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**Pike Place Market Preservation and Development Authority (PDA)**

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**FINANCE & ASSET MANAGEMENT**  
**Meeting Minutes**

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**Tuesday, December 14<sup>th</sup>, 2010**  
**4:30 p.m. to 6:00 p.m.**  
**PDA Conference Room**

**Committee Members Present: Chair Matt Hanna, Vice Chair Bruce Lorig, David Ghoddousi, Gerry Kumata, Ann Magnano, Gloria Skouge**

**Other Council Members Present:**

**Staff Present: Ben Franz-Knight, Kelly Forbes Marshall, Bob Beckstrom, Jennifer Maietta, Sabina Proto, Jay Schalow, John Turnbull**

**Others Present:**

This meeting was called to order at 4:42 p.m. by Matt Hanna, Chair.

**I. Administration**

**A. Approval of Agenda**

Matt noted an addition to the agenda: a presentation of possible commercial revenue comparisons, to be included between items V and VI.

The agenda was approved, as amended, by acclamation.

**B. Approval of November 16<sup>th</sup>, 2010 Minutes**

The Minutes were approved by acclamation.

**C. Announcements and Community Comments**

None.

**II. Review of Financial Statements for November 2010**

**A. PDA Operating Statements**

Sabina reviewed the financial statements for November. She noted that restricted cash has been decreased due to annual and semi-annual payments made to the PC-I bondholder. This is compensated for by a reduction on the Liability side of the balance sheet. Sabina also stated that a reduced cash flow can be attributed to the slow season, and there are few outstanding balances in A/R.

Matt asked whether the PC-I Bond Interest would be principle pay-down only from that point forward. Sabina responded that no, it wouldn't.

Sabina continued her report: Year-end net results are anticipated to be very satisfactory, and PC-I revenues were finally more than budgeted – very positive.

*Review of Capital Reserves and Capital Projects spreadsheets.* Matt requested a year-end review of figures for Capital Projects, to be discussed at the January FAM with the intention of incorporating those figures into the 2011 budget.

### **III. Checking Account Activity Report**

### **IV. NMTC Update**

Ben gave an update regarding NMTC. According to Ben's report, the CDE LIIF discovered a regional restriction that applies to the allocations they were planning to contribute. The restriction would reduce LIIF's contribution by approximately \$3 million. The net reduction in equity from the deal would be approximately \$300,000-\$400,000. Ben said that the deal returns to the Council for consideration in its original form as proposed, though alternative solutions are being explored with LIIF to ensure original committed contribution of \$10 million. Also, Ben reported the possibility of funding supplementation from the City of Seattle. He said that if LIIF cannot commit to full amount, the City would review the proposed funding at their January Finance Committee meeting. Round 8 allocations are to be announced at the end of this year or in early 2011, and if LIIF receives an award, they would be willing to apply 2010 allocations to the fulfillment of their financial obligations for 2011. This arrangement would delay the closing of the deal until late January, but all partners could proceed as the deal is currently structured.

Ben continued to report: Failing City contributions or LIIF meeting their commitments, another option that may be considered is whether it's appropriate to proceed with the inclusion of the Economy Market Building.

Ann expressed concern over closing the deal past January.

### **V. Action Items**

#### **A. Action Item: Proposed Resolution 10-80: Authorization for Contract Authority – Replace Trash Compactor**

Bob Beckstrom reported that the current compactor was purchased at least ten years ago and is now beyond repair due to extremely heavy usage. The company chosen to replace the compactor will also include repairs peripheral to the compactor facility itself. Replacement of the trash compactor will be funded by the Capital Reserves Equipment Fund.

For: Matt Hanna, Bruce Lorig, David Ghoddousi, Gerry Kumata, Ann Magnano, Gloria Skouge  
Against:  
Abstain:

Resolution **10-80** passed by acclamation.

### **VI. Presentation: Sales Reports by Category**

In response to interest expressed by the Finance Committee, John Turnbull presented a comparison of commercial revenue components. Graphs represented comparisons of the three main categories of Market businesses (food, restaurant, and mercantile), along with possible subsets within each of those categories (i.e., comparisons of restaurants with liquor licenses, similar geographic locations, seasonal fluctuations within a single business, etc.). John also reviewed the top 25 businesses (by total sales), noting that those figures could be recalculated to reflect sales per square foot or to reflect the top 10 businesses within each commercial group. As an example, John shared a set of data pertaining to a single restaurant which indicated a steep increase in sales for July 2010.

Matt requested that this material be presented to the Full Council at their January meeting. Ben suggested that some of the information shared could be included in the January Council Packets.

**VII. Items for the Consent Agenda**

Matt moved that Proposed Resolution 10-80 be added to the Consent Agenda.

It was passed by acclamation.

**VIII. Public Comment**

None.

**IX. Concerns of Committee Members**

None.

**X. Adjournment**

Meeting was adjourned at 5:44 p.m. by Matt Hanna, Chair.