



Pike Place Market Preservation and Development Authority (PDA)

OPERATIONS & COMMUNICATIONS COMMITTEE
Meeting Minutes

Thursday, August 13th, 2009
4:00 p.m. to 6:00 p.m.
PDA Conference Room

Committee Members Present: John Finke, Patrick Kerr, Theresa Alexander, Jackson Schmidt, Ann Magnano, David Ghoddousi, Gerry Kumata

Other Council Members Present: Gloria Skouge, Bruce Burger

Staff Present: Carol Binder, Anita Neill, James Haydu, Jeff Jarvis, Teri Wheeler, Zach Cook, Noa O'Hare, Matt Holland, Cecilia Hall, Steve Nelson, Jay Schalow, John Turnbull

Others Present: Lita Mendez, Bee Cha, Vivian West, Ben Craft, Allan West, Nancy Hutto, Cheu Chang, Sia Cthuo, Carol Xiong, Tong Xiong, Greg Papcheck, Dale Wittner, Kou Lor, Ka Ying, Mai Cha, Xa Lao, Pa Thao, Neng Vang, Ben Craft

The meeting was called to order at 4:00 p.m. by John Finke, Chair.

I. Administration

A. Approval of Agenda

Patrick Kerr moved and Ann Magnano seconded.
The agenda passed unanimously.

Gerry Kumata and Bruce Burger joined at 4:01 p.m.

B. Approval of July 16th, 2009 Minutes

The minutes were approved by acclamation.

C. Announcements and Community Comments

Dale Wittner requested that name plates be used for Council members. Dale complained that with the dust and noise from the renovations and the inconvenience of not having a running elevator, there should not be a rental increase for the Leland residents. He accused the PDA of being out of touch with the Leland residents and the competitive market rental rates. He requested that Council rescind the 3% rent raise and to direct security personal to assist the tenants as necessary.

Vivian West noted that John Turnbull of the PDA had promised her that there would be no rent increase during the renovations and had requested a rent reduction. She asked Council to consider not a rent increase, but a rent reduction, during the renovations. John replied that Council would discuss and consider the proposal later in the meeting.

Greg Papcheck noted that without the elevator in the Leland it was extremely difficult to move in or out especially due to the small size of the staircase. With all the inconveniences put on the tenants with the renovations, it was unjust to raise the rent.

John noted that Council would continue with the meeting as outlined on the agenda and would come to a conclusion on the Leland rent increase by the end of the meeting.

II. Public Hearing Regarding the Compost Program

John noted that the public hearing regarding the Compost Program was not to come to a decision but to gather testimony from the community. Staff and Council would then gather information and deliberate further in October. In order to give everyone a chance to speak within the time limit, John requested that each speaker limit their comments to three minutes. An interpreter was available for anyone who needed it.

Lita Mendez who was a long time flower grower and seller in the Market, thanked the PDA for the Mother's Day Flower Festival. She noted that her sales doubled that day. She understood that there was a cost to the PDA for providing the composting service but would like it continued. She stated if it could not be continued she would take waste back to her farm and put it in the field.

Bee Cha noted several barriers that kept the farmers from hauling out their compost including the equipment needed to haul and process the compost; most farmers lease their land and have little knowledge of soil management. Jackson clarified that Mr. Cha was expressing that due to the leaseholds that the farmers don't have the incentive to process the compost and due to the flood plains the compost would wash off every year.

Ben Craft, a long time farmer from Whatcom County, explained that in order to get a high class level four soil it was necessary to compost the soil. On his farm it was a necessity to compost and would make it part of the process when they plowed the fields. He fully supported making farmers at the Market responsible for packing out their own compost. Ben made many good arguments for composting on the farm and also resented that his time was limited when he had travelled so far to come to the meeting.

Allen West noted that with the hassle of the construction and lack of elevator there should be no rent increase to the Leland tenants.

Nancy Hutto, a farmer and board member of the farm coalition, noted that the farmers have long hard working days and were providing a service to the Market by being here. The composting bins were a necessary perk for the farmers to continue coming and selling at the Market. She then thanked the Council for including the farmers in the decision making process.

Cheu Chang, a long time flower farmer and seller, noted that being a land leaser made it difficult to make decisions in taking care of the land. Additionally the annual flooding continually washed the soil away. She would like to see the compost program stay because it was helpful to the farmers that already had long and strenuous days.

John noted that the compost program was becoming increasingly expensive for the PDA to afford. Additionally there would be use changes to the street with the renovations. He noted that Council and staff would work together with the farmers to come up with a solution.

Carol Xiong noted that she worked long days nearly everyday and the process was hard work and difficult particularly when done she had to do it all by herself. She continued to emphasize how hard farming work was.

Kou Lor, with translator assistance, Bee Cha, he noted that the PDA should continue to help with the compost because it was too difficult and heavy for most farmers to haul it out. Carol Xiong noted that haulers were not typically available like they were in the mornings to assist with the hauling of the flowers.

Ka Ying, with translator assistance, Bee Cha, noted that she supported the comments made by the other farmers.

Mai Cha, with translator assistance, Bee Cha, noted that she had knee surgery and could not physically carry the compost out every night alone.

Bow Cha, with translator assistance, Bee Cha, noted that after the daily expenses their profit was not that significant.

Guy in blue shirt, Carol Xiong's father, commented that King County prohibited composting on the flood plains. PDA staff would look into this policy.

Gal in red shirt, with translator assistance, commented that she typically only sold 50% of what she brought to the Market everyday and donated the rest to the food bank so fresh produce could be brought in the next day. She was self employed and had no other benefits and didn't make a lot of money so the benefit of the composting program was significant to her. Additionally she noted that she was harassed by PDA security that morning for placing a cone in a parking spot.

There was further discussion on the issues noted above.

John questioned what the farmers did with the compost required to be hauled out by other Markets that the farmers attended. It was noted that the compost was brought back to the farm and tilled into the soil but was a much smaller amount than what was produced when they sold at the Market. John questioned the farmer if most their crops were planted every year and the reply from the farmers was yes.

At the end of the public comment period John thanked the farmers for their time. He noted that their contribution was critical to the Market and reiterated that Council and staff felt they were an important component to the Market. The PDA would continue to promote the farmers to keep the rents low even though the rates seemed high to the farmers they were deeply subsidized by the Market. He noted that Council would come up with questions for staff to answer and come back with solutions at the October meeting for further discussion. Until then the letter would remain rescinded and the program would remain intact until the issue was resolved.

Theresa addressed the farmers to work towards a solution to the issue and not to let it drop.

III. Council Discussion Regarding the Compost Program

John asked Council for their thoughts on the issue regarding the compost program and what had been said during the public hearing portion of the meeting.

Jackson noted that he would like to see how the Capital Renovation committee's non-levy street use plans figured into the program and the costs associated with it. He would also like to see proposed alternatives from the farmers.

Gerry concurred with Jackson.

Ann noted that she agreed with Jackson and Gerry. She also felt that it was a good idea to start up the Farm committee again with people who were knowledgeable about farming and running a farm program. A possible solution to the composting problem would be to allow farmers to park out front so it would be easier to load and unload.

David noted that he would like to know exactly what the flood plain regulations were and which farmers leased or owned their land.

Theresa agreed that a farm committee would be a good idea as long as it was run by people who knew farming and could develop an effective program.

Ann pointed out in Skagit County where there were a lot of flood plains and there was no policy against composting, composting was encouraged.

John noted that Council would need to know what the Capital Renovation committee had planned for moving the garbage off the street as part of the non-levy projects. Projected costs associated with the changes would need to be calculated and configured which options would work for the farmers. Further investigation would be needed to be completed by staff.

IV. Staff Updates

Carol passed around a hand out that summarized the cost history of the farmer compost recycling program from 2002-2008. It was decided that the hand out would be discussed in detail with Jeff Jarvis, in October, after Council had an opportunity to review the material.

James noted for the public record that contrary to the letter from the Gensons and Thornfield Acres Farm that was distributed at last month's full Council meeting, the PDA valued their farmers and was strongly opposed to the accusations in the letter.

V. Property Management

A. Residential Property Management Report

i. Leland Rent Increase

Carol noted that the Leland had been approved for a 5% increase in the budget that was passed by Council. It was lowered to 3% on account of the poor economics and disruptions from the renovations. Most units were below market comps and official comps and appraisals were completed annually to configure rental rates. Carol continued to explain the process in detail.

Gerry Kumata left at 5:25 pm.

Theresa noted that the property manager should be present to respond to Council's questions.

John made a motion that the 3% rental increase be postponed to the residential tenants in the Leland until after the elevator was back on line. If another increase was implemented during this time that increase would be in addition to the postponed 3% would be implemented as the rental increase when the elevator came back on line.

Jackson Schmidt moved and Bruce Burger seconded.

Dale spoke out of turn and John reminded him that it was not appropriate for the public to speak during the making of a motion.

For: John Finke, Theresa Alexander, Jackson Schmidt, Ann Magnano, David Ghoddousi, Gerry Kumata
Against:
Abstain: Patrick Kerr

The motion passed.

Patrick Kerr opposed the proposed motion by John and made a motion that rents should be decreased by at least 3% until the elevator was back on line, David Ghoddousi seconded.

Theresa Alexander moved to table the motion until further information was available to make an informed decision, Jackson seconded. It was decided that the motion would be held over until the October OPSCOM meeting and any conclusions would be retroactive to October 1st.

For: John Finke, Theresa Alexander, Jackson Schmidt, Ann Magnano, David Ghoddousi, Gerry Kumata
Against: Patrick Kerr
Abstain:

The motion passed.

B. Closed Session Closed Session (RCW 41.30.110 [c])

The meeting went into closed session at 5:46 p.m.

- i. Review of Lease Proposals
- ii. Review of Delinquency Report
- iii. Vacancy Report
- iv. Current Lease Negotiations

Closed session ended at 6:09 p.m.

David Ghoddousi and Ann Magnano left during closed session 6:06 p.m.

- C. **ACTION ITEM:** Approval of Lease Proposals
John Finke moved all the proposed leases and Patrick Kerr seconded. The lease proposals passed unanimously.

VI. Items for Consent Agenda

John Finke moved the lease proposals to the consent agenda, Patrick Kerr seconded.

VII. Concerns of Committee Members

Gloria Skouge noted she felt that it's ok to leave compost and garbage on the street because it is a working Market. John disagreed because the waste was a hazard and unsightly. Gloria additionally noted that she would not be in favor of a Farm committee unless it was restructured and not run as it had been in the past.

Patrick noted that he felt there was a need for a Farm committee. John noted that the Farm program could be restructured to accomplish this and further discussion was needed on the subject.

VIII. Adjournment

The meeting was adjourned at 6:12 p.m. by John Finke, Chair.

Meeting minutes submitted by:
Anita Neill, Executive Assistant