



Pike Place Market Preservation and Development Authority (PDA)

COUNCIL MEETING MINUTES – July 26th, 2012

Council Members: James Savitt, Ann Magnano, Gloria Skouge, Patrick Kerr, Jill Andrews, Jackson Schmidt, David Ghoddousi, Matt Hanna, Bruce Burger, Gerry Kumata

Staff Present: Ben Franz-Knight, Joe Paar, John Turnbull, Kelly Lindsay, Scott Davies, Teri Wheeler, Jay Schalow, Matt Holland, Tom Weed, Lillian Hochstein, Patricia Gray, Dianna Goodsell

Others Present: Ernie Sherman, Haley Land, Howard Aller, Joan Paulson, Bob Messina, Jonny Hahn, Sharon Mukai, Betty Halfon, Hubert Foley, Rock Decker, Leanne Clarke, Clare Dohna, Ann Brown, Kristine Wilson, Beth Lynch, Ruth Muiko, Andrea Okouski, Stuart Porteom, Thomas Graham, Chris Scott, Gina Karaba.

The meeting was called to order at 4:03 p.m. by James Savitt - Chair.

I. Administration

A. Adoption of Agenda

Proposed Resolutions 12-37, 12-53, 12-61 and 12-64 were moved off the Consent Agenda, under the New Business Section, after Proposed Resolution 12-63.

The agenda was approved, as amended by acclamation

B. Review and Approval of the June 28th, 2012 Minutes

The minutes were approved by acclamation

II. Public Comment Including the Market Community

Haley Land read a letter referencing the design options for PCI-North.

Howard Aller commented on the PCI-N design; he suggested in having a sign that is viewable from the Waterfront signifying the Market. He also commented on the subsidized housing square footage, noting the current layout being too small.

Gina Karaba read a letter on behalf of Kat Allen, a fellow craftsperson of the Market.

III. Reports and Information Items

A. Council Chair Report

James Savitt discussed the Council Chair Report. He discussed the meeting's key issues and the tentative agenda for the future months. He noted that the evenings meeting will have a significant number of resolutions which affect the other priority list of funds. He stated that Ben Franz-Knight has prepared to review the other priority list of funds along with the review of the resolutions. He stated that there will be a thorough review of Proposed Resolution 12-62, which was from the direction of the Council at the Special Retreat. He added that in the early to the mid fall there will be another Special Council Retreat, possibly in combination with the Full Retreat by October. He noted that Social Services will be on the agenda for October as well as the Budget Review.

James Savitt briefly reported a few updates:

1. He inquired about scheduling of the August Full Council meeting with the Council. He noted that the next Council meeting is near Labor Day and wanted to confirm if the Council members were available for the next meeting.

2. He noted his concern regarding the delayed distribution of the Council packets this month. He wanted to ensure Council Members received sufficient notice and availability of the packet materials prior to the Council meeting.

3. He welcomed Betty Halfon with her new appointment to the Pike Place Market PDA Council by the Constituency. He had thanked Jill Andrews for her service on the PDA Council.

B. Executive Director's Report

Ben Franz-Knight presented the Executive Director's Report. He noted that there was a detailed report enclosed in the packet. He stated that summer is in full swing at the Market. He briefly touched on PCI-North, noting the success from the retreat. He replied to two comments that were brought up from the last Full Council meeting. The first comment was regarding a tenant alert notice: due to the technical complexities of the event there was delayed notice. He stated that ideally there would more notice in the future and we will continue to do the best we can. The second comment was regarding traffic management at Virginia and Western. He stated that we have been looking at this and actually have gone out to the Seattle Police Department and Seattle Security. There has been a request for two officers to be assigned to that intersection on Fridays and Saturdays. He lastly added that we will see an impact of traffic flow on Western as viaduct work progresses.

1. PCIN

This item was briefly reported in combination with the Executive Director's Report above.

2. Other Items

None

C. Committee Chair Report

James Savitt inquired about the about the recent finance committee and the discussion of revisions to the budget. Matt Hanna read a summary from the Finance meeting minutes. Matt Hanna noted to review a staff report on the PDA use of funds if time allows.

Jim proposed pulling Proposed Resolutions 12-37, 12-53, 12-61 and 12-64 off the Consent Agenda and moved under the New Business Section.

Jackson Schmidt moved, Ann Magnano seconded

The motion passed unanimously

Jim Savitt reminded the audience and Council members of the Sunset Supper event held August 17th. He encouraged everyone to support the event and the Market Foundation.

D. Other Reports

None

IV. Key Issues Presentation and Discussion:

A. Marketing Strategy Presentation

Bruce gave an introduction the Marketing Strategy presentation.

Kelly Lindsay presented the Marketing Strategy Review. She noted her expectations with the Marketing Strategy Review and noted that the Review was not an actual Marketing Plan, but rather a tool.

A brief summary of the Marketing Strategy Review presentation is as follows:

In the 2012 Annual Plan, the PDA Council identified Marketing Strategy as one of the "key issues" for preservation of values, uniqueness, heritage, social, cultural and economic health of the Market. The

direction was to undertake a review of overall Marketing Strategy including current programs, assessment of new opportunities, review of media platforms, resource allocation and priorities.

In conducting the assessment there were three issues that kept emerging; these issues were parking, crowds and the need to remain relevant as a Farmer's Market in a progressively competitive environment. The challenge for the PDA's marketing activities was not to solve these recurrent issues, but to create new primacies in the minds of consumers that would motivate them to increase the frequency of their visits and the amount they spend at the Market.

The Marketing Strategy assessment topics included: Brand Identity, Target Audiences, Key Messages, Communication Vehicles, Special Events, Research and Partnerships. Kelly provided a summary of several recommendations and findings for the assessment topics.

There was a discussion that followed.

Jim noted that we may need to table Proposed Resolution 12-55 for next month so that the Council members could have ample time to review the information in the Marketing Strategy Review.

There were several compliments to Kelly Lindsay and the Marketing staff on their work.

Matt Hanna stated that Kelly did a great and thorough job on the Marketing Strategy Review. He mentioned that we should convey the message that the Market is the downtown's farmer market. He lastly inquired if there was a way to measure success using this road map.

Kelly noted that we have a couple of ways to measure success which ultimately is conveyed in sales volumes. She noted the difficulty in tracking specific activities.

I. **Action Item: Proposed Resolution 12-55: Adoptions of the 2012 Marketing Strategy Review**

Ben Introduced the resolution which states that the 2012 Strategic Plan identified Marketing Strategy as one of five the key issues and directed a review of overall Marketing Strategy including current programs, assessment of new opportunities, review of media platforms, resource allocation and priorities. The Director of Programs and Marketing, in consultation with the Market Programs Committee has conducted a thorough analysis of current practices, identified priorities and made suggestions for future activities. The recommendations include emphasizing human interaction Market imagery, increasing communications targeted towards the tourist audience, developing comprehensive strategies for media relations and social media, updating and expanding the Pike Place Market website, and investigation into the benefits of customer research. The complete analysis and recommendations are provided in the attached document, *Marketing Strategy Review and Assessment*. Let it be resolved that the PDA Council adopts the *Marketing Strategy Review and Assessment* for the year 2012.

The Resolution was postponed until next month's Full Council meeting, under New Business Items.

V. **Resolutions and Other Action Items (Old and New Business)**

A. Consent Agenda

Action Item: Proposed Resolution 12-43: Authorization for Contract Authority - Install New Walk-in Cooler - Pine Building

Action Item: Proposed Resolution 12-49: Authorization for Contract Authority - Replace Failed Windowpanes on West Elevation - Leland Residential

Action Item: Proposed Resolution 12-50: Authorization for Contract Authority - Painting the Replaced Failed Windowpanes at South and West Elevations – Corner Market

Action Item: Proposed Resolution 12-56: Authorization for Contract Authority - FOB Triangle Residential

Action Item: Proposed Resolution 12-57: Authorization for Contract Authority - FOB Sanitary Residential

Action Item: Proposed Resolution 12-58: Upgrade to MS Office 2012

Action Item: Proposed Resolution 12-59: Amendment to the Adoption of the 2012 Operating Budget

Action Item: Proposed Resolution 12-65: Lease Proposals – July 2012

Pastakia & Associates, LLC

Roberto's Venetian Ristorante & Bar

Seattle Bagel Bakery

Ugly Bay & La Ru
Seattle Cutlery
Lamplight Books
Milagros

Motion to approve the consent agenda

Jackson Schmidt moved, Jill Andrews seconded

For: Ann Magnano, Gloria Skouge, David Ghoddousi, Matt Hanna, Patrick Kerr, Jackson Schmidt, Bruce Burger, Gerry Kumata, Jill Andrews

Against: 0

Abstain: 0

Consent agenda passed unanimously

B. New Business

Action Item: Proposed Resolution **12-62:** PCI-North Design and Development Planning

Ben introduced the resolution which states that the parcel known as PC I North ("PCIN") is a much studied parcel in the Market Historic District, has long been considered a core part of Market development, and was historically the site of a municipal market from 1922 to 1974; and therefore the waterfront redevelopment project currently being studied and planned by the City of Seattle presents an opportunity for the Market and for the PDA to further fulfill its mission as stated in its Charter. The Pike Place Urban Renewal Plan adopted by ordinance by the City of Seattle in 1974 established priority uses for the future redevelopment of the PC-I site, including PCIN, as part of the Market's core and states that the PC-I site "...should provide for the development of commercial, residential, and public spaces to complement the existing market activity". The PDA Council adopted Resolution 11-77 identifying priority uses for PCIN and established a Waterfront Redevelopment Committee ("WRC") to review existing design proposals and prepare design proposals for PCIN and adjacent areas. The WRC, working with staff and consultants has prepared a site analysis and a preliminary building program consisting of priority uses that support and complement the Market's mission which were adopted by the PDA Council with Resolution 11-102. The PDA Council adopted resolution 12-30 authorizing the hiring of Miller Hull Architects to develop a preferred concept design for PCIN and adjacent areas informed by past design studies, the PPMHC Design Guidelines and established priority uses for PCIN, current and future identified Market needs, and through a collaborative design process working with the Market Community and the City of Seattle's Central Waterfront Project design team and its consultants. Miller Hull prepared six options that were presented for review by the WRC, the PDA Council and the public through a series of WRC and PDA Council meetings, collaboration with the Central Waterfront Design Team, Community Meetings and meetings with the Market Historic Commission. On July 19, 2012 the PDA Council conducted a retreat dedicated to the review of PCIN preliminary draft financial projections, project timeline, and design issues and options. Now, therefore, BE IT RESOLVED that

1. The PDA Council hereby directs that the PDA staff (including the Executive Director) and consultants, including Miller Hull and Steinbrueck Urban Strategies, shall focus their further design and development efforts upon the option designated as BB+ and upon variations of BB+ (e.g. variations that raise or lower the elevations south of the Desimone Bridge), including but not limited to the preparation of schematic designs and the further analysis of project and operational finances; and,
2. Such further design and development efforts with regard to BB+ and variations of this design should include, but not be limited to:
 - a. analysis and refinement of, and planning for, proposed uses, possible floor plans and square footage allocations including consideration of (1) parking placement and access, including parking for the public and for Market vendors and tenants, (2) type of residential housing (low-income, work force, live/work), (3) number, type and location of retail and restaurant spaces including means to ensure the viability of commercial areas, (4) locations and usage of public space including the preservation and/or enhancement of public views, (5) circulation and pedestrian passage issues including connections to other PDA properties including options for improved access to/activation of the DownUnder, (6) locations for social service uses, (7) locations for storage uses (8) locations and usage of community and/or commercial

gardens, and (8) the activation of various areas and levels in the proposed design(s) including the rooftop plaza and the levels at grade(s) below the Desimone Bridge,

- b. the preparation of schematic designs reflecting the foregoing analyses and refinements as appropriate;
 - c. further and refined financial analysis regarding the foregoing including (1) analysis of funding sources, projected design, development and construction costs, projected operating revenues and expenses including debt service, and other financial matters, (2) the impact of alternative uses and floor plan designs upon such financial matters, and (3) the timeline for and the timing of costs, expenses and funding including the development of design, financial and other milestones and/or cash flow projections as appropriate to ensure the efficient planning for and expenditure of funds regarding this project; and
3. The PDA Council wishes to include a schematic design, refined program and draft pro-forma as an exhibit to the Memorandum of Understanding Agreement contemplated with the City of Seattle and currently scheduled for review and approval in September 2012, and directs PDA staff and consultants to proceed with the efforts directed hereby consistent with this timing and goal; and, the PDA Council wishes to include a schematic design, refined program and draft pro-
 4. The PDA Council hereby directs the PDA Executive Director and the PDA's consultants to continue to work collaboratively in the design process with the Market Community, Market Historic Commission and City's Central Waterfront Design Team toward achieving the above stated goals and outcomes efficiently and without incurring undue cost or delay.

David Ghoddousi moved, Gerry Kumata seconded

There was a discussion that followed.

Bruce Burger noted to include minor changes in the resolution under Section 2, Item a. The changes included : adding the activation of various areas and levels in the proposed design(s) including the rooftop plaza and the levels at grade(s) below the Desimone Bridge at various times as (9) and ways to draw visitors from the waterfront to the Market as (10). This was the motion on the table now.

Patrick commented on Section 3. He noted he was not in favor of having the architects pursue more design work until there is more work completed on the financing of the project. He mentioned his concerns of the ability to pay for the PCI-North development.

James Savitt noted that Patrick's concerns were understandable; James concern is to keep the momentum of the PCI-North progress.

For: Ann Magnano, Gloria Skouge, Matt Hanna, Jackson Schmidt, Bruce Burger, Gerry Kumata, Jill Andrews

Against: David Ghoddousi, Patrick Kerr

Abstain: 0

Resolution 12-62 passed with a vote 7-2-0

Action Item: Proposed Resolution **12-63:** Reimbursement for Tenant Improvements for Done Deal Enterprises, LLC dba Roberto's Venetian Ristorante & Bar

Gerry Kumata moved, Gloria Skouge seconded

Ben Franz-Knight distributed a chart of the "Other Funds Priority Projects" which included tonight's capital projects related resolutions .He walked through some of the steps that has happened with Asset Management Committee and the status of several capital projects; several capital projects including the Market Theater and Flower Row Stair removal were not going to be pursued.

John Turnbull introduced the resolution which states that the retail premises currently known as 1918 Pike Place incorporating approximately 870 sf and located in the Soames-Dunn building is a part of the

larger Soames-Dunn building reconfiguration and currently occupied by Seattle Cutlery. As a result of the building construction the tenants are required to reinvest in their reconfigured space and the PDA has negotiated a new lease – pending PDA Council approval- including a tenant improvement allowance to be reimbursed to Peter Basiri dba Seattle Cutlery an amount not to exceed \$35,000 for work completed by tenant’s contractors to include electrical, mechanical, paint, floor finishing work and labor and materials to relocate or replace wall display systems, and an additional \$1,500 for labor to move existing cabinets and case work pending lease execution. Let it be that the Pike Place Market PDA Council authorizes a tenant improvement allowance to be reimbursed to Peter Basiri dba Seattle Cutlery in an amount not to exceed \$36,500 to be allocated out of Other PDA funds.

For: Ann Magnano, Gloria Skouge, David Ghoddousi, Matt Hanna, Jackson Schmidt, Bruce Burger, Gerry Kumata, Jill Andrews
Against: 0
Abstain: Patrick Kerr

Resolution 12-63 passed with a vote 8-0-1

Action Item: Proposed Resolution **12-37:** Proposed Contract with RMB Vivid for Design Services for the Wayfinding Signage Project

Ben introduced the resolution which states that the PDA solicited, issued an RFP and advertised in the DJC; Six proposals were received ranging from \$35,800 to \$96,000 and three firms selected to be interviewed based on the content and quality of their proposal to meet the proposed guidelines. RMB Vivid was selected as the preferred design firm receiving the highest ranking based upon the applicant’s ability to meet the criteria set forth in the proposal in conjunction with prior experience demonstrating the firms ability to understand the eclectic nature of the Market and work within the Pike Place Market Historic District guidelines and processes. RMB Vivid has agreed to provide design services as outlined in the proposal an amount of \$38,950 plus project related expenses to include, but not limited to, fax, courier, color copies, laser prints, disks, film and presentation materials, etc. Let it be resolved that he Pike Place Market PDA Council authorizes the PDA to enter into a contract with RMB Vivid for design services in an amount not to exceed \$45,000 to be paid from Other PDA Funds.

Jackson Schmidt moved, Ann Magnano seconded
For: Ann Magnano, Gloria Skouge, David Ghoddousi, Matt Hanna, Patrick Kerr, Jackson Schmidt, Bruce Burger, Gerry Kumata, Jill Andrews
Against: 0
Abstain: 0

Resolution 12-37 passed unanimously

Action Item: Proposed Resolution **12-53:** Miscellaneous Expenses for Reconfiguration of Soames Dunn Interior and Retail Spaces

The resolution which states that the PDA Council has previously reviewed the PDA Other Funds and Capital Projects Priority list, which includes an allocation for the reconfiguration of the Soames Dunn interior and retail spaces in the amount of \$250,000. The PDA has in Resolution 12-44 approved the allocation of \$135,000 towards this project for renovation of the Chocolate and Ice Cream Delight Space and has been presented with another resolution for \$35,000 towards the Seattle Cutlery relocation that is associated with this project. There are additional work items required for this project, including relocation of ventilation ductwork, construction and demolition of partition walls, relocation of light fixtures, repair and refinishing of floors, replacement of windows and other miscellaneous repairs not to exceed an aggregate of \$80,000. Let it be resolved that the Pike Place Market PDA Council authorizes a expenditure of not more than \$80,000 towards miscellaneous costs of the Soames Dunn Interior and Retail Space. Such funds to be allocated from Other PDA funds, account code 163221-00.

Jackson Schmidt moved, Ann Magnano seconded
For: Ann Magnano, Gloria Skouge, David Ghoddousi, Matt Hanna, Patrick Kerr, Jackson Schmidt, Bruce Burger, Gerry Kumata, Jill Andrews
Against: 0
Abstain: 0

Resolution 12-53 passed unanimously

Action Item: Proposed Resolution **12-61:** Purchase of New Furniture for the Atrium and Elliot Bay Conference Rooms

Ben introduced the resolution which requests that the PDA Council hereby approves the payment of \$12,722.04 (tax included) to Complete Office for the purchase of new furniture for the Atrium and Elliot Bay Conference Rooms. The funds will be drawn from the Capital Projects Budget, Accounting Code 160170-00.

Bruce Burger moved, Gerry Kumata seconded

For: Ann Magnano, Gloria Skouge, Matt Hanna, Patrick Kerr, Jackson Schmidt, Bruce Burger, Gerry Kumata, Jill Andrews

Against: David Ghoddousi

Abstain: 0

Resolution 12-61 passed with a vote 8-1-0

Action Item: Proposed Resolution **12-64:** Reimbursement for Tenant Improvements for Seattle Cutlery

The resolution states that the retail premises currently known as 1918 Pike Place incorporating approximately 870 sf and located in the Soames-Dunn building is a part of the larger Soames-Dunn building reconfiguration and currently occupied by Seattle Cutlery. As a result of the building construction the tenants are required to reinvest in their reconfigured space and the PDA has negotiated a new lease – pending PDA Council approval- including a tenant improvement allowance to be reimbursed to Peter Basiri dba Seattle Cutlery an amount not to exceed \$35,000 for work completed by tenant’s contractors to include electrical, mechanical, paint, floor finishing work and labor and materials to relocate or replace wall display systems, and an additional \$1,500 for labor to move existing cabinets and case work pending lease execution. Let it be resolved that the Pike Place Market PDA Council authorizes a tenant improvement allowance to be reimbursed to Peter Basiri dba Seattle Cutlery in an amount not to exceed \$36,500 to be allocated out of Other PDA funds.

Jackson Schmidt moved, Ann Magnano seconded

For: Ann Magnano, Gloria Skouge, David Ghoddousi, Matt Hanna, Patrick Kerr, Jackson Schmidt, Bruce Burger, Gerry Kumata, Jill Andrews

Against: 0

Abstain: 0

Resolution 12-64 passed unanimously

- C. Other
- None

VI. Further Public Comment

Joan Paulson commented about the Marketing Strategy presentation and about surveying the Market Inn. She noted that the boundaries in Seattle have shifted and altered; there needs to be further analysis on this.

Haley Land noted a concern with Resolution 12-62 and the design option BB+ for PCI-North. He stated that it would be a compromise to accept design BB+, especially from a community perspective.

Ernie Sherman congratulated Kelly Lindsay on the Marketing Strategy presentation; he was very pleased with mention of reaching out the downtown community in the presentation.

VII. Other Reports and Action Items

None

VIII. Concerns of Council Members

James Savitt inquired about a petition from the last WRC meeting. He mentioned in having a designated area on the PDA’s website for community information. He asked Ben Franz-Knight to report back to the WRC meeting regarding to details of the petition.

IX. Adjournment

The meeting was adjourned at 6:06p.m. by James Savitt, Chair

Meeting minutes submitted by:
Dianna Goodsell, Administrative Services Coordinator