



Pike Place Market Preservation and Development Authority (PDA)

COUNCIL MEETING MINUTES February 27th, 2014

Elliott Bay Room

Council Members: Matt Hanna, Jim Savitt, Gloria Skouge, Betty Halfon, David Ghoddousi, John Finke, Patrice Barrentine, Bruce Burger Ann Magnano, Jackson Schmidt, Rico Quirindongo

Staff Present: Ben Franz-Knight, Tamra Nisly, Jennifer Maietta, John Turnbull, Lillian Hochstein, Scott Davies, Emily Crawford, Zack Cook. Kelly Lindsay

Others Present: Howard Aller, Joan Paulson, Michael Schaible, Bo Zhang, Ernie Sherman, Sharon Mukai, Chris Scott, Tom Graham, Gail Elliott, Haley Land

The meeting was called to order at 4:03 p.m. by Matt Hanna - Chair

I. Administration

- A. Adoption of Agenda
The agenda was approved by acclamation
- B. Review and Approval of the January 30th, 2014 Meeting Minutes
The meeting minutes, as amended was approved by acclamation

II. Public Comment Including the Market Community

There was a letter from the Schaible family, co-owners of El Gringo import regarding family joint permits and Daystall seniority. The letter was submitted to the PDA Council; a copy of the Schaible letter was included with the meeting minute's record. The letter notes that the Schaible family asks that the PDA Council grant the Schaible family, co-owners of El Gringo Imports, a number on the crafts list that represents the amount of seniority that they have earned through their dedicated work at their family business.

Betty Halfon entered in at 4:05p.m.

Ernie Sherman commented on the road work on Lenora and Virginia and if the area would be replaced with the original cobblestones instead of being paved over.

Bob Messina commented on the Aquarium Plaza regarding a giant fish sculpture being proposed in the site; he was concerned regarding the proposed structures impact with the waterfront redevelopment.

Howard Aller commented on the Satellite Express Markets and his support for the addition of the two Express Market locations with Proposed Resolution 14-10. He briefly commented on the updated PPM PDA Logo and the Down Under connection in the PPMWE design.

Haley Land noted that he had difficulties accessing recent meeting packets and minutes from the PPM PDA website.

III. Reports and Information Items

A. Council Chair Report

Matt Hanna presented a brief Council Chair Report for the month of February 2014. He briefly discussed an overview on funding issues for the PPP-WE project with the State legislature and the City; he added that there is optimism with the City regarding funding for the project. He lastly discussed the process regarding the Daystall Rules Review for the 2014-2015 year and the Schaible Appeal and Hearing process.

B. Executive Director's Report

Ben Franz-Knight presented a brief Executive Director's Report for the month of February. He noted that there was a written report included in the PDA Council packet. He highlighted several items in the ED Report including; a brief overview of Proposed Resolution 14-11: Pike Place Market Waterfront Entrance (PCIN) Commissioning Authorization, an update on Seattle City Light Utility charges and his role with the Smithsonian Kitchen Cabinet in Washington DC this year.

C. Committee Chair Report

None

D. Other Reports

None

IV. Key Issues Presentation

A. Gondola Concept Presentation

Kyle Griffith gave a presentation on the Seattle Gondola Concept with the committee. Kyle discussed a background on the Gondola Project which was summarized as an urban application designed to increase knowledge about Cable Propelled Transit (CPT) and achieve uptake of the technology in the urban environment. He noted that the Gondola Project is one of the many endeavors of Creative Urban Projects, (CUP Projects or CUP for short) a small planning shop in Toronto, Canada with international experience in cable projects and research. The Seattle Gondola Concept would help with transit infrastructure for downtown Seattle, especially when the Viaduct demolition work is in progress.

There was a brief discussion that followed.

Rico Quirindongo entered in at 4:30p.m.

B. Design Development - Pike Place Market Waterfront Entrance

Miller Hull presented on the update regarding Design Development for the Pike Place Market Waterfront Entrance; a copy of the presentation was included with the meeting minute's record. Brian Court from Miller Hull reviewed an update on the PPMWE Design Development Plan which included a detailed overview on the four levels of parking, housing design, canopy recommendation, canvas design options and connections to the Down Under.

There was a discussion that followed from the Council and Public.

I. **Action Item:** Proposed Resolution **14-14** Pike Place Market Waterfront Entrance (PCIN) Commissioning Authorization

Ben Franz-Knight introduced the resolution which states that the Pike Place Market Preservation and Development Authority ("PPMPDA") was chartered by the City of Seattle pursuant to RCW 35.21.730 *et. seq* with the mission of, among other things, preservation and rehabilitation of the structures and open spaces in the Market Historic District, and: WHEREAS in order to maintain the viability of the Pike Place Market and the PPMPDA has undertaken an effort to identify and address

issues and opportunities related to the design of the Central Waterfront and the development of parcels adjacent to the Market including PC-IN that may directly affect the future of the Market. WHEREAS, the PMPDA has determined that Commissioning Services are needed for successful design, construction and LEED Certification for the Pike Place Market Waterfront Entrance project; and, WHEREAS, the PMPDA has previously solicited Requests for Proposals (RFP) for Commissioning Services in accordance to its Purchasing Guidelines. The highest rated company being Engineering Economics, Inc.; and, WHEREAS, the PMPDA has successfully completed negotiations with Engineering Economics, Inc. and established a scope of work for Commissioning Services to meet the LEED requirements. Engineering Economics initial scope will include the writing of specifications required to meet LEED Gold, in the amount not to exceed \$4,000. BE IT RESOLVED that the PMPDA Council authorizes the PMPDA Executive Director or his designee to enter into a contract for Commissioning Services with Engineering Economics, Inc. in an amount not to exceed \$4,000 for the execution Pike Place Market Waterfront Entrance project. The funds for this project will be drawn from 110630-01 – PCI-N State Funds and 110165 PCI-N City Funds.

Jackson Schmidt motioned, Betty Halfon seconded

For: Jim Savitt, Bruce Burger, Patrick Kerr, Betty Halfon, Ann Magnano, David Ghoddousi, Patrice Barrentine, Jackson Schmidt, Gloria Skouge

Against: 0

Abstained: Matt Hanna

Resolution 14-14 passed with a vote of 10-0-1.

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

A. Consent Agenda

Action Item: Proposed Resolution **14-05:** Authorization for Contract Authority - Replace Stewart House Daystall Tenant Storage

Action Item: Proposed Resolution **14-09:** Authorization for Contract Authority - To Purchase A Gem Electric Car

Action Item: Proposed Resolution **14-13:** Lease Proposals - February 2014

Motion to approve the consent agenda

Gloria Skouge moved, John Finke seconded

For: Matt Hanna, Jim Savitt, Gloria Skouge, Betty Halfon, David Ghoddousi, John Finke, Patrice Barrentine, Bruce Burger Ann Magnano, Jackson Schmidt, Rico Quirindongo

Against: 0

Abstain: 0

The Consent agenda passed unanimously

B. New Business

Action Item: Proposed Resolution **14-08:** Authorization for Non-Exclusive Trademark Licensing Agreement with Kim Drew

Ben Franz-Knight introduced the resolution which states that the Pike Place Market Preservation and Development Authority (PDA) is the owner of all rights, title, and interest in and to certain trademarks and graphical representations of the Pike Place Market name and trademark; and, WHEREAS, Market daystall tenant Kim Drew desires to make use of the Pike Place Market name and clock image in connection with matted prints, coasters and notecards featuring images of his original artwork (7 designs on 8x10" and 11x14" matted prints and 5x7" notecards; 10 designs on 4x4"

coasters) for wholesale purposes; and, WHEREAS, PMPDA and Kim Drew have agreed that in accordance with the terms and conditions of this Agreement, Kim Drew may use the Pike Place Market name and design mark in the production and promotion of these products, with the prints and notecards made locally by Lantern Press and the coasters made by Kim Drew and sold on a wholesale basis to Puget Sound area gift and retail stores for a 2 year term, as long as he remains a daystall tenant in good standing; and, WHEREAS, Kim Drew agrees that he will not during the 2 year term of this Agreement, or thereafter, challenge the title or ownership of the PDA to the name or trademark or challenge the validity of this Agreement; and, WHEREAS, Kim Drew agrees that he will use the terms and images related to "Pike Place Market" and the licensed name and trademark in a way that will reflect positively on the Pike Place Market and he will print a trademark notice on each product and on promotional and advertising materials for these products; the PDA has the right to approve or disapprove of any potential design or marketing plans involving the marks, likenesses or trademarked name(s) owned by the PDA in relation to these products; and, WHEREAS, Kim Drew agrees to pay the PDA a start up fee of \$250 and a royalty rate of 7% of gross sales for all licensed items sold. The start-up fee will be due upon signing the Trademark License Agreement; quarterly sales reporting and royalty fee payment will be due, with dates specified in the agreement.

NOW, THEREFORE, BE IT RESOLVED that the PDA Council authorizes the Executive Director or his representative to execute a non-exclusive trademark license agreement with Kim Drew for the use of Pike Place Market trademarks in the production and promotion of matted prints, coasters and notecards.

Ann Magnano moved, Bruce Burger seconded

There was a brief discussion that followed

For: Jim Savitt, Gloria Skouge, David Ghoddousi, John Finke, Patrice Barrentine, Bruce Burger Ann Magnano, Jackson Schmidt, Rico Quirindongo

Against: Betty Halfon

Abstained: Matt Hann

Resolution 14-08 passed with a vote 9-1-1

Action Item: Proposed Resolution **14-10:** Authorization for Addition of Two New Express Market Locations at Virginia Mason and Microsoft

Ben Franz-Knight introduced the resolution which states that the Pike Place Market Preservation and Development Authority (PDA) currently operates seasonal Pike Place Express Market (Express Markets) farmers markets in three locations throughout downtown Seattle: City Hall Plaza (est. 2009), South Lake Union at Amazon.com (est. 2011), and Pioneer Square at Occidental Park (est. 2013), and;

WHEREAS, these markets provide an essential revenue stream for PDA farmers and artisan food producers while promoting the overall Pike Place Market brand to members of our target audience, and; WHEREAS, vendors at Express Market locations are required to be permitted Daystall PDA farm vendors, or artisan food producers (consistent with the recommendations in the Farm Program Strategy Report presented to Council on May 28, 2013) or PDA commercial tenants who sell prepared food products sourced primarily from Washington State farmers and; WHEREAS, for every day a permitted Daystall vendor sells at an Express Market, they must have an equivalent sales day at Pike Place Market, and; WHEREAS, Express Markets are operated in compliance with the Washington State Farmers Market Association Roots Guidelines and the City of Seattle's Definition of an Eligible Farmers Market, both of which stipulate that more than 51% of sales at the market must be from Washington State farmers, and; WHEREAS, staff shall update the PDA Council annually on the status of vendor sales, attendance counts, and operational issues related to all Pike Place Market Express-

branded satellite market locations and, WHEREAS, Express Market locations are developed in order to support Pike Place Market's farm sales activities and Pike Place will continue to be the center of focus for farmer-related recruitment and activity in keeping with our "Meet the Producer" mission.

NOW, THEREFORE, BE IT RESOLVED that the PDA Council authorizes the Executive Director or his representative to execute an agreement between the Pike Place Market Preservation Development Authority and Virginia Mason Medical Center to take over management of the existing farmers market at Virginia Mason on First Hill and to promote it as a Pike Place Express Market between June and October, and; BE IT FURTHER RESOLVED that the PDA Council authorizes the Executive Director or his representative to execute an agreement between the Pike Place Market Preservation Development Authority and Compass Group to create and manage a Pike Place Express Market at the Commons within Microsoft's Redmond campus between June and October.

Ann Magnano moved, Rico Quirindongo seconded

For.: Jim Savitt, Gloria Skouge, Betty Halfon, David Ghoddousi, John Finke, Patrice Barrentine, Bruce Burger Ann Magnano, Jackson Schmidt, Rico Quirindongo

Against: 0

Abstained: Matt Hanna

Resolution 14-10 passed with a vote of 10-0-1

Action Item: Proposed Resolution **14-11**: Authorization for Budget Allocation for a Full-Time Farm Development Coordinator Position

Ben Franz-Knight introduced the resolution which states that on October 7th, 1907 the Seattle City Council adopted ordinance No. 17187 establishing Pike Place as a public market for the sale of "fresh fruits, vegetables, berries and other farm and garden products, and accept also butter, eggs, cheese, poultry, meats, lard and preserved fruit and vegetables raised, produced or manufactured by the person selling or offering the same for sale", and;

WHEREAS, the PDA Charter states: "the PDA, as a public trustee with the mission to ensure that the traditional character of the Public Market is preserved, is authorized to perform renewal, rehabilitation, preservation, restoration, development, and non-profit management of structures and open spaces in the above-described areas in a manner that affords a continuing opportunity for Public Market farmers, merchants, residents, shoppers, and visitors to carry on their tradition of market activities. In addition to upgrading structures and public amenities in and around the Market Historical District, the PDA will initiate programs to expand food retailing in the Market Historical District, especially the sale of local farm produce..."; and WHEREAS, on February 28th, 2013 the PDA Council approved Resolution 13-12 identifying Strategic Goals and Programs ("a-f") Intended to Increase Farmer Profitability and Enhance Support of Small and Independent Farmers at Pike Place Market, and;

WHEREAS, although educational and financial resources are available to support farmers in this region, getting connected to the most helpful or applicable programs can prove challenging for a small farmer, and; WHEREAS, one of the nation's largest farmers market organizations, GrowNYC, has proven the benefits to farmers markets of providing new farmer development and assistance for established farmers through their successful FARMroots Program, and; WHEREAS, the addition of a Farm Development Coordinator position to the Farm Program staff will allow the Pike Place Market to work one-on-one with farmers to identify needs, connect with resources, ensure compliance with rules and regulations and support their continued presence at Pike Place Market, and;

WHEREAS, this position was not originally included in the 2014 PDA Annual Operating Budget approved by the PDA Council in November 2013, THEREFORE, BE IT RESOLVED that the PDA

Council authorizes an additional annual expense not to exceed \$57,000 to the 2014 PDA Annual Operating Budget to allow for salary, taxes and benefits for this position.

Ann Magnano moved, Patrice Barrentine seconded

For: Jim Savitt, Gloria Skouge, Betty Halfon, David Ghoddousi, John Finke, Patrice Barrentine, Bruce Burger Ann Magnano, Jackson Schmidt, Rico Quirindongo

Against: 0

Abstained: Matt Hanna

Resolution 14-11 passed with a vote of 10-0-1

Action Item: Proposed Resolution **14-12:** Allocation of 2013 Year End Balance

Ben Franz-Knight introduced the resolution which states that the PDA staff has carefully reviewed the 2013 year-end PDA un-audited operating statements and finds that there is a year-end net-result operating balance after debt service and reserves of \$ 1,959,620; and, WHEREAS, the full PDA Council in their annual budget process had budgeted a surplus of \$1,884,836 to be contributed to PDA capital repair and replacement fund (CRRF), leaving an unallocated balance from 2013 operations of \$74,783; and, WHEREAS, the PDA Finance Committee has considered PDA Council priorities and alternatives for use of additional year end monies available, and annually recommends to the full Council use of any such un-programmed operating balance. THEREFORE BE IT RESOLVED that the PMPDA Council allocates the remaining year-end operating balance as follows:

\$ 36,783 to the Capital Repair and Replacement Fund (CRRF)

\$ 38,000 to the Pike Place Market Pension Plan

Betty Halfon moved, Patrice Barrentine seconded

For: Jim Savitt, Gloria Skouge, Betty Halfon, David Ghoddousi, John Finke, Patrice Barrentine, Bruce Burger Ann Magnano, Jackson Schmidt, Rico Quirindongo

Against: 0

Abstained: Matt Hanna

Resolution 14-12 passed with a vote of 10-0-1

C. Other

None

VI. Further Public Comment

Joan Paulson commented on her concerns regarding the Pike Place Market PDA Annual Plan; she believed the plan was incomplete.

Gail Elliott, Market business owner, commented on the temporarily relocation of the Rummage Hall. She noted that her business sells very similar items to the items sold at the Rummage Hall. She added that with the Rummage Hall being temporarily relocated close to her business, she could not compete with the process offered by the Rummage Hall with her business operations.

David Ghoddousi mentioned an option in temporarily relocating the Rummage Hall behind Bavarian Meats Deli.

Haley land briefly commented on the canopy design recommendation.

Tom Graham noted that he liked David Ghoddousi's idea in temporally relocating the Rummage Hall near the Bavarian Meat's Deli.

VII. Closed Session

Closed Session started at 6:18p.m.

A. Prelease Agreement for PPM-WE Development - Old Stove Brewery (*Closed Session Per (RCW 42.30.110(l)(b))*)

B. Open Session

I. **Action Item:** Proposed Resolution **14-15:** Pre-Lease Agreement - Old Stove Brewery
The resolution states the following:

<u>Proposed Tenant</u>	<u>Start Date</u>	<u>Term</u>
Old Stove Brewery	(Defined below)	March 1, 2013

This is for the purposes of providing the proposed tenant with the first option to negotiate a lease for approximately 5,000 sq ft in the Market Waterfront Entrance project ("Project"). This option will permit the PDA and proposed tenant to coordinate design features in the future building that will permit the operation of a craft brewing operation and restaurant in the space. The option may be terminated by the Pike Place Market PDA if construction on the Project commences and the parties do not sign a Lease within sixty (60) days of such commencement, or by either party if the Project construction has not commenced by December 31, 2014.

Specific terms, which include the length of lease, rental rates, amount of tenant investment required, amount of tenant improvement allowance to be provided by the PDA are unresolved, and when defined, will be subject to approval of the Pike Place Market PDA Council.

Closed Session ended at 6:30p.m

Open Session started at 6:31p.m.

The Council discussed Commercial Lease Negotiations regarding Old Stove Brewery during Closed Session.

It was proposed that Proposed Resolution 14-15 be withdrawn from voting. Jim Savitt motioned to withdraw Proposed Resolution 14-15, Betty Halfon seconded the motion.

The motion passed 8-0-1.

VII. Concerns of Council Members

Betty Halfon noted that she would like regular updates regarding the PPM PDA Metrics.

David Ghoddousi thanked Ben Franz-Knight regarding his quick and though response regarding the Residential laundry facilities reports.

VIII. Adjournment

The meeting was adjourned at 6:37p.m. by Matt Hanna Chair

Meeting minutes submitted by:
Dianna Goodsell, Administrative Services Coordinator