



Finance & Asset Management Committee Meeting Minutes

Tuesday, April 21st, 2015
4:00 p.m. to 6:00 p.m.
The Classroom

Committee Members Present: Gloria Skouge, David Ghoddousi, Jim Savitt, Ann Magnano, Patrice Barrentine, Betty Halfon

Other Council Members Present:

Staff Present: Ben Franz-Knight, Sabina Proto, Jay Schalow, Tamra Nisly, Jennifer Maietta, John Turnbull, Matt Holland, Lillian Hochstein, Jessica Carlson, Brandon Johnson, Dianna Goodsell

Others Present: John Fleming, Matthew Steinbrueck, Sharon Mukai, Bob Messina, Chris Scott, Joan Paulson, Marilee Combs

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

I. Administration

- A. Approval of the Agenda
Public Comment under Section VI was moved after Section III, Item A.

The agenda, as amended, was approved by Acclamation

- B. Approval of the Finance & Asset Management Committee March 20th, 2015 Meeting Minutes.

The meeting minutes were approved by acclamation

II. Announcements and Community Comments

Matthew Steinbrueck briefly stated his ongoing concerns with noise and traffic crowding in the Market at Pike Place Fish and the surrounding area. He was specifically concerned over the noise and traffic which seemed to be affecting his business at Raven's Nest. He provided a brief overview of his history of dealing with noise and line management in the Market since he has been a tenant.

Joan Paulson stated that since there will be a presentation regarding the Public Art, it would be appropriate to have public comment placed after the presentation, prior to the Committee voting upon the proposed art.

David Ghoddousi noted that he did not mind allowing public comment after the presentation on "Western Tapestry" by John Fleming.

David Ghoddousi motioned to have the Public Comment under Section VI moved to after Section III, Item A. Ann seconded the motion.

The motion to amend the agenda passed unanimously by the Committee.

Bob Messina noted his support of moving Public Comment after the presentation of Resolution 15-19: MarketFront Public Art Design - “Western Tapestry” by John Fleming.

III. Reports & Discussion Items

Jim Savitt entered into the meeting at 4:12p.m.

A. Western Avenue Public Art Presentation

Tamra Nisly provided a brief introduction to the Western Avenue Public Art Presentation by John Fleming.

John Fleming presented on his proposed art piece for Western Avenue called “Western Tapestry”. He provided a background on artist concept for the piece including the following technical elements for the proposed art which included a 250-ft. long curving aluminum tapestry, 6-ft tall at North end, 23’ tall at South end, Tapestry composed of 1/8” thick 4” wide aluminum strips cut in 12’, 8’, 6’, and 4” lengths to accommodate height variations from 6’ to 23’,. The bottom height of aluminum strips would be placed approximately 8-ft above the sidewalk. There would be aluminum strips painted on one side through a crowd-sourcing project in which the back side of aluminum strips would be left unpainted. Lastly, the back wall would be illuminated with a programmable color changing LED lighting system. He lastly discussed about potential color and themes that would be transposed on the panels with the Committee.

There was a discussion that followed by the Committee.

Patrice Barrentine noted that it would be interesting to incorporate different segments of signs throughout the Market as part of art design on the art panels.

Betty Halfon noted her appreciation on the thought and process that has gone into the development of the art work and design.

David Ghoddousi inquired if John has ever included words as part of his artwork such as “food” or tomato”.

Jim Savitt asked about the structural integrity of the art panels and the ability for the art to withstand weather and graffiti.

John Fleming briefly discussed options in protecting the Art Panels from Gravity. He noted that there is possibility in rearranging the art panels to disguise graffiti and reincorporate it back into the art design.

I. Public Comment

Public Comment was moved after the presentation of Proposed Resolution 15-19: MarketFront Public Art Design - “Western Tapestry” by John Fleming.

Chris Scott inquired if the bottom portion of the artist panels would be attached to the ground.

Joan Paulson asked the question on what is the Market in relation to the proposed art work, in which she summarized as three separate subjects; the businesses who are here, the people who are coming, and the changes of the seasons which affects both the businesses and also who comes. She commented on the seasonality of the Market and Seattle and keeping that in mind with how the color changes will affect the proposed art piece. She also commented on some issues including bird proofing the art and also ensuring that the art panels are able to withstand against 110mph winds.

Bob Messina commented on the structure of the proposed art panels.

II. **Action Item:** Proposed Resolution **15-19:** MarketFront Public Art Design - “Western Tapestry” by John Fleming

Tamra Nisly introduced the resolution to the Committee. The resolution 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-1N that may directly affect the future of the Market. Whereas, the PPMPDA is required to include public art as a component of the MarketFront project and identified the Market Foundation to lead the art procurement and fundraising efforts; and, Whereas, the Market Foundation in coordination with the City of Seattle Office of Arts and Culture conducted a public art procurement process which consisted of a public Call for Artists issued in November 2013 seeking unique works of art. The art procurement process included a Selection Committee consisting of two PDA Council Members, two Market Foundation Board Members, one project team member and one community member; and, Whereas the Market Foundation in coordination with the City of Seattle Office of Arts and Culture and the Selection Committee selected artist John Fleming to commission a piece of art now entitled “Western Tapestry.” This installation is a 250 ft. long curving aluminum tapestry composed of aluminum strips in varying lengths. The front side of the piece will be painted in a multitude of colors and the back side will be illuminated with a programmable color changing LED lighting system as shown in attached Exhibit A. Now, therefore be it resolved that the PPMPDA approves of “Western Tapestry” being included as an installation along the east side of Western Ave. as shown in Exhibit A.

Betty Halfon moved, Ann Magnano seconded

For: Gloria Skouge, David Ghoddousi, Jim Savitt, Ann Magnano, Patrice Barrentine, Betty Halfon

Against: 0

Abstained: 0

Resolution **15-19**: MarketFront Public Art Design - “Western Tapestry” by John Fleming passed unanimously by a vote of 6-0-0.

B. Western Avenue Enhancement Presentation

Tamra Nisly, Senior Project Management presented on Western Avenue Enhancements; a copy of her presentation was included with the PDA Council records. Tamra provided an update on the Western Ave. Enhancement work which was identified as part of the 2015 Strategic Issues under adopted Resolution 14-80. She reviewed options for the Pine Street Stair Enhancements including signage upgrades, painting, under stair improvements, lighting upgrades and A Point improvements. Specific recommendations for the Pine Street Stair Enhancements include the following components:

- Signage: Updated Restroom signage, Directional signage, Market Map
- Lighting: Update bulbs in current fixtures, Install spotlights at top level and on art installation
- Painting: Repaint railings, Paint back wall a brighter color, Paint columns a different color, Paint top section of stairs at Pine
- A point: Graffiti Clean and Coat, Remove bench, Add up lights, relocate plaque

Tamra Nisly further discussed potential PC1-S Entrance Improvements as well as Improvements along the South End of Western Avenue.

There was a discussion that followed the presentation.

Betty Halfon noted that she appreciated the presentation and mentioned that we should go full board on the Pine Street Enhancements. She would like to see the painting a shade or two brighter along the stairwell as well as increased lighting. She noted that she did not like the idea of the restroom sign on the Pine Street Stair Enhancements.

David Ghoddousi noted he appreciation for the proposed Pine Street Stair Enhancements as long as it is at a relatively low cost.

Jim Savitt asked for estimated total costs for the Western Avenue Improvements, specifically for the Pine Street Stair Enhancements components.

It was requested have two proposals ready for the May Finance & Asset Committee which would include a proposal for the specific work sought for the Pine Street Stair Enhancements.

C. Review of the Financial Statements for March 2015

Sabina Proto, PDA Director of Finance presented a review of the Preliminary Financial Statements for March 2015. Sabina Proto discussed the PDA Balance Sheet. She reported that Current Assets had increased mainly due to replenishing the Operating Account from the Capital Reserves for the capital expenditures that incurred YTD for 2015. Designated cash showed a decrease from the prior month due to the transfers to the Operating account. Restricted cash had increased due to the monthly contribution to Debt Service Accounts. Fixed Assets had increased due to the work completed under Capital Projects. Current Liabilities had increased mainly in the category of Accounts Payable. Long Term Debt had decreased due to the payments on our long term obligations. Our Net Position for the current year operating result was \$1,016,171. Finally, under the Accounts Receivable Report, the accounts receivable increased on March compared to the balance of the prior month.

Under the PDA Operating Statement, the Total Revenue for the end of March 2015 was \$4,001,138 or over budget by \$158,363. The Total Operating Expense YTD was \$2,853,853 or \$212,313 under budget. The Net Operating Result YTD for the end of March was \$1,147,505 or \$370,676 over budget. The Net Result after Debt Service & Reserves including the following Annual Budget of \$ 2,055,516 resulting in the actual amount of \$370,710 above budget.

Lastly, Footnotes on the Operating Expenses reported the following: Commercial Revenue was over budget mainly in Base Rent and Percent Rent, Common Area charges by \$102,336. Residential Revenue was on track. Surface Revenue was over budget, but due to revenue shared with the City, it was under budget. Garage Revenue was over budget by \$64,004 due to increased parkers in the garage.

I. Checking Account Activity Report

The Checking Account Activity Report for the month of March 2015 was distributed to Dianna Goodsell, Administrative Services Coordinator.

IV. Reports and Action Items

A. **Action Item:** Proposed Resolution **15-24:** Insurance Renewal for period May 1, 2015 - April 30, 2016

Marilee Combs from Arthur J. Gallagher reviewed the resolution which states that the PDA is responsible for obtaining insurance coverage for its Pike Place Market properties, and for the property managed by the PDA in the Market Historic District, the LaSalle Senior Housing LLC. Whereas, the PDA Finance Committee has been presented the renewal package for the 2015-2016 property and liability insurance coverage for both the Pike Place Market PDA, and the property managed by the PDA in the Market Historic District. Now, therefore be it resolved, that the PDA Council hereby authorizes the PDA Executive Director, or his designee, to approve policy terms and conditions and to pay the premiums and brokerage fees not to exceed \$510,000 for the coverage period May 1, 2015 through April 30, 2016. Now, therefore be it resolved, that the PDA Council hereby

authorizes the continuation of the brokerage representation and services provided by Arthur J. Gallagher Risk Management Services, Inc.

Ann Magnano moved, David Ghoddousi seconded

There was a brief discussion that followed by the Committee.

For: Gloria Skouge, David Ghoddousi, Jim Savitt, Ann Magnano, Patrice Barrentine, Betty Halfon

Against: 0

Abstained: 0

Resolution **15-24**: Insurance Renewal for period May 1, 2015 - April 30, 2016 passed unanimously by a vote of 6-0-0.

B. Action Item: Proposed Resolution **15-26**: Authorization for Contract Authority - Replacement of Cardboard Compacter

Jeff Jarvis introduced the resolution in 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 best environmental practice, comply with the Seattle Municipal Commercial Recycling Code and continue to minimize garbage and recycling costs the PPMPDA has determined that the current 12-year old cardboard compacter has reached the end of its effective performance and requires replacement, and; Whereas, the PPMPDA has executed a competitive bid review process for replacement – including delivery, installation of the new unit and the removal and recycling of the old unit, and: Now, Therefore be it resolved that the PPMPDA Council authorizes the PPMPDA to purchase the cardboard baler from GK Industrial Refuse Systems in an amount not to exceed \$18,100.34 for the PPMPDA Recycling Facilities. The funds for this project will be drawn from Facilities Capital Equipment, Account number 160230-00

David Ghoddousi moved, Betty Halfon seconded

For: Gloria Skouge, David Ghoddousi, Jim Savitt, Ann Magnano, Patrice Barrentine, Betty Halfon

Against: 0

Abstained: 0

Resolution **15-26**: Authorization for Contract Authority - Replacement of Cardboard Compacter passed unanimously by a vote of 6-0-0.

V. Property Management

A. Residential Property Management Report

John Turnbull presented the Residential Property Management Report for the month of March 2015. The report update included that the Market-wide vacancy rate was below 4 percent.

Patrice Barrentine appreciated the charts on the Event Space Performance - she would like the charts separated.

VI. Public Comment

Public Comment was moved after Section III, Item A.

VII. Closed Session

The Committee entered into Closed Session at 5:38pm

- I. Property Management Report - *Closed Session (RCW 42.30.110[c])*
- II. Review of Lease Proposals
 - Lease Renewal - The Candy Store - 1501 Pike Place #502
 - Lease Renewal - City Fish - 1535 Pike Place
 - Lease Renewal - Holy Cow Records - 1501 Pike Place #325
- III. Review of Delinquency Report
 - a. Vacancy Report
 - b. Current Lease Negotiations

The Committee entered into Open Session at 6:02pm

Ann Magnano left the meeting at 6:02pm

VIII. Open Session

- A. **Action Item:** Proposed Resolution **15-25:** Lease Proposals - April 2015

Jennifer Maietta introduced the resolution which states the lease proposals for April 2015 as follows:

<u>Tenant</u>	<u>Term</u>	<u>Start Date</u>
The Candy Store Mohammad Aziz Popal	One (1) Year	April 1, 2015
City Fish RSW Robert Shapiro & Slavador Panelo	Five (5) Years	April 1, 2015
Holy Cow Records Miles Abrams	Five (5) Years	June 1, 2015

Betty Halfon moved, Patrice Barrentine seconded

For: Gloria Skouge, David Ghoddousi, Jim Savitt, Patrice Barrentine, Betty Halfon

Against: 0

Abstained: 0

Resolution **15-25**: Lease Proposals - April 2015 passed unanimously by the Committee by a vote of 5-0-0.

IX. Resolutions to be added to the Consent Agenda

Resolutions **15-24**: Insurance Renewal for period May 1, 2015 - April 30, 2016, **15-26**: Authorization for Contract Authority - Replacement of Cardboard Compacter and **15-25**: Lease Proposals for April 2015 were added to the April 30th, PDA Council meeting Consent Agenda.

X. Concerns of Committee Members

None

XI. Adjournment

The meeting was adjourned at 6:06p.m by Gloria Skouge, Chair

Meeting minutes submitted by:

Dianna Goodsell, Executive Administrator