



Meeting of the PHPDA Governing Council
October 8, 2013 5:30-7:00 p.m.
 Quarters 2 Building, Beacon Hill
 1200 12th Ave South Seattle, WA 98144

MEMBERS PRESENT		NOT PRESENT	ALSO PRESENT
Marite Butners	Nate Dreon (until 6:10)	Dan Lessler	Jeff Natter
Mike Heinisch	Theresa Rambosek (until 6:10)		Christina Bernard
Judy Tobin	Kevin Fox		Denise Stiffarm
Marc Provence	Diane Narasaki (from 5:55)		

Theresa Rambosek called the meeting to order at 5:32 p.m. A quorum was present. There was no public comment

Councilmember Judy Tobin shared an article about the Tower that appeared in the Puget Sound Business Journal.

The Governing Council approved the September 10, 2013 Governing Council minutes (Moved/2nded by Butners/Heinisch. 7 of 7 in favor).

The Governing Council accepted as information the Finance & Audit Committee minutes from September 10, 2013 and the Planning Committee minutes from September 4, 2013

Executive Director Update

Executive Director Jeff Natter reported on his work and accomplishments over the previous month, including attending the Philanthropy Northwest Annual Conference and meeting with additional community leaders. He has also spent significant time on work related to the nominating committee and to the plans for 2014 grantmaking.

Grantmaking

Update on Grantmaking Process and Focus for 2014-2015

Planning Committee chair Marc Provence and Executive Director Jeff Natter updated the Governing Council on the Committee’s work regarding plans for future grantmaking. The Planning Committee has spent time over the past several months discussing the likely focus areas for 2014 grantmaking, as well as the process. The Committee intends to finalize their discussions on focus and process in the next few months, and then begin the RFP process early next year, with a planned starting date of July 1, 2014 for most funding. Additional funds may also be spent on nimble or opportunistic grantmaking, as well as collective or collaborative funding with other organizations.

Financial Stewardship

Future Tower Reserve Fund

Finance Committee chair Marite Butners led a discussion on the topic of a Tower Reserve Fund for Tower-related costs, operating costs, and potential restoration costs at the end of a long-term lease. The Council discussed the best approach to the fund, taking into account the need for savings, the appropriate level of savings, and the timing of the savings. These decisions will also be balanced with the need to spend on future grantmaking to further the PHPDA’s mission. They discussed the idea of saving until the balance in the account will cover several years of operations, in case there is a need to find a tenant in the future. They also discussed whether the fund should be enough to cover work on the Quarters buildings in the future, as well as the Tower. The Council provided guidance to staff on the level of funding for 2014 to be included in the budget. Resolutions regarding both the budget, and the



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establishment of the fund, will be discussed and acted upon at the December Governing Council meeting.

At this time, Chair Theresa Rambosek left the meeting and Vice Chair Kevin Fox took over the role of chairing the meeting.

Review Policy 04-2006 Investment Objectives and Guidelines

Finance Chair Marite Butners discussed the revisions to Operating Policy 04-2006, several of which were recommended by staff, with one additional revision suggested at the Finance Committee meeting. The Policy is due to be reviewed again in three years. The Council adopted the revised Operating Policy 04-2006 (Moved/2nded by Butners/Tobin. 6 of 6 in favor).

Board Governance

Update from Nominating Committee

The Executive Director and members of the Nominating Committee updated the Council on their work to find new Governing Council members and strategic advisors. They have meetings with several candidates scheduled over the next few weeks.

Discussion of Potential Expansion of Governing Council Membership

The Council discussed the idea of potentially expanding the membership of the Governing Council. They reviewed some benefits and drawbacks to the idea. They also suggested that the Executive Director look into this change, and other organization structural issues as part of his workplan over the next several months.

Update on Tower Lease

The Executive Director updated the Council on information regarding the lease with the Department of Commerce and their work on due diligence.

Amendment to PacMed Lease (Res 17-2013)

As the amendment to the PacMed lease has not yet been finalized, Resolution 17-2013 will not be acted upon at this meeting. It will be brought to the November meeting.

Legal counsel Denise Stiffarm discussed the changes to the PacMed lease and two other agreements that will need to be updated in November. The Insurance Allocation agreement with the Federal Government ensures that the building is covered by insurance and also lays out which entities receive payment in case of a claim. The Reciprocal Easement agreement enumerates the rights and obligations of the PHPDA and tenants in regard to common space on the property. All of these agreements currently refer to the previous lease with WRC.Com Tower LLC. Assuming the Department of Commerce signs the lease, they will then be referenced in the agreements.

Adjournment

The meeting was adjourned at 6:55 p.m.

Minutes approved _____ (Date)