



Pike Place Market Preservation and Development Authority (PDA)

COUNCIL MEETING MINUTES – FEBRUARY 2010

Thursday, February 25th, 2010
4:00 p.m. to 6:00 p.m.
PDA Conference Room

Council Members: James Savitt, John Finke, Ann Magnano, Gloria Skouge, Patrick Kerr, Jackson Schmidt, Theresa Alexander, Bruce Burger, David Ghoddousi, Matt Hanna, Gerry Kumata, Bruce Lorig

Staff Present: Carol Binder, Anita Neill, James Haydu, Scott Davies, Teri Wheeler, Steve Nelson, Tyler Jameson, Tamra Nisly, Cecilia Hall, Ryan Hostetler, Brittney Farrow, Kateesha Atterberry, Matt Holland, Sabina Proto

Others Present: Ernie Sherman, Nancy Hutto, Sua Yang, Kai Cha, Pa Cha, Chue Neng Cha, Lavou Jasegnon

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

I. Administration

A. Adoption of Agenda

Jim noted that he was extending the meeting to 6:15 p.m. due to a full agenda.

Jim added a walk on resolution regarding the hiring process of a new Executive Director. It was added as item B after the compost issue.

The agenda, as amended, was approved by acclamation.

B. Review and Approval of January 28th, 2010 minutes.

The Minutes were approved by acclamation

II. Public Comment Including the Market Community

Nancy Hutto noted that she asked the farmers to attend the Council meeting but because they didn't feel listened to in prior meetings they did not attend. She continued to read a letter to Council noting that she felt the process to end the compost program was done poorly, farmers did not feel that their voice was heard nor were they taken seriously. She suggested that the PDA help transition the farmers by designating an employee to provisionally help the farmers' burden of loading and unloading flowers and compost. She also added that she would like to see Carol's replacement have a farmer presence.

The letter was submitted to the minutes for the record.

III. Reports and Information Items

A. Council Chair Report

Jim reported the following: he received and disbursed Carol's letter of resignation and retirement to Councilmembers. He gave kudos and thanks to her service to the Market. The full Council winter retreat is scheduled for March 12th with the agenda to focus on the development of the West of the Market. Several farmers arrived late to the meeting and Jim gave them the opportunity to make public

comment. Nancy responded on their behalf that they did not have any comments to add but wanted to show their interest in the future of the compost program by being present.

B. Executive Director Report / Questions from Councilmembers

Carol reported the following; at January's full Council meeting she was directed to move forward with research on New Market Tax Credit opportunities. US Bank has indicated interest in being the main investor and was assisting in the search for CDE's. Two large national entities had shown interest, Low Income Investment Funds (LIIF) and Enterprise. Plans were still in the beginning stages but the structure would be similar to the one used for the Leland/Fairley with a master lease however a one day loan would be used instead of a bridge loan. Carol further explained that she would like to see that the funds generated by the NMTC be used to assist the preschool with their renovations, for the development of larger permanent spaces for farmers on the West side of Pike Place, supplement the unforeseen expenses that were associated with relocation of the Sanitary Building tenants and other improvements to Pike Place Market. If Council decided to move forward, a resolution would be brought forward to full Council in March with counsel present to explain the details.

Carol noted that there were several referenced materials in the packet relative to the Urban Renewal Plan. Jim noted that key issues would be discussed over the next several months and that some points in the materials were incorrect. For example, the Market does not revert back to the City at the expiration of the Urban Renewal Plan.

The preschool had applied for funds through the State legislature capital budget but it was not certain that the funds would be granted. Carol reviewed alternative options if the preschool was unable to secure funds, as the preschool only had temporary permits and it was not an option for them to remain in their current location. The preferred plan was to use NMTC's to fund the entire TA, take control of the project and reduce the overall total cost but adequately accommodate the program. Another plan was, with some development, the preschool could move back into its old space on the second and third floors of the Downunder with the remaining space on the second floor converted into retail or office space. Matt asked if any of these options would conflict with the Turner renovation projects, Carol responded that they would not. There was some discussion if the PDA should support the preschool financially and how they should proceed. It was thought that the current design, amenities and finishes would have to be value engineered to a less expensive total project, but nothing was decided.

The PDA has officially declined to waive their First Right of Refusal on Condo 2 of the Heritage House. They have not yet heard back from SHA on how they would like to proceed.

Intensive one on one planning, meetings and preparations for Phase II continue with both residential and commercial residents.

Gary Goedeke's wife Sharon passed away earlier this week. Gary and Sharon have been long time Market daystall tenants, active in many arenas in the Market and we will miss Sharon greatly.

C. Reports from Committee Chairs (re Non-Action Items)
None

IV. Presentation and Discussion of Key Issues: Farm Program

Jim noted that Council should consider what they thought to be wrong with the farm program, identify issues and decide what direction staff should take. Staff felt that the farm program was continually growing and successful.

A. Staff Presentation and Report

Carol reviewed the Pike Place Market Historical Farm Program Summary Report; she noted that the numbers were more detailed after 2003 when a database of records was kept. According to the stats the number of farmers had decreased while the number of selling days had increased over the years. During the 1970's the renovations crafts and used goods became the majority of what was sold at day

tables. During the 1980's the first Hildt Agreement was adopted and the focus returned to food and farming including the hiring of a dedicated farm program person. The 1990's saw continued growth of famers and farm days and the selling of flowers became increasingly popular with the farmers. In the 2000's it was determined that marketing the Market would attract more customers thus more food farmers would want to come and sell at the Market. James continued the farm report with a PowerPoint presentation. He reported programs such as Daffodil Day, Farm Days, Summer Sundays and chef demos were successful and continued to grow. New to this year's program was the launch of the Mother's Day Flower Festival and the remote farmers markets at City Hall and South Lake Union (Cascade), which were very successful and would continue next year. James continued to review the statistics of the Market and remote markets in detail noting that with a location change he hoped the SLU Cascade market would be as successful as the City Hall location. There was some discussion on how the farm attendance was calculated and why the numbers of permitted farmers were trending down.

There was some discussion on Program development and expansion of the farm program. Ann commented that she felt that the PDA should invest in farmers who want to farm but cannot afford to purchase land. The PDA could purchase land for the farmers which in turn would preserve the land from being developed. Carol handed out an article and noted that there were programs similar to that already existed and that perhaps the PDA should help in some way with the programs already in existence. There was some discussion on the recruitment of immigrant farmers. Council agreed that farm land preservation and recruitment of immigrant farmers would be a topic for further discussion.

Theresa noted that she would like to see the Market involved with more fresh food to locals in need charity programs. Carol noted in response to Gloria's request for expansion of food educational programs, there is a slow food festival planned for September 26th and 27th. James additionally noted that the school program was expanding its scope to include older children, the newly expanded program would launch in 2011.

B. Council Discussion and Direction for Action Plan

V. Resolutions and Other Action Items (Old and New Business)

For the record, Jim Savitt, Chair, did not include himself in any of the voting counts.

A. Compost Issue

Report on OPSCOM Deliberations and Recommendation

John Finke reported; after a lot of research and discussion the OPSCOM committee has come to the decision to end the subsidy of hauling the farm compost materials and that farmers would now be responsible for hauling out their own compost daily. John continued to review the extensive process that was involved that brought the committee to the decision. He noted that long deliberations were taken at OPSCOM meetings including input and comments from the community. Research was conducted on claims that the landlords were against composting on their land, that it was against county policy to compost on the flood plains and the hardship that the farmers would endure if the program was ended, all was unfounded. John further noted that after the renovations were completed, the capacity to run the compost program would be lost due to the loss of street space. It was decided to divert the funds to other programs that would support the farmers.

John made the motion to reinstate staffs recommendation to cease the pick up of compost and use the funds saved to further support farmers.

John Finke moved and Ann Magnano seconded.

Theresa made three separate amendments to the proposed motion. They were as follows;

Designate a PDA staff member to assist the farmers with loading and unloading for a few hours a day over the next 4-6 months. John Finke did not accept the amendment because it would keep the motion from being fully implemented and disagreed with using PDA staff to assist farmers with

loading and unloading. There was some discussion of staff assisting with traffic control for the farmers. Theresa then made the amendment to the motion for PDA staff, the Security Department, to assist with traffic control for the first two weeks at the end of the program; Bruce Burger seconded the proposed amendment.

For: Theresa Alexander, Bruce Burger, Gerry Kumata, Bruce Lorig
Against: John Finke, Ann Magnano, Gloria Skouge, Patrick Kerr, Jackson Schmidt, David Ghoddousi, Matt Hanna,
Abstain:

The amendment to the motion failed 4 – 7.

Theresa read a letter from a farmer out loud to Council. After reading a letter Theresa proposed an amendment to the motion that each farmer be given a designated parking space for 1 ½ hours in the morning and evening for loading and unloading, Patrick seconded. There was some discussion on this possibility and what the current system in place was. Carol noted that the parking on the street was regulated by the City and the only parking the PDA owns was the garage and because it was a public garage it was not advisable to give away free parking to one segment of user.

For: Patrick Kerr, Theresa Alexander
Against: John Finke, Ann Magnano, Gloria Skouge, Jackson Schmidt, Bruce Burger, David Ghoddousi, Matt Hanna, Gerry Kumata, Bruce Lorig
Abstain:

The amendment to the motion failed 2 – 9.

The Council then voted on John's motion to reinstate staffs recommendation to cease the compost program.

For: John Finke, Ann Magnano, Gloria Skouge, Jackson Schmidt, Theresa Alexander, Bruce Burger, David Ghoddousi, Matt Hanna, Gerry Kumata, Bruce Lorig
Against: Patrick Kerr
Abstain:

The motion passed 10 – 1.

- B. **Action Item:** Proposed Resolution **10-11**: Establishment of Executive Director Hiring Committee. Jim noted that in addition to the formation of a committee for the hiring process of the Executive Director he would like to make efforts to outreach to the community for input. The final committee consisted of 5 council members, John Finke, Matt Hanna, Patrick Kerr, James Savitt and Gloria Skouge.

Jim Savitt moved and John Finke seconded.

Ann noted that she was concerned with lack of diversity in the committee. Theresa noted that even though she was not selected to be on the committee she would like to review the information on candidates. Jim noted that input was encouraged however there were some privacy of candidates to be considered. There was some discussion and it was decided that Council would further discuss what skills they were looking for in a new ED.

For: John Finke, Ann Magnano, Gloria Skouge, Patrick Kerr, Jackson Schmidt, Theresa Alexander, Bruce Burger, David Ghoddousi, Matt Hanna, Gerry Kumata, Bruce Lorig
Against:
Abstain:

Proposed resolution **10-11** passed unanimously.

Jim noted that he would like to devote at least half of the day of the retreat to discuss the ED search process. Council should consider what skills they felt were most important and the type of experience they would like the Executive Director candidate to have and e-mail this information to Jim.

C. Consent Agenda

Theresa Alexander moved and Gerry Kumata seconded, it was approved by acclamation.

D. **Action Item:** Proposed Resolution **10-03:** Authorization for Exclusive Trademark Licensing Agreement with Starbucks Coffee Company.

Patrick noted that he believed that this resolution did not pass in OPSCOM and should not be voted on by full Council. James responded that while it was not voted on it was his understanding that the resolution would come forward to Council with the caveat that Councils' questions were addressed.

Bruce Lorig moved and Matt Hanna seconded.

Patrick continued to note his opposition to the agreement. Bruce B asked if we did an agreement with Starbucks a few years ago. James replied that this agreement was for an international trademark and the one two years ago was for North America. Carol reviewed the details of the agreement noting that the payment to the PDA was less than the national Trademark resolution because Starbucks was absorbing the cost of licensing the trademark in the foreign countries and after 5 years to contract would be up for renewal. Bruce L. asked who would own the trademark after the royalty period. James responded that it would revert back to us. James further noted that Starbucks has been a great source of advertisement for the Market and an excellent business partner.

Bruce Burger left at 6:18 p.m.

There were several oppositions by Council move forward and vote on the resolution until further information, including the contract, could be provided to Council.

Theresa Alexander made a motion to table the resolution until further information was available and reviewed by Councilmembers, Patrick Kerr seconded.

For: John Finke, Ann Magnano, Gloria Skouge, Patrick Kerr, Jackson Schmidt, Theresa Alexander, David Ghoddousi, Matt Hanna, Gerry Kumata, Bruce Lorig

Against:

Abstain:

Proposed resolution **10-03** was tabled until the full Council meeting in March.

Jim instructed Council to email questions to Carol by the end of the week so that the contract could proceed forward.

Ann Magnano left at 6:24 p.m.

John Finke noted his concern of foreign countries having weak trademark contract agreements.

Action Item: Proposed Resolution **10-04:** Allocation of 2009 Year End Balance.

Theresa Alexander moved and Gloria Skouge seconded.

For: John Finke, Gloria Skouge, Patrick Kerr, Jackson Schmidt, Theresa Alexander, David Ghoddousi, Matt Hanna, Gerry Kumata, Bruce Lorig

Against:

Abstain:

Matt noted that this proposed resolution was passed by the Finance committee.

Proposed resolution **10-04** passed unanimously.

Action Item: Proposed Resolution **10-08:** Authorization for Contract Authority – Amendment of Resolution 09-62 – Contract with Schultis-Sundberg, Inc for Maximiliens Floor Replacement.

Theresa Alexander moved and Patrick Kerr seconded.

Steve reviewed the amendment to the resolution noting that asbestos and structural issues were discovered during the floor repairs. The repairs were considered emergency work and were completed immediately. Carol further explained the breakdown of the cost.

For: John Finke, Ann Magnano, Gloria Skouge, Patrick Kerr, Jackson Schmidt, Theresa Alexander, Bruce Burger, David Ghoddousi, Matt Hanna, Gerry Kumata, Bruce Lorig

Against:

Abstain:

Proposed resolution **10-08** passes unanimously.

A. Other New Business

VI. Concerns of Council Members

Theresa noted that she would like to discuss communication of Council members outside of an official meeting and the complications of its possible perception to the public.

VII. Adjournment

The meeting was adjourned at 6:32 p.m. by James Savitt, Chair.

Meeting minutes submitted by:
Anita Neill, Executive Assistant