



**AGENDA**  
**Special Board of Directors Meeting**  
**Fort Worden Public Development Authority (FWPDA)**  
**Tuesday, December 29, 2020 | 1 p.m.**  
**Via Zoom (Remote Meeting Per Governor Inslee's Proclamation 20-28.14)**

**Public Meeting Access Information:**

*To join the webinar by computer:*

<https://zoom.us/j/94888302267?pwd=T1VYNEJwU2NUVzdPVk5RZTh5b1N1QT09>

*By phone only dial:*

1+ 253-215-8782

Meeting ID: 948 8830 2267

[no participant ID]

Passcode if needed: 195445

\*9 to request to speak during public comment

**Public Meeting Agenda**

- I. Call to Order
- II. Resolution 20-23 Re the 2020 FWPDA Budget
  - A. Staff Report
  - B. Board Discussion

**Action:** Motion to approve **Resolution 20-23** to adopt the supplemental appropriation and modification of the 2020 annual Operating and Capital Fund budget
- III. Resolution 20-24 Re the 2021 FWPDA Budget
  - A. Staff Report
  - B. Board Discussion

**Action:** Motion to approve **Resolution 20-24** adopting an Enterprise Services Fund budget for fiscal year 2021
- IV. Makers Square Lease Changes
  - A. Staff Report
  - B. Board Discussion

**Action:** Move to authorize the Interim Executive Director to execute necessary documents that cancel lease agreements between the PDA as lessor and Fort Worden Foundation as lessee for Buildings 305, 308, and 324 in connection with receipt of grants for rehabilitation of the buildings, and directing the Interim Executive Director to make the cancellation effective on execution of a replacement lease between Makers Square Master Tenant, LLC, as landlord, and Fort Worden Foundation, as lessee
- V. Public Comment (limited to special meeting agenda topics)

VI. Next Meetings (tentative)

- Board Meeting: January 13<sup>th</sup> at 1 p.m. and/or January 20<sup>th</sup> at 10 a.m.

VII. Adjourn

**RESOLUTION NO. 20-23**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE FORT WORDEN  
LIFELONG LEARNING CENTER PUBLIC DEVELOPMENT AUTHORITY TO  
ADOPT THE SUPPLEMENTAL APPROPRIATION AND MODIFICATION OF  
THE 2020 ANNUAL OPERATING AND CAPITAL FUND BUDGET**

**BE IT RESOLVED** that the Board of Directors of the Fort Worden Lifelong Learning Center Public Development Authority adopts the supplemental appropriation and modification of the 2020 annual Operating and Capital Fund budget. Total expenditures for each budget are:

Operating/Hospitality Services:	\$6,093,695	[Adopted 2020 budget]
	<b>\$2,675,110</b>	<b>[YTD Actual]</b>
Capital Improvement Fund:	\$6,401,065	[Adopted 2020 budget]
	<b>\$3,090,471</b>	<b>[YTD Actual]</b>

**ADOPTED AND APPROPRIATED** by of the Board of Directors of the Fort Worden Lifelong Learning Center Public Development Authority at a special meeting thereof, held this 29th day of December 2020.

By: \_\_\_\_\_

Norm Tonina, Co-Chair

By: \_\_\_\_\_

Todd Hutton, Co-Chair

ATTEST:

By: \_\_\_\_\_

Jane Kilburn, Secretary

**RESOLUTION NO. 20-24**

**A RESOLUTION OF THE BOARD OF DIRECTORS OF THE FORT WORDEN  
LIFELONG LEARNING CENTER PUBLIC DEVELOPMENT AUTHORITY TO  
ADOPT AN ENTERPRISE SERVICES FUND BUDGET FOR FISCAL YEAR 2021**

**BE IT RESOLVED** that the Board of Directors of the Fort Worden Lifelong Learning Center Public Development Authority (FWPDA) adopts the Enterprise Services Fund Budget for fiscal year 2021 as presented. Total expenditures are:

FWPDA Enterprise Services Fund Budget: \$5,765,581

**ADOPTED AND APPROPRIATED** by the Board of Directors of the Fort Worden Lifelong Learning Center Public Development Authority at a special meeting thereof, held this 29<sup>th</sup> day of December 2020.

By: \_\_\_\_\_

Norm Tonina, Co-Chair

By: \_\_\_\_\_

Todd Hutton, Co-Chair

ATTEST:

By: \_\_\_\_\_

Jane Kilburn, Secretary

**DATE:** December 29<sup>th</sup>, 2020

**TO:** FWPDA Board of Directors

**FROM:** John Watts

**SUBJECT:** Action to Rescind Lease to FWF for Buildings 305, 308, and 324

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This memo provides background to a requested Board action at its Dec. 29, 2020 meeting. The requested action authorizes the Interim Executive Director to execute documents that cancel lease agreements between the PDA as lessor and Fort Worden Foundation (FWF) as lessee for Buildings 305, 308, and 324. The leases were in connection with receipt of grants for rehabilitation of the buildings.

The recommended action comes on the recommendation of the PDA's Historic Tax Credit (HTC) attorney who advises it is necessary for the Makers Square HTC transaction to proceed.

Beginning in 2016, the PDA leased Buildings 305, 308, and 324 to Fort Worden Foundation (FWF) in several transactions, to allow FWF to qualify for receipt of a Building for the Arts (BFA) grant for rehabilitation of the buildings. To receive the grant, FWF required a leasehold interest in the Buildings (and further was required to undertake certain improvements with grant monies and make the Buildings available for public use for 15 years).

To realize investment monies for Makers Square rehabilitation under the historic tax credit (HTC) program, these transactions need to be voided in order to place a private entity (in this case, Makers Square Landlord, LLC) in possession of the Makers Square property, to allow it to participate with other entities and the investor (bank) to finance rehabilitation of the buildings for the benefit of the PDA (and in return the investor receives the historic tax credits). The Board previously authorized a lease from the PDA to Makers Square Landlord, LLC for HTC purposes.

On cancellation of the PDA-FWF leases, a replacement lease would occur to put FWF in the same position it is in now vis-à-vis its BFA grant obligations. The replacement lease would be from an HTC entity to FWF.

The interim Executive Director has briefed Herb Cook of the FWF on the replacement lease, and advises that FWF has no issue with this action.

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