



Finance & Asset Management Committee Meeting Minutes

Tuesday, September 16th, 2014
4:00 p.m. to 6:00 p.m.
Atrium Loft

Committee Members Present: Gloria Skouge, Jim Savitt, Patrice Barrentine

Other Council Members Present: Betty Halfon

Staff Present: Ben Franz-Knight, John Turnbull, Jay Schalow, Jennifer Maietta, Matt Holland, Andre Zita, Jessica Carlson, Tamra Nisly, Dianna Goodsell

Others Present: Howard Aller, Chris Scott, Sharon Mukai, Joan Paulson

The meeting was called to order at 4:03 p.m. by Gloria Skouge, Chair.

I. Administration

- A. Approval of the Agenda
The agenda was approved by Acclamation
- B. Approval of the Finance & Asset Management August 19th, 2014 Meeting Minutes.
The minutes were not approved due to an insufficient quorum of the Committee.

II. Announcements and Community Comments

- A. Howard Aller commented on Proposed Resolution 14-60: Authorization for Contract Authority - Replacement of Fans, Lights and Piping Insulation - Market House and noted his concerns over the new fan upgrade. He inquired if the updated fans would include a light fixture and inquired on the operational details of the fan and how long would they have to run.

III. Reports & Discussion Items

- A. Review of the Financial Statements for August 2014
Sabina Proto, PDA Director of Finance presented an overview of the Financial Statements for August 2014. The following content was included under the Financial Statements for August 2014; Current Assets increased by \$93,319. Designated Cash decreased, net of two transactions; the increase was because of the monthly contribution to the CRRF and decreased spending on the capital projects. Restricted cash increased due to the contribution to the Debt Service Account. Fixed Assets increased due to the work completed under Capital Projects during August. There was a very small change from the prior month regarding the Current Liabilities. Long Term Debt decreased due to the payments on our long term obligations and our Net Position for the current year operating result was \$2,845,117. Under the Accounts Receivable Report, the accounts receivable increased compared to the balance of the prior month.

Under the PDA Operating Statement, the Total Revenue for the end of August 2014 was \$11,180,695 or over budget by \$694,753. The Total Operating Expense YTD was \$7,946,216 or \$77,145 under budget. The Net Operating Result YTD for the end August was \$3,234,479 or \$771,898 over budget. The Net Result after Debt Service & Reserves: Annual Budget was \$ 1,618,408 and for the end of August the actual amount was \$1,699,993.

Footnotes on the Operating Expenses noted the following: Commercial Revenue was over budget mainly in Base Rent and Percent Rent, Common Area Utilities, Direct Utilities and Late Fess by \$361,061. Residential Revenue was over budget overall by \$29,375; Surface Revenue was over budget by \$59,808. Garage Revenue was over budget by \$269,351 due to increased parkers in the garage. Daystall Revenue was under budget; it was noted that there have been an increased amount of Daystall turn ways which has affected attendance trends. Lastly Percent Rent was \$182,679 over budget and \$212,879 over the actuals of the same period of last year.

Gloria Skouge inquired regarding the Skidata upgrade under the Capital Projects status.

I. Checking Account Activity Report

The Checking Account Activity Report was distributed to Dianna Goodsell, Administrative Services Coordinator.

B. Budget 2015 Schedule

Sabina Proto distributed the Proposed Pike Place Market PDA Budget Schedule for 2015 which notes the following budget meetings and dates;

- *September 16th, 2014 - 4:00p.m.*: PDA Finance and Asset Management Committee Regular Meeting- Budget discussion, goals, and direction with Finance and Asset Management Committee members.
- *October 6th, 2014 - 4:30p.m.*: Community Budget Meeting - PDA staff will give an overview of 2015 programs, discuss the opportunities and challenges that will affect the 2015 budget, and hear the public's ideas and comments on Market needs that effect the budget.
- *October 21st, 2014 - 3:00p.m.*: PDA Finance and Asset Management Committee Regular Meeting - Presentation of 2015 Proposed Final Budget.
- *November 3rd, 2014 - 4:30p.m.*: Special Finance and Asset Management Committee Meeting Budget Discussion & Public Comments - Finance Committee members and staff will discuss recommended changes to the 2015 Budget as presented to the FAM Committee on 10/21/14. Committee will also hold public hearing for tenants and public to ask questions, make comments, or offer suggestions on 2015 Proposed Budget.
- *November 11th, 2014 - 4:00p.m.*: PDA Finance and Asset Management Committee Regular Meeting - Additional public comment, and report on public dialogue feedback; Committee discussion and direction provided to PDA staff for recommended changes to the 2015 Proposed Budget; Committee adopts final

recommended 2015 Budget and Budget resolutions for consideration by Full Council.

- *November 20th, 2014 - 4:00p.m.*: Regular PDA Council Meeting - Full PDA Council reviews Finance & Asset Management Committee recommendations and adopts 2015 Final Budget.

C. Pike Place Street Closures

Ben Franz-Knight presented a background on the Pike Place Street Closures including a review of the prior PDA Staff and Council work on this subject. A timeline of the work conducted on the Pike Place Street Uses was noted as follows:

- Dec. 2011 – Discussion re: Fairley Wall repair/Pike Place Uses – Res. 12-05 for Fairley Wall repair
- Jan. 2012 – Res. 12-05 fails
- Mar. 2012 – Amended 2012 Strategic Planning Res. 11-91 to include Pike Place Uses – significant public comment
- April 2012 - Ben gave Pike Place Uses presentation re: Pilot Program reviewing street use/traffic investigation. Very controversial. Lots of public comment.
- May 2012 – held public meeting to present two options for Street Closure Pilot Program
 - Option A – Allow pedestrian access only from Thursday-Sunday from 11am to 4pm from Pike to Pine
 - Option B – Provide one travel lane for drop off/pick up traffic with the west side of the street reserved for pedestrians from Thursday-Sunday from 11am to 4pm
 - Received emails in advance 50% in favor of the Pilot Program and 50% against
 - Held public meeting on May 22 – petition submitted from 128 ppl opposed to both options
- July 2012 – reviewed previous SRG designs re: Pike Place uses
- Dec. 2012 – Adopted Res. 12-106 Strategic Planning Objectives for 2013 to explore Fairley Wall repair, Street Ordinances, Uses on Pike Place with the direction from Council being not to continue exploration of Street Closure

There was a brief discussion that followed by the committee.

Jim Savitt noted a few changes to the timeline and the work completed by Staff and the Council regarding Pike Place Uses.

IV. Reports and Action Items

- ##### B. **Action Item:** Proposed Resolution **14-60:** Authorization for Contract Authority - Replacement of Fans, Lights and Piping Insulation - Market House

Andre Zita briefly reviewed 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 promoting enterprises essential to

the functioning of the Pike Place Market, including the preservation and expansion of the low-income residential community, the promotion and survival of small businesses , and the expansion of services to the public market and community; and,

WHEREAS, in order to maintain the viability of the Pike Place Market buildings the PPMPDA has determined to perform a replacement of bathroom fans, lights bars and other pipe insulation in the 1st & Pine Market House. WHEREAS, the PPMPDA has secured a City of Seattle grant of \$52,481 to substantially offset labor and material costs. The City of Seattle's Department of Housing/Homewise has identified these items as needing replacement as part of an ongoing effort to meet its city-wide energy conversation goals. NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Raatz Construction Company Inc. in an amount not to exceed \$68,382 for the execution of work necessary to accomplish this scope. The funds for this project will be drawn from the Capital Projects Budget, 2014 Winterization – Window Replacement: 162005-00

There was not a quorum of the Finance & Asset Management Committee to vote upon Proposed Resolution 14-60: Authorization for Contract Authority - Replacement of Fans, Lights and Piping Insulation - Market House

There was a brief discussion that followed.

V. Property Management

- A. Residential Property Management Report
John Turnbull presented a brief Residential Management Report to the committee.

VI. Public Comment

There was not a quorum of the Finance & Asset Management Committee to conduct an Executive Session at the applicable meeting.

VIII. Open Session

- A. The Finance and Asset Management Committee did not conduct an Executive Session nor did not review or approve the September Lease Proposals noted in Proposed Resolution 14-59: Lease Proposals - September 2014.

IX. Resolutions to be added to the Consent Agenda

None

X. Concerns of Committee Members

None

XI. Adjournment

The meeting was adjourned at 5:18p.m by Gloria Skouge, Chair

Meeting minutes submitted by:

Dianna Goodsell, Administrative Services Coordinator