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

The Governing Council approved the June 10, 2014 Governing Council minutes (Moved/2nded by Tobin/Berry. 5 of 5 in favor).

The Governing Council accepted as information the Finance & Audit Committee minutes from June 10, 2014 and the Planning Committee minutes from June 4, 2014.

**Executive Director Update**
The Executive Director provided an update on the work of the PHPDA staff over the past month. Much of the work was related to contract meetings with the new PHPDA grantees.

**Financial Management**
**Budget Update – Legal and Real Estate Advisor Expenses**
The Council discussed two items that will likely be significantly over-budget for the year: legal fees (largely related to the discussions with PMC early in the year) and real estate advisor fees (related to greater-than-expected need for advice surrounding PHPDA’s leases). As recommended by the Finance Committee, the Governing Council voted to (1) acknowledge the fact that both lines will exceed their 2014 budget amounts, (2) ask staff to discuss expected remaining 2014 costs with the respective consultants, and (3) ask staff to build an action plan to attempt to control expenditures while still using these services when necessary to mitigate risks (Moved/2nded Fox/Berry. 5 of 6 in favor; Marc Provence abstained as he arrived at the meeting just before the vote and did not hear or participate in the discussion).

**Renew professional relationship with Pacifica Law Group (Res 11-2014)**
The Council reviewed a resolution to continue the professional services relationship with Pacifica Law Group. All professional service relationships must be reviewed every three years. Pacifica, primarily Gerry Johnson, provides as-needed legal advice to the PHPDA. Mr. Johnson has extensive historical knowledge of the PHPDA, having been involved in the creation of the PHPDA, the leases with WRC.Com Tower LLC and WRC.Com Development LLC, and other significant events in PHPDA’s history. He also works as the legal counsel to several other PDAs. The PHPDA solicits advice and input from him for limited and specific issues that require his expertise. The Council adopted Resolution 11-2014 (Moved/2nded Heinisch/Tobin. 6 of 6 in favor).
Meeting of the PHPDA Governing Council  
July 8, 2014 5:30-7:00 p.m.  
Quarters 2 Building, Beacon Hill  
1200 12th Ave South     Seattle, WA 98144

PHPDA Governance  

Expansion of Governing Council  
Vice Chair Mike Heinisch discussed the Nominating Committee’s work on a Council skills matrix to determine gaps that could or should be filled in future recruitment, as well as their recommendation to expand the size of the Governing Council. The expansion of the Council was recommended to increase the diversity and skill set of the group. They settled on a recommendation of eleven (expanding the Council by two). The Council discussed the benefits of expansion, as well as the risks of bringing on too many new people with no or limited background in the PHPDA’s work. They also discussed the strategic advisor role, the time it takes to recruit Council members, and the importance of finding individuals who have direct knowledge in the issues funded by the PHPDA.

As expansion of the Council would require a Charter amendment, staff will review the Charter to determine what changes would need to be made if the Governing Council goes forward with expansion. The Nominating Committee will work on developing a pool of possible advisors and Council members.

PHPDA Board Retreat  
The Council discussed a possible board retreat to be held in the Fall. Some potential topics are: Governing Council expansion and other Charter changes; how to address multiculturalism and diversity in PHPDA’s work and grantmaking; and advocacy. The Executive Director suggested that it would likely be best to have one long meeting, rather than adding an hour to several regular Governing Council meetings. Staff will poll the Council on availability.

Grantmaking  

Update on Grantmaking – Competitive Grant Contracting and Nimble Fund  
Planning Committee Chair Marc Provence updated the Council on the Committee’s work on the Nimble Fund. Staff created a draft guidance document. Committee members will be providing feedback and a few will work with staff to put together a final draft for Committee consideration in September. The first round of Nimble Fund grants will likely be reviewed in the Fall, with awards to begin in early 2015.

The Executive Director updated the Council on the contract meetings held with the twelve grantee agencies. Feedback was overwhelmingly positive, with agencies stating that the PHPDA’s contract and terms were reasonable and manageable.

He then reported that one of the twelve agencies wanted to make significant changes to the grant contract, many of which were not possible because of the PHPDA’s status as a public entity. After discussions with PHPDA legal counsel and the Planning Committee, staff informed the agency that the changes would not be considered. The agency agreed to sign the contract, but issues again arose when PHPDA staff reviewed the proposed contracts to be signed by the agency and two sub-contracted agencies. Again, there were several items that could not be included. The agency did not respond to the PHPDA’s concerns before staff left for the Finance Committee and Governing Council meetings. The Governing Council affirmed the Planning Committee’s direction that no additional legal fees be incurred in this process. Additionally, they do not want any significant additional staff time spent on this contracting process. Staff will contact the agency to inform them that no significant additional negotiation can occur.
Presentation on Collective Impact and Update on Living Cities Conference
Executive Director Jeff Natter made a presentation on his experience with collective impact and the Living Cities Conference he attended in June in Chicago. Items and issues discussed included:

- Collective impact grantmaking and its inclusion of cross-sector tables, shared results, and commitment to change behavior to achieve the shared results
- The process of planning followed by several feedback loops to learn what is working and why
- Looking at change over 10 to 20 or more years
- The importance of being responsive to some things out of the control of the group
- Working with communities to determine strategies
- Data infrastructure

He also reviewed the King County Transformation Plan’s focus areas at the individual and community level, as discussed at the last Governing Council meeting.

Adjournment
The meeting was adjourned at 7:00 p.m.

Minutes approved__________________________  ______

(Date)