



Pike Place Market Preservation and Development Authority (PDA)

COUNCIL MEETING MINUTES – August 25, 2011

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

Staff Present: Ben Franz-Knight, Ryan Yale, Teri Wheeler, Erica Bates, Ryan Hostetler, Kateesha Atterberry, Matthew Holland

Others Present:: Duncan Thieme, Ernie Sherman, Haley Land, Sharon Mukai, Ken Johnson, Peter Steinbrueck

The meeting was called to order at 4:00 p.m. by James Savitt - Chair.

I. Administration

- A. Adoption of Agenda
The amended agenda was approved by acclamation
- B. Review and Approval of Minutes of July 28th, 2011
The minutes were approved by acclamation

II. Public Comment Including the Market Community

Matthew Steinbrueck commented on the 'disruptive hawking' caused by Pike Place Fish. He noted that he has written numerous letters to the PDA and has spoken to the property managers about the effect they are having on his business. He also requested that the PDA and property managers review his rent obligation and felt that the yearly increase in rent shouldn't be as high, especially considering the economic climate and the continued disruption of his business operations.

III. Reports and Information Items

- A. Council Chair Report
Jim reported on two key issues on the agenda including the Waterfront and the Capital Projects review. He noted that the Council retreat will be on October 21st. During the retreat the Council will be accessing organizational and strategic issues. This will include the alignment of staff management and the PDA committee structure with each other to better serve both entities. Jim added that this will enable the committees and staff to address issues that will be facing the PDA and the Market over the next 5-7 years. Jim noted that PDA staff has been instructed to research some best practices of other similar nonprofit organizations to compare the current structure in place and to properly assess if the management structure can be improved. Jim reported on the Executive Director evaluation, which has been undertaken by the Executive committee. The evaluation team will consist of Bruce Burger as chair, Gloria and Jim and they will be contacting council members, select staff, and others outside of the PDA. This subcommittee will be reporting to the Executive meeting in October and will be finalizing the evaluation in November. Interview internally and externally and amalgamate that. Jim commented on the Capital Projects booklet and summary sheet that was distributed. Jim noted he circulated an email regarding the resolution to adopt PC-I North Priority Uses and will discuss it in further detail later in the meeting. Jim noted that the consent agenda contains two items that may not have been on the consent agenda during other council meetings due to time constraints. The two items were resolutions for the approval of the mid-year budget and for Steinbrueck Urban Strategies, which were both approved unanimously at the Finance Committee meeting.

B. Executive Director's Report
Ben reported on Phase II and stated it is essentially complete with only a few minor punch lists to complete and the final verdict on all building permits has been received. Ben reported on Phase III and noted that work has started in select areas including the basement of the Economy Building out of occupied areas. Ben commented on the outstanding work that Turner Construction has done in coordinating the Stewart House renovation, which includes removal of dumpsters during the day and peak periods. Following Labor Day, Phase III will begin in full and everything has been going according to plan leading up to Labor Day. Ben commented on the progress of the childcare negotiations and securement of the block grant. Ben noted that the city did not approve the gradual depreciation of the \$452k over the 18 year agreement due to HUD guidelines. Ben stated he was hopeful that everything will be settled prior to the next council meeting. Ben added that the Heritage House negotiations are also very close to being complete.

I. Other Items
Matt inquired about the childcare block grant and asked if the PDA would be holding the entire amount in a designated reserve account for the entire 15-18 years.

Ben stated that the Market Foundation will be holding it in a reserve account and the only possible way of default would be if the childcare ceased to exist and the PDA is unable to find an alternative tenant that falls within the block grant guidelines.

C. Committee Chair Reports

D. Other Reports
None

IV. Key Issues: PDA Capital Projects/Use of NMTC-Generated Funds

- A. Presentation re Summary, Initial Analyses of Potential Projects
- B. Questions and Requests for Additional Information
- C. Next Steps

Jim discussed the PDA Capital Project process and the intention of the presentation by Duncan. He added that the goal of the presentation and discussion is to prioritize the projects and eventually come to a consensus as to how the PDA Other Funds can and will be used.

Ben discussed the chart that accompanied the Other Funds booklet and noted the guidelines of what the funds can be used for in addition to a description of how previous funds have been used. He added that the Phase I unused funds should fall within the allowed uses of New Market funds. In addition, when the Levy agreement was finalized it was clear that the PDA could use these funds for qualified projects. The remaining funds from Phase II need to be compliant with New Market uses and do not have the restrictions placed upon them as those involved in the Levy agreement. Ben noted that the remainder of the funds should be prioritized and used over the next 12 months. The discussion of the Capital Projects should be a part of the Council retreat in October.

Duncan Thieme presented the Other Funds/Capital Projects booklet and discussed the various potential projects that have identified. The projects included the following:

Commercial Projects

- C-01 New Day Stalls on west side of Pike Place
- C-02 Added floor area to upper level of Economy Market
- C-03 Weather protection at new Hillclimb terraces
- C-04 Relocate PDA offices; use PDA space for retail or restaurant
- C-05 Redevelop Market Theater
- C-06 Roof deck on LaSalle Building connected to Economy Market
- C-07 Create movable tables in Desimone Bridge
- C-08 New demonstration kitchen in Economy Market Atrium
- C-09 Convert old Post Alley restroom entry into retail space
- C-10 Hillclimb TI Assistance: Level 1 Parrot Shop
- C-11 Hillclimb TI Assistance: Level 2
- C-12 Hillclimb TI Assistance: Level 3 Corridor

- C-13 Hillclimb TI Assistance: Level 3 façade spaces
- C-14 Provide heating and cooling for Downunder tenants
- C-15 Provide radiant heating on North Arcade I-01 Install operable glass façade on North Arcade

Social Service Agency Improvements

- S-01 Improve Food Bank Space: Provide new public lobby
- S-02 Improve Food Bank space: Provide better loading area
- S-03 Improve Food Bank Space: Reconfigure internal circulation
- S-04 Improve Food Bank Space: Miscellaneous improvements
- S-05 Improve Clinic space: Miscellaneous improvements
- S-06 Support construction of Child Care Center Playgroun

Public Space Improvements

- P-01 Improve street lighting, Pike Place and Post Alley
- P-02 Reconfigure Soames/Dunn interior and retail space
- P-03 Reconfigure Soames/Dunn storefronts; widen sidewalk
- P-04 Widen Lower Hillclimb connection at Western
- P-05 Remove Hillclimb skybridge and elevator
- P-06 Open Post Building for public seating
- P-07 New bridge at garage elevtors to north end of Level 3
- P-08 New stair down to Western at dog leg
- P-09 Create "patio" spaces along east side of Pike Place
- P-10 Reconfigure First & Pine circulation at First Avenue level
- P-11 Improve Desimone Bridge portico on Pike Place
- P-12 Increase sidewalk seating on First Avenue; expand sidewalk
- P-13 Public seating in lower Post Alley
- P-14 Curb bulbs at end of North Arcade for Pike Place crossing
- P-15 Parallel parking in lieu of angled on west side of Pike Place
- P-16 Revise fence at Hillclimb Level 2 to ordinary railing height
- P-17 Add public seating at Hillclimb terraces
- P-18 Remove Hillclimb stair, Level 4 to end of Flower Row/ Level 5
- P-19 Small Hillclimb Improvements: counters, benches, planting
- P-20 Improve connection between Post Alley and Hillclimbl-02 Build structures for roofs and/or displays at The Slabs

Infrastructure Improvements

- I-01 Install operable glass façade on North Arcade
- I-02 Build structures for roofs and/or displays at The Slabs
- I-03 Provide better permanent infrastructure for street festivals
- I-04 Fish Ice melting station
- I-05 New roof at North Arcade

Miscellaneous

- M-01 Hillclimb neon sign
- M-02 Hillclimb planter boxes
- M-03 Green roofs/ urban agriculture
- M-04 Western Ave retaining wall public art project
- M-05 Waterfront funicular

A discussion of the projects and how the Council should proceed followed the presentation.

Jill stated that the list of projects should include one to improve the current signage and wayfinding throughout the Market.

Bruce Lorig suggested the projects should be divided into two categories to show projects that will improve the current operations of the Market and projects that will present new opportunities for the Market, such as a commercial kitchen.

Ann suggested that the Waterfront/PC-I North should have a project book similar to the one for Capital Projects that can be distributed and discussed with the city.

Key Issues: Viaduct Removal and Waterfront

- A. Update: PDA Letter in Response to Viaduct Removal EIS
- B. Presentation re PC-I North and Proposed Priority Uses
- C. Discussion re PC-I North Proposed Priority Uses

Jim gave a brief overview of the progress to date of the Waterfront. He discussed the adoption of the guiding principles and stated that there is a need for more detail and design from the Council and PDA staff.

Ben discussed the Final EIS comment letter to the City Council and the meeting he had with Peter Steinbrueck and Ryan Durkan, a land use attorney. Ben noted that the letter put the PDA in a strong position to hold the city to the commitment to study alternatives to the Elliot Ave/Western connector and conduct some form of environmental process. In addition, the PDA sent a summary of the adopted guiding principles to the City Council as well. Ben gave an overview of the PC-I studies and adjacent areas that connect to the waterfront and how it relates to the Market's best interest.

Peter Steinbrueck discussed the history of PC-I North and the foundation objectives that have been presented in the past.

Ben gave an overview of the guiding principles and stated that part of the guiding principles are to assist and support further refinement of Waterfront Designs the PDA Council should establish a set of guiding principles for the PCI-N site and areas immediately adjacent to PCI-N and the Market. In addition, he noted that PCI-N should provide use(s) that foster, facilitate, and/or enhance a connection to existing Market properties, shops and vendors, and/or use(s) that include an extension of the Market's functions. character and/or historical uses to PCIN and perhaps to adjacent areas as part of waterfront redevelopment. The guiding principles also included a focus on the following:

- Pedestrian Access and Neighborhood Connectivity
- Vehicle Access
- PCIN Priority Uses
- Character and Identity
- Views
- 24/7 – 365 Activation
- Financial Viability
- Preservation and Sustainability

Ben presented the PC-I Priority uses, which included the following list:

- **Parking:** Loss of 130 spaces from surface lots and need to preserve as many of the existing 81 spaces as possible.
- **Storage:** Cold storage and dry storage is chronically in short supply. Key component in retention and recruitment of farmers, crafters, restaurants and businesses.
- **Commercial/Residential Activation:** Financial support for development and maintenance of PCIN could include commercial and/or residential activation along the edges. activating space along Western, new space facing the Waterfront and integrating with the Desimone bridge consistent with historic plans and concepts.
- **Social Services:** Many social services in the Market have adequate space to support their mission including the Senior Center, Pre-School and Childcare and Medical Clinic. The Foodbank, while operating successfully, faces ongoing challenges with access and space. Could improve access to the Foodbank and consider possible relocation and expansion.
- **Programs:** Provide opportunities to expand and support components of core programs including farming, education and busking will greatly aid in the successful activation of new public space created between the Market and the Waterfront.

- D. **Action Item:** Resolutions 11-77: Council Action to Adopt PC-I North Priority Uses

Ben presented the resolution and stated that The PDA Council hereby resolves that the priority uses of PCIN should be use(s) that foster, facilitate, and/or enhance a connection to existing Market properties, shops and vendors, and/or use(s) that include an extension of the Market's functions. character and/or historical uses to PCIN and perhaps to adjacent areas as part of waterfront redevelopment, which uses might include commercial/residential activation, social service use, use for programs related to Market activities, parking and/or storage. He added that the PDA Council hereby establishes an ad hoc Waterfront Redevelopment Committee (the "WRC") which, in conjunction with the PDA Executive

Director and with the PDA's consultant(s), shall review existing design proposals and prepare, for full council review and approval or disapproval, detailed design proposal(s) for the use of PCIN and perhaps for the use(s) of adjacent areas and/or other areas part of the waterfront redevelopment that are relevant to the functioning, operations, character and/or historical uses of the Market. In addition, the WRC shall notice and hold its meetings, and conduct its deliberations, in accordance with RCW Chapter 42.30, including its provisions regarding executive session; shall meet as often as is necessary and appropriate to perform its duties between now and October 2011 when the next round of waterfront design evolution is tentatively scheduled for presentation; and shall provide updates and reports on its work to the full PDA Council, including drafts of its design proposals, as is appropriate and necessary to keep the Council apprised of its activities. The Council Chair shall call and the Council shall hold special meetings as necessary to review and approve/disapprove the WRC's proposals in a timely manner. He noted that the Executive Director is authorized to expend up to \$50,000 as necessary or appropriate to support the work of the WRC and to enable it to carry out its duties and accomplish its goals as resolved above; and, in the event additional funds are necessary, the Executive Director shall so advise the Council Chair who shall convene the Executive Committee which is hereby granted the authority to authorize such additional expenditures should they be necessary in the interval between meetings of the full Council, provided that Executive Committee does so by an affirmative vote of at least five of its members. The funding for the committee expenditures will be drawn from the Capital Replace Reserve Fund (CRRF).

Jim added that the window of opportunity will be over the next 6 weeks and the Council should make some affirmative proposals. He noted that PC-I North was intended for Market uses, and although recommendations may be made beyond that, he suggested that we lead and not follow. The establishment of the WRC is needed in order to prepare some detailed design proposals and to speak as one voice on behalf of the Market's best interests. Jim discussed the WRC and the possible number of committee members involved.

Bruce Burger moved, Ann Magnano seconded.

Motion to approve Resolution 11-77 with the proposed amount of not to exceed \$50k to be taken from the CRRF

A discussion of Resolution 11-77 followed

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

Against: 0

Abstain: 0

Resolution 11-77 was passed by acclamation.

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

A. Consent Agenda

Action Item: Proposed Resolution 11-68: Authorization for Contract Authority – South Roof Replacement Flower Row

Action Item: Proposed Resolution 11-70: Authorization for Non-Exclusive Trademark Licensing Renewal/Agreement with Micks Peppouri

Action Item: Proposed Resolution 11-71: Authorization for Non-Exclusive Trademark Licensing Renewal/Agreement with Lantern Press

Action Item: Proposed Resolution 11-72: Lease Proposals – August 2011 for Pike Market Creamery

Action Item: Proposed Resolution 11-73: Authorization for Contract Authority – Extension of Consulting Services with Steinbrueck Urban Strategies

Action Item: Proposed Resolution 11-74: Authorization for Contract Authority – Soundview Café Reconditioned and Repaired for Safety – Leland Building

Action Item: Proposed Resolution **11-75:** Amendment to the 2011 PDA Operating and Capital Projects Budgets.

Action Item: Proposed Resolution **11-76:** Medical and Dental Coverage 2011-2012

Motion to approve the Consent Agenda
David moved, Ann seconded.

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

The Consent Agenda passed by acclamation

New Business

VI. Further Public Comment

None

VIII. Concerns of Council Members

None

IX. Adjournment

The meeting was adjourned at 6:10 p.m. by James Savitt, Chair

Meeting minutes submitted by:
Ryan Yale, Executive Assistant