



Pike Place Market Preservation and Development Authority (PDA)

COUNCIL MEETING MINUTES- SEPTEMBER 2008

**Thursday, September 25th, 2008
4:00 p.m. to 6:00 p.m.
PDA Conference Room**

Council Members: Jackson Schmidt, Jim Savitt, Ann Magnano, Gloria Skouge, Patrick Kerr, John Finke, Theresa Alexander, Bruce Burger

Staff Present: Carol Binder, Anita Neill, Tamra Nisly, Bill Stalder, James Haydu, Brittney Farrow, Joe Parr, Haley Land, Scott Davies, Sabina Proto, Coyle Jefferson, Matt Holland, Cecilia Hall

Others Present: Dale Wittner, Ernie Sherman, Ellen von Wandruszka

The meeting was called to order at 4:02 p.m. by Jackson Schmidt, Chair.

I. Administration

A. Adoption of Agenda

Jackson moved the Strategic Planning report to after the Executive Committee report as Bruce Burger needed to leave early.

Carol noted that two action items needed to be added to the agenda. Proposed resolutions 08-51 and 08-52 were brought forward by the Finance and Capital Renovation committee and were added to the Finance portion of the agenda. Additionally, proposed resolution 08-43 was included in the packet but was not to be moved forward as an action item but was included for informational purposes only. Carol noted that she would be leaving early to attend a Viaduct Stakeholders meeting.

The agenda was approved, as amended, by acclamation.

B. Review and Approval of Minutes of August 22nd, 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

Theresa inquired as to how the Busker's festival went. James replied with a quick overview pointing out certain issues. One issue was that none of the Buskers had taken on the responsibility of organizing the festival since Jim Hinde's passing. James reported he was working with the Buskers for next year but was concerned that no one would step up with the planning. Theresa noted that this was a transitional year with Jim's passing and would like to see the festival continue for years to come.

G. Other Public Comment

Ernie commented that the potted flowers in the Market were even more beautiful this year.

Hailey noted that last week the constituency voted to endorse the levy. He suggested to Council to consider the idea of posting portable defibrillators in various locations in the Market. Additionally, he and other vendors were having difficulty in following the new billing statements and felt it would be helpful if a staff member would review it with the vendors. Jackson noted that this would be looked into.

Dale read a portion of the audit summary and questioned what was meant by "...certain issues." Jim responded that this was the same four issues that were discussed in the Finance meeting to which Dale attended and was on the agenda to be reviewed today.

Bruce B. questioned if Carol would be looking into the defibrillator idea. Carol responded that she would need to look into what training would be required and what the liability issues would be.

III. Consent Agenda

The Consent Agenda contained proposed resolution 08-53 from OPSCOM.

Jackson moved and John seconded.

For: Schmidt, Savitt, Magnano, Skouge, Kerr, Finke, Alexander, Burger

Against:

Abstain:

The Consent Agenda passed unanimously.

IV. Executive Director's Report – Carol Binder

A. Renovation/Levy Update

Carol handed out the Executive Directors report and copies of the PDA Livingston Baker Analysis report of refinancing options from Dan Landes of Common Ground.

Carol reviewed the refinancing report. All of the options considered involved prepaying the HUD mortgage and opting out of the Rent Supplement contract. This would relieve the project of the dual burden of inadequate rent supplement payments and the requirement that the tenants were charged no more than 30% of their actual income as rent. Common Ground sought to consider options that would enable the PDA to continue to serve low-income households, but without financially unsustainable requirements of the Rent Supplement program. Carol noted that the tax credit or public financing options had several drawbacks including being extremely competitive, and the project was not big enough to attract investors. Carol noted that she felt that the top three options were for the PDA to borrow money from a private bank, the PDA would use reserves to purchase the building or the PDA would issue a tax exempt bond. Carol reviewed why these provided the best options. The current tenants would move to a Section 8 voucher and still only pay 30% of their income but the PDA would get a higher rent subsidy paid back to them. The additional funds could be used for upkeep, improvements and upgrades to the building. This model would produce a profit and be able to maintain the building as these needs are not currently being met.

Dan Landes of Common Ground would come to the October Finance Meeting to review their final recommendations.

The State Auditors report has been received and was available for on the SAO website.

There were no non-compliance findings, however there were two items noted in the management letter, they were the number of years included in the financial statements and a federal index number was needed on the schedule for federal funds. One exit item noted was that the Purchasing and

Procurement Policy was in need of updating. Carol noted that the policy would be reviewed, updated and brought forward to the Finance Committee in early 2009.

Sabina was working on the budget for 2009 and would bring it forward to the October 21st Finance meeting. Carol noted that the Budget Public Hearing Meeting would be moved from November 4th to another date to be determined due to the conflict with Election Day.

V. Executive Committee Report – Jim Savitt reporting on behalf of Jackson Schmidt

A. Report Items/Response to Questions

Jim Savitt gave the report as Jackson Schmidt was not present at the meeting.

Jim reported that the minutes thoroughly summarized the items of importance. Some items worth noting but were not reflected in the minutes included; it was reported that the constituency voted unanimously to endorse the Levy, SRG had completed the phase I of the Design Development drawings and the Union contract was up for renewal and negotiations have begun.

VI. Strategic Planning Committee – Bruce Burger

A. Report Items/Response to Questions

Bruce B. reported that the two main items discussed at the Strategic Planning meeting were the Housing Strategy to be brought forward and discussed at the Full Council and the garage operating plans.

Bruce handed out the 2008-2009 strategic work plan and the potential topics. The committee decided to identify topics that would be addressed this year and what methodologies should be followed, the list and approach would be finalized at the retreat in October.

Jackson noted that the strategic plan was good and in recent years we have put much focus on the capital renovations. It was time to start thinking about the Market in the approaching new environment where a lot would be changing including the Viaduct and levy projects. The Council does not spend enough time with long range strategic matters and too much time on the details. A strategy to focus on the long range issues and how to integrate this into the monthly Council meetings would be a good discussion topic for the retreat.

Bruce further reported that the housing strategy plan was discussed. From the June meeting it was decided to work towards a 50/50% low income and workforce housing to meet the changing priorities in the city. A Resolution was discussed but was agreed not to move forward due to wording.

Suzanne reported on the parking strategy. Their priority was to meet the needs of customers to the Market. The downtown trend was that the city was discouraging all day parkers and encouraging transit. There was further discussion about changing and adjusting parking rates seasonally to regulate and discourage the all day parkers and have parking available for customers.

Carol noted that it would be a good idea to have policy resolutions written up and adopted so they are not revisited every time. Theresa agreed that this would provide clarity.

John asked if Bruce B. would clarify what the percentages represent as they were not reported in the minutes. Bruce B. responded that 30% was affordable housing and 70% was low income.

VII. Operations and Communications Report –Patrick Kerr

A. Report Items/Response to Questions

Patrick reported that the minutes were very accurate and briefly summarized them as follows; Marketing reported that they were getting ready for the holidays and James was working with the Pacific Northwest Ballet to perform a shortened version of the Nutcracker in the Market, ladies from the artist collective have planned a “Deck the Down Under” and it would be opening on November 29th, farm reported that despite a slow start they had a very successful year, residential reported that they were within their goal range of 3-5%, there was a discussion about the Livingston Baker and the options for refinancing.

VIII. Finance & Asset Management Report – Jim Savitt

Jim noted the budget process was earlier this year due to the Thanksgiving holiday. He briefly outlined the budget schedule and noted the following dates; the proposed budget would be presented at the October 21st Finance meeting and would be voted on the November 11th meeting. Full Council would then vote on it on the November 20th meeting. Jim wanted Council to note that there was only one month from the time Finance reviews it to when it would be voted on at Full Council.

A. **Action Item:** Proposed Resolution **08-52:** Authorization for Contract Authority – Boiler Replacement – Stewart House SRO Units.

Jim reported that there was an emergency proposed resolution for a broken hot water heater in the Stewart House SRO. There was an attempt to repair and seal the crack with a metal patch kit but it was unsuccessful. Tenants were without hot water and an emergency replacement was needed. The boiler was over 30 years old and was well past its lifecycle of 20-25 years. Carol noted that there was an emergency policy for such an occurrence. James noted that there was a contingency emergency fund for such items.

Jim moved it and Theresa seconded.

For: Schmidt, Savitt, Magnano, Skouge, Kerr, Finke, Alexander, Burger

Against:

Abstain:

The proposed resolution passed unanimously.

B. **Action Item:** Proposed Resolution **08-51:** Authorization for Contract Authority – SRG Partnership, Inc. – Hillclimb Shoring and Grading Design for Permitting for Hillclimb Phase One Work. Jim reviewed the resolution.

The Finance committee moved and passed the resolution with the stipulation that the Capital Renovation committee considered and approved it prior to the Full Council meeting where there would be a final discussion and vote. The Capital Renovation committee did review and pass the proposed resolution.

Jim moved and John seconded.

Theresa asked the Shoring and Grading be explained to her in laymen terms. Joe explained that Shoring was the process of placing steel beams and wood legings to hold back the buildings and dirt while the soil was excavated. The grading was the part where the dirt was dug up and prepared for the work to be completed.

John noted this was for design work only to obtain the necessary permits and not the actual construction.

Patrick again opposed the resolution, exclaimed that this was a waste of money that we do not have.

Theresa questioned if this work could wait until after the levy. Bruce B explained this was part of the critical path in order to obtain permits to begin construction in April. John noted that if the levy did not pass this work does not have a shelf life and would be useful sometime in the future.

For: Schmidt, Savitt, Magnano, Skouge, Finke, Burger

Against: Kerr

Abstain: Alexander

The proposed resolution passed.

IX. Capital Renovation Committee – Joe Paar reporting on behalf of Bruce Lorig

A. Report Items/Response to Questions

Joe Paar gave the report as Bruce Lorig was not present.

The Design Development report was completed. Turner would use this report to create a cost estimate and would be available in about three weeks. The next phase of the design work was discussed which was the shoring and grading. Joe reviewed the investigative work completed in the Down Under. He briefly explained the process and reported that there was not as much water damage found as was expected. Joe further reviewed the Potholing investigative work on the Hillclimb and what was discovered of particular interest was a void room was discovered under the preschool playground. Footings and utility cables were not where they should have been according to the plans.

Theresa questioned if the as built had been completed yet. Joe replied that they had been completed and were available for viewing and were included in the Design Development drawings. Tamra has the Design Development report on CD for anyone who would like a copy.

X. Public Comment

Haley mentioned that Megan Dixon was working with a group of people who went to public meetings to speak about the levy. He encouraged Council members to join them and speak about the campaign.

Dale noted that he was surprised that there had been no discussion regarding the presentation to the Market Historic Commission in a few days. Joe replied that there wasn't a presentation scheduled this week but the preliminary report would be in a few weeks.

XI. Concerns of Committee Members

Theresa noted that she heard that they were unveiling the plans for the Viaduct today. She heard that the plan was to have six lanes of traffic, with retail spaces on each side and a park on the top. She noted that this would impact the Market in a positive way.

Ann noted that she thought Sabina was doing a wonderful job, and appreciated her work.

XII. Adjournment

The meeting was adjourned at 5:18 p.m. by Jackson Schmidt, chair.

Meeting minutes submitted by:
Anita Neill, Executive Assistant