



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

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**COUNCIL MEETING MINUTES- July 2008**

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**Thursday, July 31<sup>st</sup>, 2008  
4:00 p.m. to 6:00 p.m.  
PDA Conference Room**

**Council Members:** Jackson Schmidt, John Finke, Ann Magnano, Gloria Skouge, Patrick Kerr, Bruce Burger, David Ghoddousi, Gerry Kumata, James Savitt

**Staff Present:** Tamra Nisly, James Haydu, Carol Binder, Anita Neill, Terry Plumb, Scott Davies, Matt Holland, Steve Nelson, Cecilia Hall, Coyle Jefferson

**Others Present:** Ken Johnsen, Joe Canavan, Dale Wittner, Ben Kirchner, Lee Whitley, Ellen Von Wandruszka, Marlys Erickson, Robert Van Cleve, Megan Dixon, Mark Barbieri

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

**I. Administration**

**A. Adoption of Agenda**

Jackson amended the agenda and added Mark Barbier to speak around 5:00 p.m.

Carol amended the agenda and added a Strategic Planning report before Capital Renovation. The agenda, with changes, was approved by acclamation.

**B. Review and Approval of Minutes of June 24<sup>th</sup>, 2008**

The Minutes were approved by acclamation.

**II. Comments of the Market Community**

**A. Pike Place Market Merchants Association**

**B. Constituency**

**C. Daystall Tenants Association**

**D. United Farmers Coalition**

**E. Market Area Merchants Association**

**F. Pike Market Performers Guild**

**G. Other Public Comment**

Dale expressed that he had a number of questions he would like addressed. Jackson noted that the policies for the Public Comment portion of the meeting were that the person makes their comments, and it is not meant to be a dialog or question and answer period. Dale expressed his frustration that he felt his questions were not given enough time or thought. Jackson raised the issue that leniency had been taken to this point but he was becoming uncomfortable with this leniency and the change in the meeting format. He also noted that Other Public Comment was intended for comment to the Council as a whole and individual questions should be addressed to the staff. It was decided that Dale would create a list of questions to be addressed to Jackson and Carol who would then attempt to respond.

Dale questioned the final cost of producing the Pike Place Palate magazine. Jackson responded that he did not have the answer to that question. Dale expressed his concern for the waste and loose handling of money. Carol noted that the Council reviews the budget line by line and staff expend funds within that budget.

### III. **Consent Agenda**

Jackson moved and Patrick seconded.

For: Schmidt, Finke, Magnano, Skouge, Kerr, Burger, Ghoddousi, Kumata, Savitt

Against:

Abstain:

The Consent Agenda passed unanimously.

### IV. **Executive Director's Report – Carol Binder**

#### A. Report Items/Response to Questions

Carol handed out and reviewed the Executive Directors report which covered the key operating metrics. Carol noted that there was less of an increase in sales than prior months which could be due to the decline in the economy, in particular mercantile sales were down which tend to be more volatile in a poor economy. It was reported that the vacancy rate was down to the goal of 3%. Marlene Allen left the PDA permanently due to health issues. Open enrollment for the benefits package would be next week. There was a 15% increase in the annual medical renewal but the plan would remain the same, other benefits did not increase as much. The rates in the parking garage have been increased from 9\$-12\$ for daily parking and 3\$-4\$ hourly. This increase was an attempt to discourage daily parkers and to keep the parking garage from filling up early,. The goal was to provide short term parking for customers to the Market and this plan would be further discussed in Strategic Planning. The Yardi Voyager upgrade conversion was scheduled to go live on August 11<sup>th</sup>. The most notable improvements in the upgrade were in the residential reports and the work order system. Capital Projects that were being completed were the Livingston Baker project, window replacement in the Triangle, and painting of the 1<sup>st</sup> and Pine building, which had some delays due to bad weather. The copper piping in the 1<sup>st</sup> and Pine building was found to be defective and would need repairing or replacement in early 2009, options were being researched. John questioned how much this would cost, Carol responded that it would cost about \$500,000 and levy funds could be used for this project. John questioned what the new plan would be for the Livingston Baker tenants. Carol responded that the Common Ground and Strategic Planning Committee are working together on a plan for the transition to workforce housing. The South Arcade building doors would be closed in fall 2009 or winter 2010, they would be doing renovations and putting in higher end retail, the new name would be The First and Union Building.

### V. **Executive Committee Report – Jackson Schmidt (John Finke Chaired in Jacksons absence)**

#### A. **Action Item:** Proposed Resolution 08-40: Approval of Revised Agreement Regarding Levy Proceeds between the City of Seattle and the Pike Place Market PDA.

John moved and Ann seconded.

For: Schmidt, Finke, Magnano, Skouge, Kerr, Burger, Ghoddousi, Kumata, Savitt

Against:

Abstain:

Proposed resolution 08-40 passed unanimously.

#### B. Report Items/Response to Questions

John gave the report as he chaired the meeting in Jackson's absence. There was a discussion about the elevator and the Leland was the primary choice of the Market Historic Commission. Gerry Johnson was present and reviewed the amended levy proceeds agreement with the City of Seattle.

Jim noted that there was a discussion about the possibility of a liaison between the PDA and the MHC. It was discussed that there was a need to create a solid process when communicating with the MHC. John noted that there was a discussion of possibly creating a committee to act as the liaison. Jim noted that he got the feeling from the Executive Committee meeting that there was resistance to this idea from the MHC. John noted that he believed the Executive Committee meeting ended with the decision that a process should be developed and implemented and the MHC should be involved in the development of this process. Gerry pointed out that there was a similar process in place when renovations were completed 20 years ago.

#### **VI. Operations and Communications Report –Patrick Kerr**

##### **A. Report Items/Response to Questions**

Patrick reported that there was a public hearing on the Hildt agreement. It was decided that James would prepare a staff report for the August 14<sup>th</sup> OPSCOM meeting. A resolution would be drawn up and brought to the August Council meeting. The campaign manager for the levy, Megan Dixon was present. She spoke about the levy and the plans for the campaign. It was announced that August 17<sup>th</sup> would be 101<sup>th</sup> birthday party for the Market and there would be a celebration in the Park. A report on residential from Coyle was given. He reported that vacancy was at the goal of 3%. He also reported that there would be a rent comparability survey on the 1<sup>st</sup> and Pine building which was required for the HUD renewal. It was also noted by Coyle that a capital needs assessment was needed for all the buildings. Ann noted that Noa spoke about his plan for a Rapid Market Assessment of the Market.

#### **VII. Finance & Asset Management Report – James Savitt**

A. **Action Item:** Proposed Resolution 08-39: Approval of 2007 Audited Financial Statements. Jim asked that voting on this resolution item be postponed until the next Council meeting when everyone had a copy of the Audit with them. This resolution was tabled until the next PDAC meeting.

##### **B. Review of Financial Statements**

A report was given from the auditors. They noted that it was a clean audit with no deficiencies or control problems. It was reported that the property management expenses had increased the same amount as the revenues. This seemed odd to Jim and had requested a report be given on this at the next Finance and Asset Management meeting. Approval of resolution 08-39 would not be voted on until the entire Council had a copy in front of them to review. It was reported by Sabina that the monthly financials were in good shape. Steve reviewed the capital projects budget comparison report. It was noted that Steve was doing a good job of completing projects on time and on budget. James reported that he would be working with the City to get an easement on the property by the garage. This area would be used to house the Central Plant. It was noted that if an easement was not obtained the second option was to put it on the roof of the garage. There was some discussion about the Market farm rules and if they should be revisited because they do not represent today's standard of who's in the farming community. Jim noted that this would be a more appropriate discussion for OPSCOM. Carol noted that these rules are reviewed on an annual basis and this would be taken into consideration at the next review starting in December.

##### **C. Report Items/Response to Questions**

#### **VIII. Strategic Planning – Bruce Burger**

##### **A. Report Items/Response to Questions**

Bruce reported that the Strategic Planning Committee was working on what their goal should be for the up coming year. There was a question if a comprehensive review of the strategic plan should be done or if it was bad timing due to the all the capital renovation projects coming up in the next year.

Two issues the committee was working on were the parking strategy and the housing strategy. Ann commented that Carol's report that housing was at 3% was fabulous especially considering it was considerably higher a few months ago.

**IX. Capital Renovation Committee – Bruce Lorig – Patrick Kerr reporting on behalf of Bruce Lorig.**

**A. Report Items/Response to Questions**

Turner Construction was present at the meeting and was introduced to the Council. There was a discussion on the Hillclimb elevator and how it should be presented at the MHC meeting. There was a mechanical update of the Central Plant. It was reported that the vegetable boilers were no longer a viable option and have been replaced with natural gas boiler systems. There was a discussion on the possibility of a levy oversight committee. There was a review of Bruce L.'s presentation to the MHC regarding the Flower Row elevator design which was not well received by MHC. Carol noted that it was necessary to accept that there will not be an elevator on Flower Row and to move forward with the Leland elevator expansion.

Jackson noted that the two issues that needed to be focused on are location of the elevator and work on good communication with the MHC. Jackson noted two positives of the Leland elevator, it opened up the stairway at the bottom of Western Ave and the preschool gained square footage.

Ken reviewed the design sketching of the Hillclimb and the elevator. Ken noted the MHC was firm in their decision not to disturb the buildings appearance. He also noted that it was important to accept this decision and work the Leland elevator as good as possible and move forward. The next step was to complete an application for the Leland elevator and the Stairs. There was a discussion that went around the room to get each Council members input on how they felt about the Leland elevator. There were some mixed feelings but for the most part people were positive about moving forward with the Leland elevator expansion. It was decided that there was a need to come up with a process for collaborating with the MHC. Staff recommendations would be collected than brought back for resolution to next months Full Council meeting.

Jim expressed his dissatisfaction with not discussing the issue of an ad hoc committee or a liaison between MHC and Council. He further expressed his frustration with the amount of time and money spent on the elevator designs and stressed that there must be better organization. Carol noted that Ken and Bruce met with Karen Gordon and started the process of creating an ad hoc committee / liaison with the MHC.

**X. Guest Speaker – Mark Barbiari**

The chair of the Market Foundation, Mark Barbieri was present. He spoke about the levy and the politics around it. He reported that the goal was to raise \$410,000 for the campaign and they were about half way there. Their primary focus was on raising funds and getting the message out to voters. Carol handed out a quote that came in support of the levy from the Seattle Times. The campaign kickoff has been scheduled for August 20<sup>th</sup>. Bruce B. asked if Mark had seen any political opposition. Megan responded that they had not and were expecting endorsement from Adam Kline and Patty Murray. Mark passed out some of marketing materials. Jackson noted that it would be helpful to note on their marketing materials that the Market was publicly owned and not a business. On that same line, Ann noted that a lot of people don't understand that the Market was not just retail but also provided social services, housing, medical services etc.

**XI. Public Comment**

**XII. Concerns of Committee Members**

Patrick expressed his dissatisfaction with the cost of replacing the plumbing in the 1<sup>st</sup> and Pine building. Jackson noted that because the plumbing was defective when the building was purchased that they were looking into insurance to cover the expense.

Patrick questioned if there had been word of the new Mayor appointed Council member. Carol responded that the process had been delayed by a few months because Michael Gilmore, who handles the process, left the position.

Patrick questioned if Pike Place Market was a non-profit organization. Carol responded that it was a public corporation. Patrick reiterated his concern about over spending, over designing and wasting money by not being efficient.

James noted that the Mayor would be at the Market birthday celebration on August 17<sup>th</sup>.

### **XIII. Adjournment**

The meeting was adjourned at 5:43 p.m. by Jackson Schmidt, chair.

Meeting minutes submitted by:  
Anita Neill, Executive Assistant