

PFD Snohomish County
Public Facility District Meeting Minutes
Willis Tucker Conference Room
February 8, 2002
3:00 P.M.

Attendance:

Board Members Present

Steve Juntwait, District #2
Liz Loomis, District #5
Boyd McPherson, District #1
Erik Nelson, District #3
Travis Snider, District #4

Staff Present

Dan Clements, Finance Department
Sylvia DeZordo, Finance Department
Wanda Johnson, Finance Department
Larry Springer, Planning Department

Others Present

Norma Brend, Citizen (Edmonds)
Frances Chapin, City of Edmonds
Bob Colegrove, Citizen (Edmonds)
MaryAnn Colegrove, Citizen (Edmonds)
Warren Cornwall, Hearld
Cindi Cruz, City of Edmonds
Alan Dashen, A. Dashen and Associates
Greg Easton, Property Counselors
Doug Ferguson, Anderson Hunter
Gary Haakenson, City of Edmonds
Bill Lewallen, Paine Field Airport
Kay Mahaffey, Edmonds PFD Board
Bob McBride, Classic Cascade Symphony
Anna McGibbon, Citizen
John McGibbon, Edmonds PFD Board
Darlene McLellan, Edmonds Arts Festival Foundation
Gary Nelson, Snohomish County Council
Carol Nordling, Citizen (Edmonds)
Bob Ormsby, Museum of Flight
David Peterson, Edmonds Alliance for Economic Development
Barry Smith, NFIC
Bill Trenkamp, Citizen
Terry Vehrs, Edmonds PFD Board
John Walkins, Olympia Ballet Theater
Dave Waggoner, Paine Field Airport

Call to Order

Travis Snider, President, called the meeting to order at 3:00 P.M. and discussed the process that would occur at the public meeting. Paine Field/Museum of Flight and the City of Edmonds had submitted their business plans and the PFD are now seeking to determine the viability of the projects. Travis stated that each applicant has 30 minutes to give their presentation. The PFD Board would then have 20 minutes to ask questions.

Travis stated that the people in the audience would be able to offer public comment on the two projects Friday, February 15, 2002.

Minutes

Boyd McPherson approved the minutes for January 11, 2002 and Liz Loomis seconded. The PFD Board unanimously approved the minutes.

New Business

Voucher Approval

An invoice submitted by Anderson Hunter in the amount of \$1,891.50 and PFD Board reimbursements totaling \$200 were approved by the PFD Board.

Business Guidelines

The PFD Board would be following the criteria of the Business Plan Guidelines before choosing one of the projects.

Project Up-Dates

Quick Status Reports

Everett

Dan Clements stated that the City of Everett is making some design changes and moving ahead on negotiations for a hockey team.

Lynnwood

Dan stated that the draft interlocal agreement presented to the PFD Board has been approved by the City of Lynnwood. The agreement is being reviewed by the Snohomish County Prosecuting Attorney. Doug Ferguson stated that condemnation proceedings are occurring within the City of Lynnwood.

Business Plans Review and Discussion

City of Edmonds

Terry Vehrs, Chair for the Edmonds PFD, introduced the Edmonds PFD Board and consultants Greg Easton and Alan Dashen.

Greg Easton presented the summary of the Edmonds Business Plan. Greg discussed the following items:

Description
Market Support and Utilization
Financial Requirements
Financial Plan
Schedule.

Greg stated that the facility would be a multipurpose public facility designed and programmed for conferences, performing arts and special events. The Edmonds Event Center would utilize Puget Sound Christian College. Greg discussed the renovation that would occur to the current facility on the ground floor to accommodate events. The second floor renovation would provide meeting and conference space.

The City of Edmonds conducted extensive marketing and the center would be positioned in the market as a multipurpose facility combining auditorium, banquet and small classroom/meeting rooms to serve the needs of local and Puget Sound area performing arts groups. This facility will compliment other PFD facilities within Snohomish County.

Greg discussed the financial requirements which include the following capital requirements: Land acquisition, renovation, seismic/ADA, auditorium and gymnasium renovation totaling.

The City of Edmonds is looking at the following three sources of funding:

Edmonds PFD Sales Tax Rebate
County PFD Sales Tax Rebate
Portion of 0.1% voted increase Edmonds sales tax approved by the voters.

Greg presented a schedule for the construction of the Edmonds Event Center that would be completed by the December 31, 2003 deadline. Edmonds has projected opening the facility by the beginning for 2004.

Greg summarized that the project is viable in terms of financial feasibility and is eligible for PFD funds. The project would provide needed public facilities and economic stimulus for South Snohomish County. The project would also preserve an important historical and community resource.

Travis stated that the PFD Board would ask questions of the applicants. The applicants would then respond appropriately.

Terry Vehrs explained to the PFD Board that there are negotiations occurring with the college to obtain the property. There are three partners involved in the purchase of the property. The bid to purchase the property would probably be approximately \$3-5 million.

Travis asked what work has been done to ensure that the sales tax would be supported by the residents. Travis and Terry discussed that a campaign would be promoted by art groups within the City of Edmonds. Terry also explained that if voters do not pass the sales tax increase, the City would consider phasing their project.

The PFD Board and Terry discussed the proposed parking facilities for the event center.

Travis mentioned that a feasibility study was to be submitted under separate cover to the PFD Board. Terry presented one copy to the PFD Board at the meeting.

Travis asked Mayor Haakenson what were the City of Edmonds commitments to the project. Mayor Haakenson stated that the college would be sold to either the City of Edmonds or the PFD of Edmonds.

Boyd McPhearson and Greg Easton discussed the market analysis which was included in the business plan.

Erik Nelson and Greg Easton discussed the operating deficit and that the Edmonds PFD can continue to operate the facility under a deficit. Greg stated that the feasibility study should be able to provide answers to the PFD Board.

Doug Ferguson, Terry Vehrs and Mayor Haakenson discussed that if the sales tax is not passed by the voters, the 1/3 match would be matched by the three partners.

Paine Field and Museum of Flight

Barry Smith stated that the Museum of Flight Executive Committee has endorsed the \$2.6 million to the project.

Dave Waggoner, Paine Field Director, introduced Bill Lewallen who would be the Project Manager for Paine Field/Museum of Flight project.

Dave discussed that changes have been made to the project to meet the financial proforma making the proposal very conservative. The project includes the Museum of Flight Conference Center and the Boeing Touring Center.

Dave explained the type of facilities that would be available to people utilizing the Conference and Boeing Tour Centers. Dave reviewed the project cost estimates, project financing and sources of funds stated in the business plan.

Dave stated that they are determined to meet the construction deadlines. He also identified all significant risks to the feasibility of the project and stated that these risks can be managed to attain the goal of developing a financially sound and self-funding project. Dave also stated that operation of the facility would be self-sustaining.

Liz Loomis and Dave discussed the type of conference space they would be providing that would compliment the hotel conference spaces now available within the Snohomish County area.

Doug and Dave discussed the time schedule which includes a presentation to Snohomish County Council.

Correspondence

Dan stated that the Finance Department had received correspondence from citizens and have submitted the documents to the PFD Board.

Old Business

Status of Ordinance Extending Viability Date/Governance

Dan stated that on February 20th Snohomish County Council would hear the Ordinance for extending the project viability date.

Next Meeting Date

The PFD Board would be meeting on February 15, 2002 at 3:30 P.M. Travis invited any citizens or groups to offer public testimony at that meeting. Testimony from citizens and groups would be limited three to five minutes. The Board would review the criteria and evaluate the two business plans.

Dan would provide third party information to the PFD Board on the definition of "commencement of construction".

Steve Juntwait and Erik Nelson would not be able to attend the next meeting, but would submit their comments to Dan Clements prior to the February 15th meeting.

The PFD Board also scheduled a meeting for March 1, 2002 at 3:00.

Adjournment

The meeting adjourned at 5:00 PM

