



Pike Place Market Preservation and Development Authority (PDA)

COUNCIL MEETING MINUTES – February 28th, 2013

Elliott Bay Room

Council Members: James Savitt, Jackson Schmidt, Ann Magnano, Gloria Skouge, Betty Halfon, David Ghoddousi, Bruce Burger, Bruce Lorig, Gerry Kumata

Staff Present: Ben Franz-Knight, Tamra Nisly, Kelly Lindsay, Emily Crawford, Jennifer Maietta, Matt Holland, Zack Cook, John Turnbull, Melissa, Dana Gould, Scott Davies, Dianna Goodsell

Others Present: Mike Hassenger, Mike Stanley, Howard Aller, Haley Land, Gerry Johnson, Joan Paulson, Bob Messina, Sharon Mukai

The meeting was called to order at 4:01 p.m. by James Savitt - Chair

I. Administration

A. Adoption of Agenda

Jim Savitt proposed moving switching orders of Items A and B under Section IV as well as moving Proposed Resolution 12-12 under Section V, Item B to Section IV, Item B.

The agenda, as amended, was approved by acclamation

B. Review and Approval of the January 31st, 2013 and PDA Council Retreat December 12th, 2012 Meeting Minutes.

The minutes were approved by acclamation

II. Public Comment Including the Market Community

Howard Aller noted that the City had placed a large scaled Waterfront Model at the Seattle Art Museum in the library.

III. Reports and Information Items

A. Council Chair Report

Jim Savitt presented the Council Chair Report for the month of February. He noted that the evening's agenda would include a presentation from Seneca group regarding PCI-North Baseline Pro Forma Financial Analysis as well as a presentation on the Farm Program. He also added that there would be a closed session regarding the Madore building, which will continue to be an item for discussion in the future. He noted that there would be resolution regarding the approval of strategic goals and programs for the Farm Program after the presentation on immediate action recommendations for the Farm Program. He noted that next month there would be a presentation on the 2013-2014 Daystall Rules Revisions and Trademark Policy as well as consideration of the next steps for the PC-I North design and a resolution to authorize further design work with Miller Hull. He lastly mentioned that there was an update regarding the MOU between the Pike Place Market PDA and the City of Seattle; there were two changes on the MOU document which were deemed not material changes to the agreement.

B. Executive Director's Report

Ben Franz-Knight presented the Executive Director's Report for the month of February. He noted that there was a written report included in the packet. He noted a slight error in the report regarding the modernization of the elevators and the timeline of the project, which was corrected in the updated written Executive Director's Report. He noted that the elevator project is progressing quite well. He briefly discussed about the departure of Seattle's Best Coffee in the Market and the issue of relocating their iconic sign. He lastly distributed out the MOU document to the Council members and reviewed the changes to the document from the City Council; Ben had distributed a copy of the MOU and noted that the MOU was approved unanimously at the City Council.

C. Committee Chair Report
None

D. Other Reports
None

IV. Key Issues Presentation and Discussion:

A. PC-I North - Baseline Pro Forma Financial Analysis

Mike Hassenger from Seneca Group gave a presentation on the PC-I North Baseline Pro Forma Financial Analysis. A copy of the presentation was included with the meeting minute's record. He gave a brief overview on what was covered at the previous Waterfront Redevelopment Committee meeting in regards to the Baseline Pro Forma for PC-I North and the changes made from the previous assumptions. Mike discussed the layout of the Pro Forma Financial Analysis in the Council Packet and the preliminary assumptions for the Analysis. He lastly noted that the next step would be Sensitivity Testing of the Financial Analysis.

There was a question and answer period that that followed.

Jackson Schmidt inquired about performing a sensitivity analysis of the project as if it were to be treated as a private development without the LID funds; he also was curious to know how much financing we could be qualified for given this performance.

Bruce Lorig noted an issue that we really do not have the 10 million of the 60 million dollars; he was concerned with the Housing and Philanthropic funding sources.

Ben Franz-Knight gave explanation regarding the figures from the Housing Trust Fund and why that figure was established.

Betty Halfon inquired about the Charter in regards to rent and common area charges for merchants; she noted that our Charter does not dictate how we charge rent to the Market tenants. Bruce Lorig shared Betty's concern.

There was a section for public comment after the presentation.

Joan Paulson commented on the replacement of cold storage space that was lost during the main construction period. She also commented on the specifics to consider with PC-I North costs including LID costs and the projected Sales Tax increase.

Haley Land inquired about a pedestrian study and the assumptions of visitors to the Market.

Ben Franz-Knight noted that in March, Finance would review Sources of Funding and Revenue for PC-I North with Seneca Group. He added that the plan from here is to come back to the Waterfront Redevelopment Committee to ask more questions about the PC-I North Assumptions and Financial Pro Forma.

B. Farm Program - Actions to Address Immediate goals and Next Steps

Kelly Lindsay gave an introduction to the new Farm Program employees Melissa Balding and Dana Gould. She gave a presentation on the 2013 Farm Program Immediate Action Recommendations. A copy of the presentation was included with the meeting minute's record. The presentation listed 2013 Farm and Food Program Goals which included Long- Range Strategy Development and the following priorities; Enhancing

Farmer Profitability, Increase Farmer Participation in the Market and Increase Customer Base to Support Farmers. Kelly overviewed immediate Farm Program opportunities which included:

- Revise current “Farm Days” program for activity on Pike Place
- Expand Incentive Program
- Continue Satellite Market Program and Add Additional Location(s)
- Consumer Education and Advocacy

Betty Halfon inquired about the possibility of bringing back the CSA program. She also commented on the issue of managing value added products with farmers and the possible competition with Merchants and the Farmers.

Ben Franz-Knight provided some follow comments to the presentation. He noted that there is a particular parcel of farm trust land the PDA is looking at and whether the Council decides if buying land is an option. He noted there would be further review of options at the next Market Programs Committee meeting.

I. **Action Item:** Proposed Amended Resolution **13-12:** Approval of Strategic Goals and Programs for Farm Program

Ben Franz-Knight introduced the resolution which states that on October 7th, 1907 the Seattle City Council adopted ordinance No. 17187 establishing Pike Place as a public market for the sale of “fresh fruits, vegetables, berries and other farm and garden products, and accept also butter, eggs, cheese, poultry, meats, lard and preserved fruit and vegetables raised, produced or manufactured by the person selling or offering the same for sale”, and; on July 31st, 1911 the City of Seattle adopted ordinance No. 27700 amending ordinance No. 17187 to include, among other changes, a definition of “manufactured” as “to apply to those products the principal ingredients of which have been actually grown or produced by the person selling or offering the same for sale”; and, on October 13th, 1922 the Seattle City Council adopted ordinance No. 44209 amending ordinance No. 17187 to include a definition of “person” to “when necessary be held and construed to mean and include natural persons of either sex, association, and co-partnerships, whether acting by themselves or by a servant or employee; the singular number shall include the plural and the masculine the feminine” and adding “combinations of products” to the definition of “manufactured”; and, on February 14th, 1927 the Seattle City Council adopted ordinance No. 52515 amending Ordinance No. 44209 to, among other things, restrict to the sale of articles to those, “which have been raised, produced or manufactured in King and Kitsap County, “; and on August 6th, 1956,

the Seattle City Council adopted ordinance No. 85384 an ordinance relating to the Pike Place Farmers Market; regulating the use and occupation thereof; fixing rentals for certain stalls; providing penalties for violations, and repealing Ordinance 52515; and, on July 8th, 1957 the Seattle City Council adopted ordinance No. 86312 an ordinance relating to and authorizing a lease from Pike Place Public Markets, Inc. and The Fairley Corporation to the city for farmers' market stalls in the Pike Place Public Market; and, on May 22nd, 1967 the Seattle City Council adopted ordinance No. 95807 an ordinance amending Section 12 of Ordinance 85384 to permit the sale of flowers in certain "Wet Row Stalls" at the Pike Place Farmers Market; and, on December 28th, 1970 the Seattle City Council adopted ordinance No. 99549 an ordinance authorizing amendment of an agreement with Pike Place Public Markets, Inc. and The Fairley Corporation to permit use of certain portions of the Pike Place Public Market by farmers from Washington counties west of the Cascade Range; and, the PDA is a public corporation organized pursuant to RCW 35.21.660, 35.21.670 and 35.21.730-755 and Seattle Municipal Code Ch. 3. 110 and operates under a perpetual Charter as issued on June 23rd, 1973, and amended on March 17th, 1976, September 21st, 1976, March 19th, 1985, October 1st, 1992, November 3rd, 1993 and August 26th, 2003; and ,

The PDA Charter states:

“the PDA, as a public trustee with the mission to ensure that the traditional character of the Public Market is preserved, is authorized to perform renewal, rehabilitation, preservation, restoration, development, and non-profit management of structures and open spaces in the above-described areas in a manner that affords a continuing opportunity for Public Market farmers, merchants, shoppers, and visitors to carry on their tradition of market activities. In addition to upgrading structures and public amenities in and around the Market Historical District, the PDA will initiate programs to expand food retailing in the Market Historical District, especially the sale of local farm produce...”; and, on June 23rd, 1975 the Seattle City Council adopted ordinance No. 104657 an ordinance relating to use and occupation

of the Pike Place Farmers market and amending Sections 1, 2, 5, 7, 12, 13, 15 and 16 of and adding new sections designated Sections 3A and 3B to Ordinance 102826, to designate the Chief Executive Officer of the Pike Place Market Preservation and Development Authority as the "Market Master" and to transfer and grant to said Executive Officer certain rule-making and other functions in connection with the management and operation of said Market; and, on November 24th, 2008 the Seattle City Council adopted ordinance No. 122864 an ordinance relating to the Pike Place Market, authorizing a renewal of the agreement with the Pike Place Market Preservation and Development Authority commonly known as the "Hildt-Licata Agreement," for a term of ten years. Amending an ordinance adopting the "Hildt Agreement" in 1983 and renewed in 1999 as the "Hildt Licata Agreement"; and,

NOW THEREFORE, BE IT RESOLVED,

that the Council has identified the Farm Program as a key strategic issue for 2013 with the goal of increasing Farmer Profitability and Farmer Participation in the Pike Place Market; and,

the PDA will pursue multiple strategies in 2013 in support of Farm and Food programs including;

- a. Operational refinements to designated Farmer's Market days at Pike Place
- b. Expansion of incentive / support programs for low-income customers
- c. Continuation and expansion of "Pike Place Market Express" satellite market program
- d. Increased development of programs for customer attraction and education
- e. Investigation of opportunities for the PDA to participate in farmland access, preservation and to include farm trust land.
- f. Development of alternative revenue streams for Pike Place Market farmers through direct sales, aggregation or wholesaling opportunities

Farm program staff shall update the PDA Council annually on the status of vendor sales, attendance counts, and operational issues related to all Pike Place Market and Express-branded satellite market locations and, these programs and strategies are being developed to ensure that the Pike Place Market will continue to be a local hub for farmers and food in Seattle's urban environment and directly connect consumers with quality food in keeping with our "Meet the Producer" mission.

The PDA Council authorizes the Executive Director or his designee to pursue the above identified goals consistent with the annual budget and work plan, which includes an annual evaluation of their effectiveness.

Bruce Burger moved, Ann Magnano seconded

Ann Magnano noted the resolution was passed unanimously at the February Market Programs Committee meeting.

For: Jim Savitt, Jackson Schmidt, Gloria Skouge, David Ghoddousi, Bruce Burger, Gerry Kumata, Ann Magnano, Bruce Lorig

Against: 0

Abstain: Betty Halfon

Resolution 13-12 passed with a vote 8-0-1.

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

A. Consent Agenda

Action Item: Proposed Resolution **13-09:** Authorization for Added Contract Authority - Garage Replace Fire Panel

Action Item: Proposed Resolution **13-10:** Authorization for Contract Authority - Refurbish Upper Economy Restrooms - Economy Building

Action Item: Proposed Resolution **13-11:** Lease Proposals - February 2013

Action Item: Proposed Resolution **13-13:** Allocation of Year's End Balance for 2012

Motion to approve the consent agenda

Bruce Lorig moved, Gerry Kumata seconded

For: Jackson Schmidt, Ann Magnano, Bruce Lorig, Gloria Skouge, David Ghoddousi, Bruce Burger, Gerry Kumata, Betty Halfon
Against: 0
Abstain: James Savitt

Consent agenda passed with a vote 8-0-1

B. New Business
None

C. Other
None

VI. Further Public Comment

Howard Aller commented on the Farm Program presentation. He noted that many of the people he has spoken to were not aware that there was a farmer's market at the Pike place Market. He also commented on the designation of specific farm days on the street adding that we do not need more people on the street on the weekends.

Haley Land thanked the Council and the Chair for the process and ability to ask questions with Seneca Group regarding the PC-1 North Financial Pro Forma.

Closed Session started at 5:37pm

VII. Closed Session

- A. Real Property Negotiations - 1501 Western Avenue (*Closed Session Per (RCW 42.30.110(l)(b))*)
In closed session there was discussion regarding the potential acquisition of property located at 1501 Western Avenue.

Closed Session ended at 6:13pm

Open Session started at 6:14pm

Bruce Lorig left at 6:14pm

VIII. Concerns of Council Members

None

IX. Adjournment

The meeting was adjourned at 6:15 p.m. by James Savitt, Chair

Meeting minutes submitted by:
Dianna Goodsell, Administrative Services Coordinator