

**WSCC Board Addition Committee
Minutes
March 23, 2021
Noon
WSCC – by remote access via MS Teams**

WSCC Board in Attendance:

Frank Finneran, Chair - WSCC Board Addition Committee
Deryl Brown-Archie, WSCC Board Addition Committee
Bob Flowers, WSCC Board Addition Committee
Nicole Grant, WSCC Board Addition Committee
Jerry Hillis, WSCC Board Addition Committee
Craig Schafer, WSCC Board Addition Committee

WSCC Staff / Consultants in Attendance:

Jeff Blosser, WSCC President / CEO
Linda Willanger, WSCC VP – Administration / A.G.M.
Jon Houg, WSCC VP – Operations
Sam Hecker, WSCC CFO
Chip Firth, former WSCC CFO
Michael McQuade, WSCC Director of Sales
David Cononetz, WSCC Director of Facilities
Tony Sheehan, WSCC Director of Information Services
Michael Murphy, WSCC Project Coordinator
Lorrie Starkweather, WSCC Executive Assistant to President & Board of Directors
Matt Hendricks, General Counsel
Becky Bogard, Bogard & Johnson
Fred Eoff, PFM Financial Advisors LLC
Matt Griffin, Pine Street Group
Matt Rosauer, Pine Street Group
Jane Lewis, Pine Street Group
Armeta Libby, Pine Street Group
Jason Foley, Pine Street Group
Ashley Lippincott, Pine Street Group
Chris Raftery, Raftery CRE
Gary Smith, Clark Lewis
Ben Eitan, Clark Lewis
Margery Aronson, Art Advisor

Guests in Attendance:

Mindy Johnson, LMG
Karen Sudderth
Dale Clark (206-455-4535)

Chairman Finneran called the meeting to order at 12:00 p.m. with Committee members participating by MS Teams videoconference/teleconference and public access via telephone.

Following unanimous approval of the consent agenda and comments on the focus on schedule, costs, and financing, Finneran asked Griffin to lead the review.

On Schedule, the Temporary Certificate of Occupancy (TCO) slid over the past month due to various issues, including COVID-19 and snow claims and is currently sitting at the end of June 2022. The performance of American Bridge (AB) remains the focus on the critical path. AB advanced to Zone 5 last week and is expected to complete it in June. The expanding structure is creating more room for the trades to work; up to 1,000 workers are expected on site this summer. With completion of the structure, Clark-Lewis hopes to expedite the work and improve on the current TCO date. After more than 2.5 years of construction, the project is about 55 percent complete; the remaining 45 percent will get done between now and TCO, meaning the pace will pick up significantly with enough space for more workers.

Two significant permits are still pending: release of the approved Street Improvement Plan is expected in April after a pre-construction meeting with the City; and the team is responding to final questions on the Fire Protection Permit.

On Finance, there were few changes in the past month on the Sources and Uses. The primary issue is solving the coronavirus-induced financing gap. The plan involving bridge loans from the City, County, and State is still in process. A private bond issuance is also being pursued as an alternative. A detailed analysis of the potential bond issuance will be provided at the Finance Committee meeting today, and the discussion advanced later today to the Board of Directors.

COVID-19 relief from the CARES Act was requested by the project in the fall but was not provided by the state. Now, the project is pursuing relief from the state again, which is receiving \$4.2 billion from the COVID-19 stimulus package recently passed by Congress.

On the co-developments, Hudson Pacific Properties (HPP) continues to refine design of the Site C office building, including completing a recent purchase of Transfer of Development Rights to slightly increase the project's square footage. HPP has requested the right to delay start of construction for up to one year after closing. PSG has confirmed with the City that such a delay will not affect the Site A TCO and is amending the HPP Purchase and Sale agreement to reflect the potential delay. For the apartment building, the ownership group has the option to close on the project by the end of 2022, pending recovery of downtown Seattle from pandemic impacts.

On Quality, in the next few months, the team will complete refining retail and MEP options to address budget stresses. The art program is focused on infrastructure integration to keep ahead of construction, particularly for the two artworks in Zone 1. On Outreach, workforce statistics remained strong in the past month, with Priority Hire at nearly 25 percent and apprentices at 17.5 percent.

The What's Next Washington focus of the most recent project newsletter received many positive comments from readers. Both Clark Construction and Lease Crutcher Lewis supported the effort with their own contributions.

On Contracts, agreements with the DAS providers are being finalized. Otherwise, contracts are in good shape.

Murphy reported that an agreement to sell the Horton Street marshalling yard property, including a lease back arrangement to support Addition construction, is nearly ready for Board review.

There being no further business, the meeting was adjourned at 12:20 p.m.