



**Meeting of the PHPDA Governing Council**  
**November 7, 2016 5:30-7:00 p.m.**  
 Quarters 2 Building, Beacon Hill  
 1200 12<sup>th</sup> Ave South Seattle, WA 98144

| MEMBERS PRESENT |              | NOT PRESENT | ALSO PRESENT      |                  |
|-----------------|--------------|-------------|-------------------|------------------|
| Mike Heinisch   | Rhonda Berry |             | Jeff Natter       | Denise Stiffarm  |
| Ellie Menzies   | Judy Tobin   |             | Christina Bernard | Michael Finch    |
| Doris Koo       | Susan Crane  |             | Rikka Dayao       | Maria Barrientos |
| Teresa Mosqueda | Tony McLean  |             |                   |                  |
| Nancy Sugg      |              |             |                   |                  |

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 13<sup>th</sup> and October 11<sup>th</sup> Governing Council minutes (Moved/2<sup>nd</sup>ed by Judy Tobin/Nancy Sugg, 9 of 9 in favor).

The Governing Council accepted as information the Finance & Audit Committee minutes from October 11th, 2016 and the Program Committee minutes from October 5<sup>th</sup>, 2016.

**Executive Director and Staff Report**

The Executive Director advised that a lot of his time was spend on the North Lot project acquiring feedback from the community, and working on a contract for the TOD funds. PHPDA staff spent time working on Major and Nimble grant review processes. The PHPD staff and several Governing Council members attended the Tower dedication ceremony. The Executive Director attended the 2016 APHA conference in Denver, Colorado.

**Grantmaking**

*2017 Grant Review Panels*

The Finance and Grants Manager advised the Governing Council of the composition of the 2017 Grant Panels, and provided a handout of the participants.

The Governing Council voted to approve the PHPDA Grant Review Panels for 2017. (Moved/2<sup>nd</sup>ed by Judy Tobin/Teresa Mosqusda,9 of 9 in favor).

*2017 New and Renewal Major Grant guidance*

The Finance and Grants Manager and Grants Coordinator reviewed the 2017 New and Major Grant guidance. The Executive Director reminded the Governing Council that there will be no fourth year exceptions. There are no major changes from the previous year.

The Governing Council voted to approve the PHPDA New and Renewal Major Grant Guidance for 2017. (Moin/2<sup>nd</sup>ed by Judy Tobin/Doris Koo, 9 of 9 in favor).



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**Financial Stewardship**

*Q3 2016 Financial Report*

The Finance and Grants Manager advised that Teen Feed entered into a payment plan with the PHPDA to pay back their unexpended funds from the 2015 major grant. Funds will be paid back with interest. As a public entity, the PHPDA cannot forgive the amount since it is not a loan. The other repayment option would have been for the PHPDA to send the balance to collections. Members of the Governing Council expressed concern that the grantee organizations were not fully aware of the repayment expectations for unexpended funds. The Executive Director and Finance and Grants Manager reiterated that the grant contract is very explicit, and that the PHPDA is diligent in monitoring proper use of grants funds by requiring quarterly reports and conducting audits. PHPDA staff also worked closely with Teen Feed and previously expressed concerns over the unexpended funds. The Executive Director noted that this is the first time an organization has not been able to pay back unexpected funds. It was therefore concluded that no changes should be made to the Major Grant contracts, and that the PHPDA should not be prohibited from funding small scale organizations in the future.

The Governing Council reviewed and accepted the Q3 Financial Report (Moved/2<sup>nd</sup>ed by Nancy Sugg/Rhonda Berry, 9 of 9 in favor).

*Draft 2017 Operating Budget*

The Finance and Grants Manager presented the draft 2017 Operating Budget. It was noted that 2016 was the first year the Tower was fully occupied with tenants for all months. The Program Committee recommends \$1 million in new grants for 2017. The \$1 million does not include unexpended funds. There could be more updates for the Tower budget. The North Lot will eventually have its own budget. Costs for the North Lot will come out of the Reserve Fund. The Finance Committee discussed options on how to replenish the Reserve Fund, and the possibility for a detailed tracking process for the development expenses. Budgeting and staffing for the North Lot project will become clearer once it is ascertained what the role of the PHPDA will be. The Grants and Finance Manager advised that once a contract has been made up with HSDPA, the PHPDA will send it to the State Auditor for advice on how to record the North Lot budget.

**Governance**

*Discussion of Governing Council Vacancy*

The Executive Director reminded the Governing Council that Rhonda Berry will not renew her membership for 2017, which will leave a vacancy. The ideal replacement candidate should have real estate, property and financial experience, and should be interested in the grantmaking mission of the PHPDA. Racial diversity was expressed as being a priority. The Executive Director will present a slate of individuals and qualifications to the Mayor of Seattle for his consideration and appointment. The Executive Director requested that if any GC members know of any interested persons, to please have them contact him directly so that he may clearly outline the expectations and commitments.

**Real Estate**



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*North Lot Project Update*  
*Resolution 18-2016*

The Executive Director updated the Governing Council on the progress of the North Lot project. Maria Barrientos and Jeff Natter continue to hold meetings with stake holders, county executives, the Mayor of Seattle, the Landmarks Preservation Board, Seattle College, ICHS and the communities of Beacon Hill to gather input and concerns. ICHS and El Centro de la Raza were informed via written letter about the North Lot project. Maria Barrientos has been diligently asking the entities how they plan to fund any potential programs they are interested in implementing on the North Lot. Maria Barrientos and her architectural team put together several site massing plans to present to the Real Estate Committee. These plans take into consideration the viewing corridors, height limitations, green spaces and street access. The Mayor's office supports multiple types of housing, but the site must include low income housing. The PHPDA legal counsel team continue their work to finalize the contract with HSDPDA. HSPDA has committed to a grant of \$1.7 million dollars directly to the PHPDA. In the event that the ICHS/Kin On program does not happen, regardless of the reason, the PHPDA will be required to pay back the \$1.7 million. The PHPDA has not yet received the draft contract from the county. The Executive Director reminded the committee that in order to purchase the North Lot, the PHPDA is dependent on the \$1.7 million from HSDPA. The PHPDA's ability to receive the 1.7 million from HSPDA is contingent on giving ICHS site permission for the aiPACE program.

The Governing Council voted to approve Resolution 18-2016 Authorizing the HSDPDA Funding Agreement (Moved/2<sup>nd</sup>ed by Doris Koo/Judy Tobin, 9 of 9 in favor).

**Executive Session: Personnel Matters**  
*RCW 42.30.1110(G)*

The Governing Council entered into Executive Session from 6:45 to 7:00pm.  
The Governing Council voted to extend the Executive Session for an additional 15 minutes.  
(Moved/2<sup>nd</sup>ed by Teresa Mosqueda/Judy Tobin, 9 of 9 in favor).  
The Governing Council re-entered Executive Session from 7:15 to 7:30.  
The Governing Council voted to extend the Executive Session for an additional 5 minutes..  
(Moved/2<sup>nd</sup>ed by Judy Tobin/Rhonda Berry, 9 of 9 in favor).  
The Governing Council re-entered into Executive Session from 7:30 to 7:35pm.

**Adjournment**

The meeting was adjourned at 7:35p.m.

Minutes approved \_\_\_\_\_

\_\_\_\_\_  
(Date)