

Snohomish County  
Public Facility District Meeting Minutes  
Tucker Conference Room  
October 19, 2001  
3:00 P.M.

Attendance:

**Board Members Present**

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

**Staff Present**

Dan Clements, Finance Department  
Sylvia DeZordo, Finance Department  
Larry Springer, Housing and Economic Development  
Dave Waggoner, Paine Field Airport

**Others Present**

Bill Bagley, The Boeing Company  
Andy Bro, Museum of Flight  
Stephen Clifton, City of Edmonds  
Laura Domoto, Seneca Real Estate Group  
Mike Echelbarger, South County PFD Board  
Doug Ferguson, Anderson Hunter  
Dirk Fieldcamp, The Boeing Company  
Bob Fuller, South County PFD  
Jim Haley, Herald  
Tad Kasuya, Evergreen Consulting  
Louise Stanton-Masten, South County PFD  
Barry Smith, Museum of Flight  
Sara Spence, South County PFD  
Mike Stanley, Seneca Real Estate Group

**Call to Order**

Travis Snider, President, called the meeting to order at 3:05 P.M.

**Approval of Minutes**

Liz Loomis approved the minutes, seconded by Steve Juntwait and unanimously approved by the Board.

Travis Snider stated that the first 30 minutes of the meeting would be spent on understanding the issues and responsibilities in before making a choice on the projects that would be presented to the PFD Board.

## **New Business**

### *Discussion of PFD Powers, Duties*

Doug Ferguson distributed a memo to the PFD Board and provided an overview of the powers and duties of the Board. Doug discussed statutory powers and explained the Board's restrictions and limitations within the ordinance and charter adopted by County Council. Doug emphasized that the Board should take advantage of the sales use tax and utilize the tax to support projects. Doug also stated that any project over \$50,000 would need an interlocal agreement and that the proposed regional centers must qualify under the tax rebate.

Doug discussed the Museum of Flight project. The County Council would need to relieve the PFD Board of restrictions before moving forward with this project. The Council would have to amend the PFD Ordinance or locate a city within Snohomish County that would promote the project.

Barry Smith, Museum of Flight, and Dan Clements stated that they are discussing the issue with County Council and the possibility of ratifying the PFD Ordinance by a resolution.

Travis asked that information be presented to the PFD Board on November 2 regarding the possibility of ratifying the ordinance by a resolution.

### *Discussion of Project Viability Definition*

Doug Ferguson stated that the PFD Board would need to consider the following in defining the viability of a project:

- Minimum statutory overall cost of the project
- How much money would be available to do the project
  - Is there a need and community benefit
  - Utilize tax dollars to support project
- Review the financial stability
  - Can the project be completed and operational (self-sustaining)
- Other criteria
  - Qualitative

Dan Clements also stated that in order for the project to be viable it must meet state requirements, be constructed by year 2002 and be in harmony with other projects proposed by the PFD.

Travis expressed the need to have the projects compliment each other and asked each person presenting their projects to keep this in mind during their presentation.

### *Bylaws – Distribution, No Action*

The PFD Board would review the Bylaws and discuss at the November 2<sup>nd</sup> meeting. Comments by the Board could be submitted directly to Doug Ferguson.

## **Project Up-Dates**

### *Lynnwood Special Events Center*

Mike Echelbarger, representing South County PFD Board, stated that the city signed the first purchase of property and are planning to purchase all property needed to proceed with the project.

Mike mentioned that due to the events occurring within the United States, no hotel proposal has been submitted to the Lynnwood PFD Board. Mike discussed the first phase of the convention center and stated that they do have the funds to implement the conservative plan. Mike also stated that Phase II may occur within 10 years and there has not been any discussion regarding Phase III.

Sara Spence distributed a handout and discussed the financing and differences between the Everett and Lynnwood projects.

The PFD Board addressed issues with the City of Lynnwood in regards to the phases of the project and funding. Dan Clements explained that the City of Lynnwood receives a great deal of hotel tax; therefore, would receive a lump sum of \$800,000 and \$400,000 annually.

Doug stated that if Phase I is a viable project, the PFD Board does not need to discuss future phases the project at this time. Sara Spence stated the Phase II and III would be compliance with legislation statute. Mike Bailey, City of Lynnwood, stated that they have four years to generate revenue for the additional phases of the project.

Eric Nelson and Mike Echelbarger discussed that the City of Lynnwood receives revenue from the property not being used for Phase I.

Sara stated that the PFD Board and City of Lynnwood are working cooperatively in regards to the master plan.

Mike Echelbarger stated that the Lynnwood PFD project is compatible with City of Everett's project but not compatible with City of Edmonds project.

Boyd McPherson asked that the revised financials be submitted to the PFD Board. Dan Clements would provide the revised numbers to the Board.

Doug Ferguson asked that Mike Bailey submit the matrix tracking how Phase I and the additional property to be acquired are distinguished relative to the sources and uses of tax dollars by type of tax (i.e. sales and use tax vs. the hotel-motel tax).

Mike Bailey stated that the City of Lynnwood would be requesting \$8 million.

### *Everett Arena*

Dan stated that the Interlocal Agreement for the Everett Arena was heard by County Council on October 17<sup>th</sup> and continued to October 31<sup>st</sup> at 10:30 a.m.

## *Museum of Flight*

Barry Smith distributed a Briefing Paper to the PFD Board regarding the development of the National Flight Interpretive Center.

Dirk Fieldcamp, Boeing Company, stated that they were very supportive of the Museum of Flight project.

Mike Stanley, Seneca Group, stated that they would like the opportunity to further discuss the project with the PFD Board. Travis asked that during their presentation they explain how the project meets the Regional Center criteria. Doug stated that Dick McCann, Perkins Coie LLP, would provide a legal opinion on how the project meets the criteria. Also, the PFD Board would provide their questions to the Museum of Flight prior to the presentation on November 2<sup>nd</sup>.

## **Correspondence**

### *Feasibility Study - Edmonds*

Stephen Clifton stated that the Feasibility Study would be presented to the Edmonds PFD Board on November 1<sup>st</sup>.

## **Old Business**

None

## **New Business**

None

## **Other Discussion**

Eric Nelson, Dan Clements and Doug Ferguson discussed the allocation of dollars for the proposed projects. Dan stated if there are a fixed schedule of dollars you would want to make sure that there is enough reserve that are not 100% allocated. If you allocated percentages, it would be easier not to allocate 100%.

Travis asked that at the next meeting Dan discuss what are the PFD reserves and how much would be appropriate to allocate.

Dan and Doug discussed that if Phase II of a project is presented to the PFD Board prior to January, 2002, additional dollars could be used to construct Phase II of a project.

## **Public Comments**

None

## **Adjournment**

Meeting adjourned at 4:50 P.M.

Next meeting scheduled for November 2<sup>nd</sup> at 3:00 P.M. in the Willis Tucker Conference Room. The PFD Board also scheduled meetings for November 16<sup>th</sup> and 30<sup>th</sup> at 3:00 P.M.

## Pending Items for Discussion

Possibility of ratifying the PFD ordinance by a resolution on restrictions before moving forward with Museum of Flight project.

The PFD Board would review the Bylaws.

Dan would provide revised financials for the Lynnwood PFD.

Dick McCann, Perkins Coie LLP, would provide a legal opinion on how the Museum of Flight project meets the Regional Center criteria.

The PFD Board would provide their questions to the Museum of Flight.

City of Everett would present their project.

Dan would lead discussion on cash flow and reserves.

