



Pike Place Market Preservation and Development Authority (PDA)

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## SPECIAL COUNCIL MEETING MINUTES – FEBRUARY

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Tuesday, February 10<sup>th</sup>, 2009  
4:00 p.m. to 5:00 p.m.  
PDA Conference Room

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

**Staff Present:** Carol Binder, Anita Neill, James Haydu, John Turnbull

**Others Present:** Gerry Johnson, Ernie Sherman, Marlys Erickson, Dan Budhardojo, Tom Nelson, Shannon Skinner, Stacey Crawshaw-Lewis

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

**I. Administration**

- A. Adoption of Agenda  
The agenda was adopted by acclamation.

**II. Public Comment**

**III. Objective Discussion**

The purpose of the meeting was to continue the presentation of information and discussion regarding the potential New Markets Tax Credit financing for the PDA project. Gerry Johnson and other legal representation were present to aid in the discussion.

Gerry handed out copies of two memos that had been circulated to Council prior to the meeting. He began by reviewing the questions that had been posed by Council at the January full Council meeting, and their responses memo from K&L Gates, as well as follow up questions received via email or conversations. At that meeting several questions were raised in regards to the master lease and management agreement structure between the PDA, the QALICB and the impact it would have on the tenants or any encumbrances it would have on the Leland and Fairley buildings. Gerry, and Shannon Skinner of K&L Gates, addressed these questions as described in the memo.

Theresa expressed concern over the control of the QALICB and the executive committee members who would act as the board members. The dynamics of the QALICB were further discussed in detail. One issue raised was to have two public members added to the board so as to not have a conflict of interest. It was agreed that Jackson would look into this with counsel

and supply the names of the board of directors. It was decided that 2/3 of the board would be considered a quorum.

Friday February 13, a complete set of documents pertaining to the New Markets Tax Credits would be available for viewing at the PDA office and an index supplied to each Council member so that they could request any particular document electronically if so desired.

Theresa had several issues with the Articles and Bylaws and was insistent on several wording changes. In particular, there was a lengthy discussion regarding the term length of the master lease. It was decided that the lease would be changed to read, no longer than 42 years. Gerry J. was to amend the documents as discussed and approved by Council.

Tom Nelson of Kantor Taylor gave an in depth description of the New Markets Tax Credit structure with a focus on addressing the QALICB and the questions referenced in the Kantor Taylor memo as raised by the PDA Council.

Bruce B. left at 5:25 p.m.

Matt H. questioned when the bridge loan would be paid off. Carol replied that it would be paid off in segments as funds from the levy proceeds came in over the next few months and would most likely be paid in full by October or November of this year.

There was discussion regarding the expense to the PDA for the lawyers to be here. John F. noted that their expenses would come out of the proceeds of the NMTC unless Council does not pass the resolution to proceed with the transaction then the PDA would still be responsible for a portion of the bill. Patrick was very upset regarding how much money was being spent on this process. Theresa questioned whether the process was worth the time and money. Jim and the rest of Council agreed that the benefits that it would bring to the Market were definitely worth the time and effort.

Gloria Skouge left at 5:52 p.m.

Bruce Lorig left at 5:53 p.m.

#### **IV. Concerns of Council Members**

Carol reviewed the expectations for the meeting on Thursday February 19<sup>th</sup>. She noted that deviation from the agenda was not allowed as set by the open public meetings act, as this was the action that was noted on the special meeting notice. The agenda would include the MNTC Financing, the Bridge Loan, major renovation and rehabilitation of the Market process, a copy of the agenda would be distributed prior to the meeting when drafted.

Jackson requested from Gerry that the resolution to be voted on at the February 19<sup>th</sup> meeting be available for Council review within the next few days. Gerry noted that this was to be completed ASAP and would be available as soon as Friday but no later than Tuesday.

Carol noted that the first QALICB meeting would be immediately following the February 19<sup>th</sup> meeting. The agenda would include organizing consent, transactions with the PDA and loan approvals with the CDE's.

#### **V. Adjournment**

The meeting was adjourned at 6:01 p.m. by Jackson Schmidt, Chair.

Meeting minutes submitted by:  
Anita Neill, Executive Assistant

