

WSCC Board Addition Committee
Minutes
March 22, 2022
12:00 p.m.
WSCC – by remote access via MS Teams

WSCC Board in Attendance:

Frank Finneran, Chair - WSCC Board Addition Committee
Bob Flowers, WSCC Board Addition Committee
Jerry Hillis, WSCC Board Addition Committee
Craig Schafer, WSCC Board Addition Committee

WSCC Board Absent:

Deryl Brown-Archie, 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
Michael McQuade, WSCC Director of Sales
Krista Daniel, WSCC Director of Event Services
Tony Sheehan, WSCC Director of Information Services
David Cononetz, WSCC Director of Facilities
Loni Syltebo, WSCC Director of Communications
Earl Taylor, WSCC Director of Operations
Lorrie Starkweather, WSCC Executive Assistant to President & Board of Directors
Matt Hendricks, General Counsel
Fred Eoff, Public Financial Management
Matt Griffin, Pine Street Group
Jane Lewis, Pine Street Group
Chris Raftery, Raftery CRE
Gary Smith, Clark Lewis
Ben Eitan, Clark Lewis –
Margery Aronson, Art Advisor

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, Finneran asked Griffin to lead the review.

The primary schedule issue is the Teamsters strike and lack of concrete. The schedule has slipped 2.5 months recently and is expected it to slip more in March, resulting in an early October Temporary Certificate of Occupancy (TCO). There is still significant work under way, but the project has about 150 fewer workers due to the strike, which affects the critical path. The team is working on a variety of potential solutions. Community impacts are considerable.

On permits, the team was able to extend the residential permit for 18 months on the day it was due to expire. Seattle's Department of Construction and Inspections was very helpful in the resolution.

Contingencies in the Finance Plan have been holding fairly steady in recent months. The "elephants in the room" remain delay issues with American Bridge (AB) and now the Teamsters. Further explanation to be provided during the Executive Session to be held at the Board of Directors meeting this afternoon.

Efforts at the state legislature secured \$20 million in COVID-19 relief funds for WSCC. Griffin said \$35 million had been sought, but the project could have received zero. The pro rata share is \$17.15 million for the project and \$2.85 million for WSCC operations. Thanks to Insight Strategic Partners and Becky Bogard. We are determining the process to obtain the funds.

Closing with the office co-development buyer is expected in late April. Griffin anticipates sufficient concrete will be available to complete the podium by then. Buyer Hudson Pacific Properties expects to start construction May 4.

For the residential co-development, rents at the end of 2021 returned to about even with pre-COVID rents in 2019, but rising construction costs create a tougher equation. Open issues regarding next steps with the buyer are in discussion.

Quality issues with the architect are in good shape. On Outreach, in the past month apprentices composed almost 22 percent of the workforce on a 15 percent goal and Priority Hire reached 29 percent on a 19 percent goal. As of January, there have been 1,293 apprentices on the job and 1,911 workers have been dispatched from economically disadvantaged ZIP codes.

Contracts are satisfactory except for the delays. A team comprised of WSCC Board member Jerry Hillis, Richard Yarmouth, Chris Wright with Carney Badley Spellman, Chris Raftery, Matt Rosauer and Matt Griffin are considering AB strategy. The intention is to work collaboratively with C-L to reach a resolution.

Blosser reported that negotiations with the prospective buyer of the marshalling yard at 150 S. Horton St. are advancing, and he hopes to start the ten-day closing process by the end of the week.

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