



Pike Place Market Preservation and Development Authority (PDA)

**ASSET MANAGEMENT COMMITTEE
Meeting Minutes**

**Monday April 8th, 2013
4:30 p.m. to 6:00 p.m.
Elliott Bay Room**

Committee Members Present: Patrick Kerr, David Ghoddousi, John Finke, Betty Halfon, Gerry Kumata

Other Council Members Present: Gloria Skouge

Staff Present: Ben Franz-Knight, John Turnbull, Tamra Nisly, Tyler Jamison, Steve Nelson, Bob Beckstrom, Matt Holland, Kateesha Atterberry, Dianna Goodsell

Others Present: Howard Aller, Rod Mick, Joan Paulson

The meeting was called to order at 4:30 p.m. by Patrick Kerr, Chair

I. Administration

- A. Approval of the Agenda.
The agenda was approved by acclamation
- B. Approval of the March 11th, 2013 Minutes
The minutes were approved by acclamation.

II. Announcements and Community Comments

Rod Mick from the Market Grille shared several illustrations with the committee that were recently presented to the Market Historical Commission. He noted that the illustrations distributed to the committee were a shorten version of the original proposal that was submitted to the MHC. He lastly noted that in regards to the parking in front of the Fairley Wall that there could be several bicycles that could fit in one parking space.

III. Levy Phase III Update

- A. Update on Windows in Western and Permit Requirements
Ben Franz-Knight provided an update on the windows on Western and permitting requirements. He distributed a copy of a response letter from the City of Seattle, Energy Code and Energy Conservation Advisor regarding DPD's interpretation with work on existing windows. The response notes that since the Landmarks Board has determined that the windows in question are all historically protected, DPD'S procedure would be to allow existing configuration of the windows in question to remain, even if they were to require significant repair or replacement. A copy of the response letter was included with the meeting minute's record.

John Finke noted his concern with the use of public money in the repair and replacement of the windows on Western. He wanted to ensure there was due diligence with seeking the best options available for the window repair; he noted that letter accomplishes that.

Gerry Kumata entered in at 4:40pm

Ben Franz-Knight overviewed a chart with the committee regarding options for the Leland & Fairley Avenue windows. A copy of the document was included with the meeting minute's record. The chart outlined Four Options for moving forward with the windows which included the costs, risks and benefits for each of the options. He noted that Staff's recommendation was to proceed with Option Three; do light plans and specifications restoration project where the contractor is responsible for more field verification and replication of existing work. Option Three included \$60,000 in estimated design costs and \$50,000 in other costs totaling an estimate of roughly \$ 2,610,000. The major risks for Option three included the possibility of exposure to greater risk for contractor change orders for unforeseen conditions that could have been documented by the Architect. The benefits for Option Three would include no approval needed from the Market Historical Commission, proceeding with work in a short amount of time and the ability of having Levy Funds available to complete the work.

There was a brief discussion that followed.

Betty Halfon inquired about the timeline for the project and how soon would the project start.

Patrick Kerr inquired about the timeline of the levy funds available to use for the windows.

Ben Franz-Knight noted that we would need to have construction for the windows started by the fall.

John Finke inquired about the life expectancy of the proposed restored windows.

The committee discussed the next direction to take with the windows. There was discussion from the committee of going to the MHC and submitting the prior application for the windows.

The next steps included submitting the prior MHC application for approval with no expenditures of dollars. The request for the MHC application is to ask for aluminum clad windows in place of the original wooden windows without the change of the appearance of the windows. John Finke noted to include with the application something aligned with the response from the DPD with the compliance and direction with the city's energy code as well as the comfort of the Market tenants.

Betty Halfon noted that one thing the Market Historical Commission may be concerned with the windows is the aesthetics of the proposed windows.

Ben Franz-Knight noted that the application would be submitted to the Market Historical Commission and be placed on the MHC agenda as soon as possible. He noted he would report back accordingly. He noted that this project would need to start by the fall.

IV. Key Issues & Discussion Items

A. Pike Place Street Uses and Wall Replacement Project

Tamra Nisly gave a presentation on Pike Place Street Uses and the Wall Replacement Project. A copy of the presentation was included with the meeting minute's record. She noted that she came away from last month's meeting with direction that was segregated into various Options. She distributed a chart with three draft Options and sample resolutions that support each of the Options. The Options for Pike Place Street Uses - Wall Replacement Project included the following;

Option I: Repair in-kind, Draft Resolution 13-25A

- Received 6 bids in 2011 for repair of Fairley siding/windows
- Average bid - \$198k
- 2013 Wall Replacement Estimate - \$280k
- SKHS survey update
- Rebid

- Construction would start in September

Option 3: Pursue Commercial Redesign on west side of Pike Place, Draft Resolution 13-25B

- Determine if Council would like to pursue Commercial Activation on the west side of Pike Place
- Hire Architect to design
- Provide outreach & hold community meetings for Market Stakeholders
- Meet with SDOT
- Brief MHC
- Bring back to Council in July
- Construction start - September 2013

Option 4: Repair/Enhance/Activate, Draft Resolution 13-25C

- Move forward with repair in-kind of Fairley Building
- Implement plan for improvements to enhance streetscape of Pike Place including limited commercial activation; Market Grille Café seating on Pike Place, Bicycle parking, Consumer based recycling/compost/trash bins and loading and unloading recycling stations for tenants.

There was a discussion that followed.

John Finke preference was to precede someone along the line with Option Four; he noted as a general consideration not to disclose to our potential bidders what we would competitively bid.

John Finke moved Option 4 Draft Resolution 13-25C. He wanted to ensure sure Staff notifies current uses of the space prior to the Full Council meeting. Gerry Kumata seconded the motion.

David Ghoddousi briefly discussed his opposition to the motion entered. He noted his concerns for future impacts for tenants in the Market, including the seasonality of the space, increase of smoking and potential partiality for tenant use of the street.

Rod Mick from the Market Grill noted that his street café experiment from last year actually helped deter smokers.

Gloria Skouge inquired about the demand for bicycle parking in the Market.

Ben Franz-Knight noted that Market bicycle parking was a requested from SDOT. He added that the current bicycle parking setup we have in the Market is woefully inadequate and could be damaging to the physical bicycles.

For: John Finke, Gerry Kumata, Patrick Kerr
Against: David Ghoddousi, Betty Halfon
Abstained: 0

The motion passed with a vote of 3-2-0. There was a request to bring this forward to the Full Council meeting.

B. Parking and Garage Strategy - Discussion of Goals and Approach

Ben Franz-Knight distributed a copy of the Pike Place Market Garage Annual Revenue chart from 2009 through 2012 along with a chart comparison with the first quarter revenue comparisons. He noted that the Parking and Garage strategy was part of the Strategic Issues for 2013. A copy of the document was included with the meeting minute's record.

There was a discussion that followed.

Ben Franz-Knight noted that we are in the process with the City in renewing the parking mitigation agreement. He added that the City would like to renew the parking agreement for an additional two years.

Steve Nelson noted that there was a consultant previously hired 3-4 years ago from Republic Parking. The comments from the study from Republic were that the PDA did not charge enough for parking. He added that Filling up the garage is a great until visitors do not have a place to park.

John Finke noted that he would like to have a consultant come in to assess the Parking and Garage strategy. He noted that an issue to address with the garage is the relation of garage usage and Market tenant sales. He added that he would like to have the previous garage study completed by Republic Parking included in the next month's packet.

Ben Franz-Knight noted specific points to start establishing direction for policy and management of the garage including; what things can we do to continue upward trends, what is the balance of the garage serving as a resource to support the tenants and the revenue that supports the Market. He would like to come back next month with some refinement on the subject.

Patrick Kerr noted that he was not in favor of seeking a consultant for the Garage and Parking Strategy.

V. Action Item(s)

- A. **Action Item:** Proposed Resolution **13-24** Authorization for Contract Authority - Install Stewart House Exterior Awnings on South and West Elevations - Stewart House

Tyler Jamison introduced the resolution which states that in order to maintain the viability of the Pike Place Market buildings the PMPDA has determined to provide shade and decrease heat in the South & West apartments at the Stewart House, the PMPDA will install exterior retractable shade awnings at the 2nd and 3rd floor; the PMPDA has executed a competitive bid process for installing new awnings. BE IT RESOLVED that the PMPDA Council authorizes the PMPDA Executive Director or his designee to enter into a contract with Northwest Awning and Fabric in an amount not to exceed \$23,307.08, for the execution of installing new shade awnings. The funds for this project will be drawn from the Capital Projects Budget, Install HUD Awnings, Accounting Code 163750-00

David Ghoddousi moved, John Finke seconded

There was a brief discussion that followed

For: David Ghoddousi, Betty Halfon, Gerry Kumata, John Finke
Against: 0
Abstain: Patrick Kerr

Resolution 13-24 passed with a vote 4-0-1

- B. **Action Item:** Proposed Resolution **13-26:** Authorization for Contract Authority - Add Floor Texture to Fish Markets

Bob Beckstrom introduced the resolution which states that in order to maintain the viability of the Pike Place Market buildings the PMPDA has determined the floors at Pike Place Fish and City Fish need to be re-broadcast with a course texture top coat as part of regular preventative maintenance. The PMPDA has executed a competitive bid process to provide a more aggressive texture to both floors, which will extend the life of the floor surfaces. BE IT RESOLVED that the PMPDA Council authorizes the PMPDA Executive Director or his designee to enter into a contract with Kennedy Contracting, Inc in an amount not to exceed \$17,531.50 for the execution of installing an aggressive floor finish to both fish markets. The funds for this project will be drawn from the Capital Projects Budget, Accounting Code 163751-00

John Finke moved, Gerry Kumata seconded

There was a discussion that followed

Ben Franz-Knight provided clarification on the re-broadcasting of the flooring near Pike Place Fish and City Fish. He noted that the floors were worn out to the high amounts of foot traffic and fish related

residue. He added that the new materials proposed would be specifically coarser and waterproof, appropriate for the floors in those areas.

David Ghoddousi inquired if the new flooring could be designed to have the grout lines designated to navigate to the street and not the surrounding businesses.

For: David Ghoddousi, Betty Halfon, Gerry Kumata, John Finke

Against: 0

Abstain: Patrick Kerr

Proposed Resolution 13-26 passed with a vote 4-0-1

VI. Public Comment

This section was moved after the Property Management Report under section VII.

Joan Paulson provided commentary on several topics from the evenings meeting. She noted that we should not be allowed to use the street for recycling use which is operated presently. She added that the main Market Street should be used for parking and that we need to come up with a strategy for recycling uses. She noted separately that we should hire someone with experience with preservation and restoration with historical windows and that the summer is better suited for the window construction.

Howard Aller noted that several projects in the residential areas seemed to have taken a break including the painting of the sprinkler systems. He wanted to inform the committee of this and added that things are not as seamless as they should be.

VII. Property Management

A. Residential Property Management Report

John Turnbull handed out the Residential Property Management Report. A copy of the Residential Management Report was included with the meeting minute's records. He noted that we have had some very active residential managers this month. He noted that we have a new residential manager in the Market House and is very glad that the awnings are going up at the Stewart House.

David Ghoddousi requested to have a chart with the various buildings and rates for the next committee meeting.

Closed Session started at 6:06p.m.

B. Closed Session (RCW 42.30.110 [c])

I. Review of Lease Proposals

II. New Lease - Indi Chocolate - 1501 Pike Place # 527

Lease Renewal - Le Pichet - 1933 First Ave

Lease Renewal - Unexpected Productions - 1428 Post Alley

III. Review of Delinquency Report

a. Vacancy Report

b. Current Lease Negotiations

IV. Heritage House - 1533 Western Avenue

Closed Session ended at 6:13p.m.

C. Open Session: Approval of Lease Proposals

Open Session started at 6:14p.m

D. Action Item: Proposed Resolution 13-22: Lease Proposals - April 2013

John Turnbull introduced the resolution which states the Lease Proposals for April 2013 below:

Studio Solstone

Three (3) Years

April 1, 2013

Michael & Sarah Yaeger

John Finke moved, Gerry Kumata seconded

For: David Ghoddousi, Bruce Lorig, Betty Halfon

Against: 0

Abstain: Patrick Kerr

Resolution 13-22 passed with a vote 3-0-1

VIII. Items for the Consent Agenda

Resolutions 13-22, 13-24 and 13-26 were moved to the consent agenda.

IX. Concerns of Committee Members

None

X. Adjournment

The meeting was adjourned at 6:16p.m. by Patrick Kerr, Chair

Meeting minutes submitted by:

Dianna Goodsell, Administrative Services Coordinator