



Pike Place Market Preservation and Development Authority (PDA)

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**FINANCE & ASSET MANAGEMENT**  
**Meeting Notice and Agenda**

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**Tuesday, January 18<sup>th</sup>, 2011**  
**4:30 p.m. to 6:00 p.m.**  
**PDA Conference Room**

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

**Staff Members Present: Ben Franz-Knight, Kelly Marshall, Tyler Jamison, Erica Bates, Sabina Proto, Jay Schalow, Robert Hader**

**Others Present: K&L Gates, RBC Wealth Management**

Meeting was called to order at 4:30 p.m. by Matt Hanna, Chair.

**I. Administration**

A. Approval of Agenda

Agenda was approved by acclamation.

B. Approval of December 14<sup>th</sup>, 2010 Minutes

Minutes were approved by acclamation.

C. Announcements and Community Comments

None.

**II. Performance of the Pike Place Market PDA Employee Retirement Plan during 2010**

Retirement Plan Advisors from RBC Wealth Management will talk about the performance of the PPM PDA Retirement Plan during 2010

Sabina gave a brief report of the PPM PDA Retirement Plan & Trust, a profit-sharing and savings plan and trust.

Steve Meyers and Joe Eschbach gave an overview of the PDA Employee Retirement Plan. Erica Bates added some information about the benefits to the employees.

Ben concluded, stating that this presentation has shown that the money allocated to this pension plan is being managed thoughtfully and carefully.

Matt Hanna mentioned the prospect of an increase allocation in the pension plan, as an incentive for attracting even better-qualified future employees, potentially a discussion item for the retreat.

Gerry Kumata asked about the planning process for administering the retirement plan. Erica Bates responded that the question is a difficult one to answer, because some employees may not retire at the PDA, but take those funds with them. She said the plan is designed to benefit only 120 or fewer employees, though this can be altered if necessary.

Matt proposed continuing the discussion at a future meeting, perhaps formulating some specific questions for consideration.

Gerry asked about the investment distribution, and Steve responded that there is a written plan that determines the distribution of the funds.

Ann asked if certain funds are given preference, beyond general performance. Joe responded that any fund available through Ameritrade that meets the pre-determined criteria could be considered.

### III. Review of Financial Statements for December 31, 2010

#### A. PDA Operating Statements

Sabina gave an overview of the financial statements for December 2010.

She proposed that an overage of \$110,000 from QB2 in 2010 be recovered as an additional management fee, to offset an overall Commercial revenue shortage and a decrease in the performance of percent rents. Sabina said that she will be proposing a resolution at the February QB2 Board Meeting to that effect.

Matt voiced concern over a lack of understanding of the issue, and suggested a thorough examination before reflecting the transfer of funds in the year-end financials.

### IV. Checking Account Activity Report

Not given.

### V. Other Reports and Action Items

#### A. Action Item: Proposed Resolution 11-02: Authorization for Contract Authority – Door Cylinders for Livingston-Baker Building Fire & Life Safety (Replace Common Area Doors and Flooring) – Livingston-Baker

Tyler Jamison reported, stating that this project is near completion and he purchased the door cylinders under the perception that they would be covered by a prior resolution. However, due to the cost of the cylinders (\$13,000) he is now submitting a resolution for contract authority to retroactively apply to the purchase.

Gerry Kumata moved, Ann Magnano seconded.

Matt Hanna requested an amendment to the resolution, ratifying the procurement of the doors.

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

Against:

Abstained:

Proposed Resolution 11-02 passed, as amended, unanimously.

#### B. Action Item: Proposed Resolution 11-06: Ratifying and Confirming Actions Taken Under Prior Pike Place Market Preservation and Development Authority Resolutions Authorizing and Approving the Federal New Markets Tax Credit Financing in Connection with Phase II of the Market Infrastructure Program.

Ben reported, giving an overview of the progression of the transaction. He said the deal is poised to close by the end of the month. He gave several reasons for continuing with the deal as-is, including the risk of being underfunded for some projects that are currently underway. He recommended that the resolution be structured in such a way as to allow for potential future allocations from other CDEs.

Three representatives from K&L Gates outlined the differences in the final documents from the documents approved last summer.

Matt suggested that questions regarding these documents be forwarded to Ben.

Ann asked about the costs incurred due to the delay in closing the deal. Ben responded that the delays have absolutely cost more money than if the deal had been closed quickly, but the \$5.8 million at stake make the deal worthwhile.

Gerry Kumata asked if there are delays, would there be impacts to the current renovation timeline? Matt said that it would be discussed at the January PDAC meeting.

Matt discussed the possibility of a bridge loan in the amount \$128,000. One of the K&L Gates representatives said that in light of restructuring the original bridge loan, the smaller loan is proposed.

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

Against:

Abstained:

Proposed Resolution **11-06** passed unanimously.

- C. Staff Reports  
None.

**VI. Capital Asset Management**

A. Capital Projects Update

Matt suggested moving this item to the February FAM meeting, to facilitate a broader discussion of the budgeting process.

**VII. Items for the Consent Agenda**

Proposed Resolution **11-02** was moved to the Consent Agenda.

**VIII. Public Comment**

None.

**IX. Concerns of Committee Members**

None.

**X. Adjournment**

Meeting was adjourned at 6:02 p.m. by Matt Hanna, Chair.

Meeting minutes submitted by:  
Kelly Marshall, Office Coordinator

