



Pike Place Market Preservation and Development Authority (PDA)

CAPITAL RENOVATION COMMITTEE
Meeting Minutes

Monday, January 12th, 2009
4:30 p.m. to 6:00 p.m.
PDA Conference Room

Committee Members Present: Bruce Lorig, Pat Kerr, David Ghoddousi, John Finke

Other Council Members Present: Gloria Skouge

Staff Present: Joe Paar, Carol Binder, Anita Neill, John Turnbull, Tamra Nisly

Others Present: Ken Johnsen, Ellen von Wandruszka, Dale Wittner, Ben Kirchner, Lee Lockhart, Teagan McDonald

The meeting was called to order at 4:32 p.m. by Bruce Lorig.

I. Administration

- A. Approval of Agenda.
The agenda was approved by acclamation.
- B. Approval of December 8th, 2009 Minutes
The minutes were approved by acclamation.
- C. Announcements and Community Comments

II. Levy Project Update

A. Design and Construction Progress

Joe gave the levy projects update. He reported that the mockup flooring would be installed next week between Rachael the Pig and Pike Place Fish. Three different types of materials would be installed and tested for durability. The most durable material would be used as the permanent replacement for the tiles located in the heavy use area between the pig and the fish place. Bruce questioned what would happen to the old tiles. Joe responded that they would be cataloged and replaced elsewhere in the market once the renovations were completed.

John Finke joined at 4:36 p.m.

Joe reported that the selection of the electrical and mechanical design assist contractors continued. He briefly described the process of sending out requests for qualifications and proposals and noted that the selection would be completed by February.

Joe explained the permit process and schedule with the City. He noted that shoring and earthwork permitting has been submitted, the remainder of the projects would be submitted for permitting in mid March.

Joe explained the necessity of the timing of the renovations in response to Patrick's complaint of poor timing and tenant impact.

B. MHC Update

Joe reported that there were two elements, the windows and the duct work, remaining of Phase I to be presented to and approved by MHC. They were expected to be approved within the next few weeks. Carol noted that further changes in use from tenants would be expected and she and John were working with Heather at MHC, keeping her apprised of changes as they arose so they would be processed quickly and not hold up the renovation projects.

Requests for Proposals, RFP's, have been sent out, and some have been received back, for Special Inspections, Geotechnical Monitoring and Commissioning.

Bruce questioned if testing that was passed in prior resolutions were completed. Joe responded that the survey work, as built and moisture testing were completed. It was found by Rushing that some of the fire safety installments may not be necessary and that the current system would probably handle the required water pressure.

C. Budget Considerations

Carol reported that after review of cost estimates from Turner and due to changes in design, particularly the elevator change, tenant mitigation costs were higher than expected. Due to these unexpected expenses that were not included in the Turner estimate, and to provide funding for non levy projects, we are looking for additional sources. A New Market Tax Credit allocation recently became available and the PDA was working quickly to obtain these funds. A Bridge loan from a commercial lender would be obtained to leverage these funds. In order to close the deal by February a certain schedule of requirements must be met. Some of the requirements included public notification and meetings before Council takes action to approve or disapprove of the Program at a special meeting to be held on February 19th at 8:00 a.m.

Patrick questioned if there was a downside to the tax credit funds. John responded that Market risks were minor to none. The main risk would be to the investors.

John T. noted a detailed schedule was received from Turner last week and was working on a budget for the mitigation of tenant relocations. There would be a public information meeting on February 11th in the senior center.

III. **Non Levy Project Update**

A. Plan Schedule for Moving Forward

Carol noted that she was working with John to get him up to speed on the non levy capital projects. They were meeting with Duncan and the new Architect to review, plan and coordinate these projects.

Carol noted that Sally Clark's office was going through the selection process for the three City appointee committee members. They would be non-voting members of the committee and would assist with overseeing the projects and tracking the budget. The Cities criteria for their selection process were for them to be familiar with public inspection projects and / or public finance.

B. Funding Plan – New Market Tax Credits See Budget Considerations above.

IV. **Concerns of Committee Members**

V. **Public Comment**

Teagan McDonald questioned what would happen if the Courts questioned the extension of the Kitsap tax credit allocation to King County. John F. responded that it had already been Federally approved and was highly unlikely that this would happen.

Ben Kirchner questioned what would happen to the storage space the Child Care Center was taking over during the renovations and what would happen to the Bakery prep space. Carol responded that the PDA

was working with the Bakery to find them an offsite prep location. The storage would need to be removed to accommodate the Child Care Center, but new storage spaces were constantly being looked for but there was a shortage of storage in the Market. Tenant may have to find storage offsite.

Ellen von Wandruszka noted that she recognized the necessity of the Child Care's temporary relocation during the renovation and the need of the addition of an elevator to the Pike Place Market. She greatly appreciated and thanked the PDA for their assistance in the Child Care's relocation process.

Dale questioned the security of the new elevator to the residential floors. Joe responded that the details were still being worked out and all options were being considered. Additionally, Dale questioned if the Leland apartments were going to be used as PDA office space. Carol responded that there were no plans to use the Leland for office space and it was just a rumor.

VI. Adjournment

The meeting was adjourned at 5:29 p.m. by Bruce Lorig.

Meeting minutes submitted by:
Anita Neill, Executive Assistant