the occasion. This amount is not in the PHPDA budget, and does not fall within the PHPDA’s financial responsibility to the Tower. However, as a mark of good faith and to reinforce the partnership between the PHPDA and the Tower, the Executive Director suggested a contribution of $1,000.00 total. These funds will be paid to Fare Start for the cost of food. The Finance and Grants Manager agreed that this is an acceptable amount and fits within the budget.

The Governing Council voted to approve a contribution of $1,000.00 to the Pacific Tower Rededication Event. (Moved/2nded by Judy Tobin/Susan Crane, 8 of 8 in favor).

Personnel
Executive Director Performance Review Process

The Board Chair advised that the council will conduct a Performance Review for the PHPDA Executive Director. The performance review will be for January 2015 – January 2016. As an extensive and thorough review was performed last year, it was deemed unnecessary to duplicate the same process this year. Last year’s review will serve as a baseline for 2016. The review will be retrospective for 2016, based on the duties listed in the current Executive Director job description. The review will focus on current duties and performance building, with clear expectations for the future. The Executive Director will complete a self-review and will include a new set of goals for the upcoming year. The Board Chair will provide the job description and last year’s review to the members of the Governing Council. Each member will then submit a set of questions and feedback to the Board Chair by October 24th.

Adjournment
The meeting was adjourned at 7:02 p.m.

Minutes approved [Signature] 11/11/16
(Date)