

Minutes

Washington State Convention Center
Public Facilities District

Special Meeting of the Board of Directors
February 26, 2019

I. CALL TO ORDER

Frank K. Finneran, Board Chairman, convened a special meeting of the Washington State Convention Center Public Facilities District (WSCC) Board of Directors at 11:30 a.m. in Room 208, of the Convention Center.

MEETING ATTENDANCE

Board Directors in Attendance

Frank K. Finneran, Chair
Deryl Brown-Archie, Vice-Chair
Robert Flowers
Nicole Grant
Jerry Hillis
J. Terry McLaughlin
Denise Moriguchi (*by teleconference*)
Susana Gonzalez-Murillo (*by teleconference*)
Craig Schafer

Officers in Attendance

Jeffrey A. Blosser, President / CEO
Chip Firth, Director of Finance and Administration / CFO

Legal Counsel

Matt Hendricks, Hendricks – Bennett, PLLC (*by teleconference*)

Staff in Attendance

Shannon Leahy
Michael Murphy
Paul Smith
Lorrie Starkweather

II. DISCUSSION AND POTENTIAL ACTION REGARDING THE SALE OR PURCHASE OF REAL ESTATE

Mr. Finneran requested Mr. Blosser to provide an overview of the item for discussion. Mr. Blosser advised that the Board had authorized the purchase of the property at 150 Horton Street, Seattle, WA, by Resolution 2016-17 at the September 27, 2016 Board meeting. Since taking possession of this marshalling yard property, staff have been trying to discern how best to utilize the two parcels due to the railway tracks that run through the property. WSCC has used part of the property as a marshalling yard for some of the events, and have subleased space to clients such as READY, Penny Arcade (PAX) and the NW Flower & Garden Festival. Staff have been in contact with BNSF Railway regarding the potential removal of the tracks located on the property. Mr. Blosser stated that staff was approached by a realtor about selling the current property and purchasing another piece of property, with the goal of making a profit to put back into the Addition Project. Timing is crucial on this transaction. Mr. Blosser requested Mr. Murphy to provide the Board with further details.

Mr. Murphy provided an overview of the potential sale of Parcel "A" (2.76 Acres). Questions arose regarding WSCC's current use of the property, the easements on the property, and the potential risks involved with the sale. Mr. Murphy advised that Parcel "A" has some security concerns as it is not totally fenced. WSCC has an existing tenant on Parcel "A" who has helped to manage the lot's usage and provide security. Mr. Murphy outlined the property identified for purchase (9645 MLK Way S, Seattle, WA, to be referred to as Parcel "B") and advised that although Parcel "B" is smaller (1.66 Acres), it is fully fenced with a gated entry, can easily accommodate 60 trucks, has a small warehouse onsite, and is easily accessible from I-5. Mr. Blosser advised that there would be a need to manage the operations. Questions arose regarding potential risks involved with the purchase of this property with respect to environmental concerns, along with financial concerns/restraints if Parcel "A" is not sold prior to the purchase of Parcel "B". Mr. Finneran advised that the final Purchase & Sale Agreement would come back to the full Board for approval, however time is of the essence with respect to negotiating the sale of Parcel "A" and the purchase of Parcel "B".

Mr. Hillis made a motion to authorize the Board Chair to negotiate the sale of Parcel "A" and to negotiate the purchase of Parcel "B" for the District's marshalling yard facility, with the Purchase & Sale Agreement to be brought back to the full Board for final approval. Mr. McLaughlin seconded the motion.

Mr. Murphy requested that the motion be amended to authorize the Board Chair and President to negotiate the purchase and sale of real estate for the District's marshalling yard, and authorizing the Board Chair and President to execute the Purchase & Sale Agreement within 45 days.

Mr. Hillis so amended his motion, Mr. McLaughlin seconded, and the motion was carried by the unanimous affirmative vote of all Directors present, both in person and on the telephone.

III. Adjournment

Mr. Hillis moved to adjourn the February 26, 2019 Special Meeting at 11:52 a.m. Mr. Flowers seconded and the motion was carried by the unanimous affirmative vote of all Directors present.