



Pike Place Market Preservation and Development Authority (PDA)

COUNCIL MEETING MINUTES – June 28th, 2012

Council Members: James Savitt, John Finke, Ann Magnano, Gloria Skouge, Patrick Kerr, Jill Andrews, Jackson Schmidt, David Ghoddousi, Matt Hanna, Bruce Lorig

Staff Present: Ben Franz-Knight, Joe Paar, John Turnbull, Kelly Lindsay, Scott Davies, Matt Holland, Teri Wheeler, Tamra Nisly, Kelly Forbes-Marshall, Tyler Jamieson, Jay Schalow, Tom Weed, Dianna Goodsell

Others Present: David Miller, Brian Court, Peter Steinbrueck, Ellen Greene, Ilene Stark, Sandra Dunn, Tony Morigi, Haley Land, Howard Aller, Joan Paulson, Kat Allen, Bob Messina, Sharon Mukai, Richard Haag, Kristin Wilson, Wendy Paul, Ty Tice, Rachel Powell, Nick Van Dyke, Kelly Foss, Stephen Foss, Kevin Futhey, R Batingan, Kristin Schwartz, Sandra Dunn, James Forbes, Beth Lynch, Andrea Okomski, Thomas Graham, Ann Brown, Ann Dunlap-Brown, Gina Karaba, Joe Martin, Bob Wagner, Christine Vangha, Kenny Telesco, Leanne Clarke, Sarah Goldie Goldenberg, Wilfred Boutilier, Axel Mace, Wendy Norrell, Betty Halfon, Charles Schrag, Joe Mark

The meeting was called to order at 4:02 p.m. by James Savitt - Chair.

I. Administration

- A. Adoption of Agenda
Closed Session under Section VII was stricken from the Agenda.
The agenda was approved, as amended by acclamation
- B. Review and Approval of the May 31st, 2012 Minutes
The minutes were approved by acclamation

II. Public Comment Including the Market Community

Haley Land had acknowledged that the PDA added two extra meetings to the June calendar in which Ben came out and walked through the Market with the community. He made a positive note to the Council stating that Ben is a different kind of an Executive Director the Market has never had before. He added that because of the input from additional community meetings, the PDA has worked with the architects to come up with new scaled alternative designs for PCIN. He had concluded with a reading of a letter he wrote.

Joe Mark noted he would like to see low-income and affordable housing be an integral part of the PCIN project in addition to persevering the views.

Sharon Mukai introduced herself as a longtime resident as an arts and crafts vendor. She noted that one of the main guarantees of the bylaws for the Market Historical Commission was to protect PCIN site from development. She stated that PCIN was originally supposed to be a park. She added that the current designs look far in between from looking like a park space. She is hoping based on the plans she has seen,

that as a radical departure from the original intent from the site, more of a greenery site or a park life atmosphere be achieved in the PCIN design.

Toni Morigi read a letter on behalf of Rodd and Colleen Dyke from Golden Age Collectables. The letter addressed the street closure and possible alternatives for the directing traffic throughout the Market.

Kat Allen first thanked Ben for reaching out to the community and making them feel very included in the PCIN design process. She mentioned her concerns with reference of the creation of new views for the PCIN site. She noted that the views she has seen look very similar to the existing views.

Christi Bonn thanked the PDA for the PCIN presentations that have been shown to the community and for the opportunity to give input. She stated that she thinks it is really exciting to think of new opportunities for PCIN including retail and daystall space.

Rachel Powell stated her appreciation for the public meetings and shared input. She noted that low income housing is very critical in the city of Seattle. She also noted that she did not know if having an extra level of low-income housing is worth obstructing the views of the market. She mentioned of possibility of widening the existing building footprint.

Gina Karaba noted her concern about transforming the market into a dark hallway in comparison to the PCIN site. She offered several ideas including keeping the concept of the housing and retail areas, but spreading it out and adding green space. She noted her appreciation for her ability to have input for the project.

Wendy noted her appreciation of being able to live in the low income housing. She offered ideas for the PCIN site including a working garden in which the proceeds could go to the food bank and preschool. She stated that placing a garden on the PCIN site is a message for the future.

Leanne Clark thanked the Council and Ben for responding and listening to the communities comments. She had stated that there have been several suggestions in which she hopes is given a lot of consideration, including preserving the historical views of the Market on the north side.

Kenzie Crafter stated to please preserve the views on the Western side of the market.

Joan Paulson noted her concerns for PCIN including finding a way in paying for the PCIN project and reevaluating the Western Ave design. She stated that it feels like there is a rush to plan the design. She reminded the Council and community members for what the PDA stands for, in which Preservation is the first priority. She lastly noted we need to slow down and find a balance of the time, dialogue and decisions with PCIN.

Ellen Greene thanked Council and PDA staff. She noted that she is settling into her new facility and that her last day at the Preschool would be tomorrow. She welcomed the new director Ilene Stark.

Willie B from Maximilien's commented on the aesthetics of the Atrium Conference room, inquiring about renting the facility for weddings and other events.

Bob Messina commented on several aspects of the PCIN Design. His comments were directed towards keeping the PCIN development a very low profile design.

Richard Haag, co-designer of Steinbrueck Park had stated that he wanted to make sure that the park is preserved. He added that no one can represent the Native American Population tonight in regards of PCIN; he noted that that southwest corner of the park is their home. He added that he is worried about the PCIN connection to Steinbrueck Park and the potential interference from additional outsiders.

Sandra Dunn commented that she has worked in the Market for over 20 years and is thrilled to hear that low-income housing will be incorporated into the project. She added that there is a huge homeless population which needs attention.

Tom Weed inquired if there was an opportunity to create more low-income housing on the PCIN site. He also inquired about the possible addition of social services for PCIN; if there is a way to make it work, it would be so beneficial.

Howard Aller stated that he has been a resident for ten years at the Market and is interested in keeping the Market the Market. He noted that in regards to views, the views from the Desimone Bridge did not used to exist. He added that the Market is Organic and that views involve change; we may lose a little view to gain more views.

Andrea stated that she is not surprised that there are a lot of craftspeople and businesses keeping track with the PCIN project. She noted that the people of Seattle need to be brought into this planning process for PCIN as well. She added that the new views for PCIN need to be made for everybody.

Hubert Foley stated that he attends many of the meetings. He noted that he and other people have a very difficult time hearing people speak at the meetings. He also noted his concern with the air ventilation of the room and lack of public seating. He lasted concluded that the meetings need to be televised so that the community can have the opportunity to give input.

III. Reports and Information Items

A. Council Chair Report

Jim discussed the areas of focus for tonight's meeting including where we are and the process we are in regarding PCIN. He had stated that we have not decided on a preferred design option for PCIN; we are at the beginning of the process. He had noted his concern with the level of respect and the dialog from numerous meetings in the past. He has stated that we are diverse group and wanted to keep the Market's interest and self-interest separate. He noted that we will have several more public meetings with opportunities for public input.

Jim addressed several topics regarding PCIN from the public community input tonight. He had stated that we will not let the Market become a darken hallway. He added that Parking and Commercial was PCIN's original intent, hence the name. He noted that the social service comments were dear the Council's heart. He lastly added that there is no way to fund the project without incorporating low income housing and commercial space and reassured the community that the views will be enhanced.

Jim lastly noted the schedule for tonight's meeting, including a presentation for PCIN and the Atrium Demonstration Kitchen. He added that next month there would be a full presentation on the Marketing Strategy.

B. Executive Director's Report

1. Introduction of New Pike Place Market Director

Ben gave a brief introduction to Ilene Stark, the new Executive Director of the Preschool.

2. Other Items

None

C. Committee Chair Report

None

D. Other Reports

1. Report of the Nominating Committee

Jim presented a resolution for the PDA Committee Member Nomination. Jim noted that the nominating committee will consider very seriously about the concerns of diversity with the Council. He noted that Gerry Kumata is wanting to transition from the Council.

A. **Action Item:** Proposed Resolution **12-51:** PDA Committee Member Nomination

Jim introduced the resolution which states that the PDA Council annually appoints one member to serve on the PDA Council, elects its officers and approves the appointment of PDA Council Committee Chairs and Vice Chairs for one year terms, and, the Nominating Committee has recommended the following Councilpersons to serve as Officers and as Chairs and Vice Chairs of PDA Council Committees for the 2012-2013 term. Let it be resolved that that the PDA Council elects the following officers for the 2012-2013 term:

Chair	Jim Savitt	Secretary/Treasurer	Gloria Skouge
1 st Vice Chair	John Finke	Officer at Large	Patrick Kerr
Officer at Large	Ann Magnano	Officer at Large	Bruce Burger

BE IT FURTHER RESOLVED that the PDA Council Committee structure is approved as follows for 2012-2013:

<u>Committee</u>	<u>Chair</u>	<u>Vice Chair</u>
Finance and Asset Management	Matt Hanna	Ann Magnano
Operations and Communications	John Finke	Patrick Kerr
Strategic Planning	Bruce Burger	Gloria Skouge
Capital Renovation	Bruce Lorig	Gerald Kumata

And let it be further resolved that the PDA Council appoints Bruce Lorig as its PDA Council appointed member to serve on the PDA Council for a term of four years ending June 30th, 2016.

Jackson Schmidt moved, Gloria Skouge seconded

For: John Finke, Ann Magnano, Jill Andrews, David Ghoddousi, Matt Hanna, Bruce Lorig, Jackson Schmidt, Gloria Skouge

Against: 0

Abstain: Patrick Kerr

Resolution 12-51 passed by a vote of 8-0-1

IV. Key Issues Presentation and Discussion:

A. PCIN

Ben gave thanks to Jim and the public for their valued comments. He presented a brief background of the history of the PCIN project.

David Miller thanked the community for the design comments. He stated that it has been a privilege to work on this project. He had noted the importance of showing how the PCIN design has evolved. Brain C and David M reviewed the original four design schemes for PCIN, focusing on the massing and scale of those designs. David M presented two evolved options: Options BB- and BB+. He noted that we have a list of program components we should include into the project including the connection, views and financing. Below is a brief summary of Options BB- and BB+.

Option BB- : Stands for Below the Desimone Bridge. There is a terrace above and below the Desimone Bridge. In regards to the Program distribution, the retail and commercial component is located at the north end. The Housing would be on Western. There is also a U-Shaped courtyard opening to the North for residential. At the main market level it could accommodate a lot of events and different uses.

Option BB+: Would provide roughly 50 units of residential housing. The project needs that part of housing to satisfy the markets mission and the make it financially feasible. Both BB- and BB+ options are very similar, but the BB+ option has more housing incorporated into the design.

David Miller had also reviewed several view studies for the PCIN site.

Ann had inquired about the views from the Market in regards to Mt. Rainer. David noted that you can see Mt. Rainer with both options; both of the schemes are preserving the views of the waterfront and Mt. Rainer.

Ben had briefly reviewed options for the source of funding to finance the PCIN project. He noted that if we do nothing with the PCIN site, we would lose \$250,000 from the lot revenue and the cost of designs from the Architects.

Jim had a small discussion regarding PCIN and planning. He mentioned dedicating additional time in the future for the council members to comment and discuss PCIN and pertaining issues.

There was a comment period that followed.

Patrick had stated that he thought the latest two design options were far superior to the original four design schemes. He offered suggestions to the latest designs and inquired about the possibility of acquiring additional space for the site. He noted that overall he was very happy to see the new design schemes.

Matt had stated that the last two design options were clearly more responsive to the community and Council's input. He inquired about the decrease of programmatic space and its effect on financing for PCIN.

John Finke stated that he is in support of an idea to hold a retreat to look at the various options for PCIN. He noted that he is concerned with the workability of designs. He also noted his concern of the attention placed on the views instead of the congestion of the Market and Arcade and the financial feasibility of the project.

Bruce L noted that he did not see cooler and storage space incorporated into the designs. He inquired to know how we can get people into these various spaces. He added that we need to take the commercial and retail component down another level outside, closer to the fold. He lastly noted that the real problem is how you get enough people to the site to make it viable.

Peter Steinbrueck had raised the question of what progress has been completed with PCIN . He noted four framing elements for PCIN: Historical, Financial, Views (preservation and enhancement), and Program Elements. He added that he would hope after this stage we could say for certain we have some level of agreement on these areas.

John F added to Peter's comments stating that the areas that Peter described were very good areas. He noted that he would like to add circulation to the framing elements for PCIN. He provided a broader view of circulation, adding that another element of circulation is the crowding of the Market. He lastly noted that if we significantly increase the visitor's, we will need to work on circulation.

Ann stated that something we all have to agree to is for the PDA to have control of the PCIN site. She added that we should prioritize our guiding principles and get them into the right order. She lastly noted that she has a fear of circulation where there may be dead ends; overall we all have to work together to make this project happen.

B. Atrium Kitchen

Jim stated that the Atrium Kitchen materials that were emailed to the Council members were received with insufficient notice. He had noted that the Council Members had not been given adequate amount of time to review the materials; they will need more time to review the Atrium Kitchen Development Strategy before voting.

Ben presented the Atrium Kitchen and Economy Market Event Rooms Development Strategy, which was circulated to the Council and audience members. The Development Strategy overviewed several key components including: Potential Uses, Promotional Value, Management and Operations, Financial Model, Development Schedule, Promotion and Partnerships and Kitchen Design Concepts. Ben stated that we view the Kitchen and Event Room spaces as a tremendous opportunity for the Market and the community. He noted that he firmly believes this project can provide \$100,000 to a million dollars of promotional value to the Market. He also added that the flexibility and diversity of this space is a unique attraction for users.

There was a question and answer period that followed.

Jackson had stated that he would like to delay in the vote for the Atrium Demonstration Kitchen. He did note that he appreciates the ideas of hosting events like weddings in the rental spaces.

John Turnbull had noted that the packet contained a resolution that he had requested Ben to review. He had stated that he would like to really take advantage of the month of July and August to use and activate the Atrium Kitchen space. He also added that he would like to do some promotion and marketing of the

space. He lastly added the architecture services proposed in the resolution would help with completing enough of a design for retrieving bids.

Bruce L stated his concern of not knowing if the Kitchen was a good or bad idea business idea. He added that the Development Strategy was not an appropriate business plan. He had stated that to fully equip and configure the space for the proposed uses would be more costly than projected, ranging from \$400,000 to \$500,000. He requested for the team who composed the Development Strategy to come back with more of a business plan to present.

John T noted Bruce's comments were all valid points. He noted that with our existing staff of 100, we are doing thousands of events each year and we have experience in understanding how to accommodate multiple events. He stated that it is hard to market something that is not built; he would like the opportunity to market the kitchen and event room spaces.

David G noted that he would like to see the space marketed to a tenant so at least the space will not be neglected.

Patrick K stated that he does not know if the PDA should create a business to run and operate. He noted that he is not in favor of the kitchen. He added that the space should go to someone who is a business person, not owned or operated by the PDA staff.

Jill stated that originally the farmers and tenants had requested for a kitchen. She added that this it is not a business, but a resource for the Market and its community. She noted that the initial investment could be returned in much greater amounts, including huge promotional value to the Market.

Ann stated that she is in favor of the kitchen. She noted that it is a great opportunity for the kitchen and thinks that if we wait any longer for a more detailed business plan, the kitchen will not happen.

Gloria says she is in favor of the Atrium Kitchen since the Market is centered on food.

Matt inquired about the split use of business for the Atrium space; would this be a business to support itself or to a business to make money.

Jackson added that the Kitchen and Event Rooms would have to be a PDA Operated space since we cannot lease those buildings to tenants.

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

A. Consent Agenda

Action Item: Proposed Resolution **12-46:** Lease Proposals- June 2012

Umai Sushi & Teriyaki

Farvahar Café

Action Item: Proposed Resolution **12-47:** Approval of 2011 Audited Financial Statements

Action Item: Proposed Resolution **12-48:** Management Fee payable to Market Foundation for their services during Arcade Lights event

Motion to approve the consent agenda

Jill Andrews moved, John Finke seconded

For: Ann Magnano, David Ghoddousi, Bruce Lorig, Matt Hanna, Patrick Kerr, Gloria Skouge

Against: 0

Abstain: 0

Consent agenda passed unanimously

B. New Business

Action Item: Proposed Resolution **12-44:** Authorization for Contract Authority - Soames Dunn Tenant Improvements

John Turnbull introduced the resolution which states that the PMPDA has received approval of plans prepared by SRG Architects for the reconfiguration of three commercial tenant spaces in the Soames-

Dunn Building to which includes the repair and relocation of building elements and services and the relocation or replacement of fixed tenant improvements made obsolete due to renovation. The PPMPDA has negotiated lease terms with returning tenants, coordinated design improvements to their respective spaces and the PDA common areas and will coordinate the renovation schedule to minimize business disruption. The PPMPDA has previously placed a high priority on the completion of these improvements subsequent to major building renovation, in an amount estimated at \$250,000 to be paid from Other PDA Funds. The PPMPDA has approved a lease for 1918 Pike Place, incorporating modifications to the building necessary for the return of this tenant and has worked with tenant to identify a contractor through a competitive process to develop a budget for this work. Let it be resolved that the PPMPDA Council authorizes the PPMPDA Executive Director or her designee to enter into the following contracts and agreements:

To reimburse Tenant expenses not to exceed \$135,000 for costs incurred by Nina Hong d/b/a Pike Place Chocolate and Ice Cream, 1918 Pike Place, to replace built-in counters and fixtures removed by the PDA for renovation of the space, construction of demising walls, relocation of electrical and plumbing services, relocation of storage area, provide replacement ventilation and other necessary work as required in the new location as shown on approved drawings, all to be conditioned upon a multiple year lease acceptable to the PDA.

There was a brief discussion that followed.

Matt and Bruce B had inquired about priority use of the funds with tenants and the standard process for subsidizing and supporting tenants and their business space.

Patrick had also inquired about priority use of funds for tenants and had asked about similar allotments for other tenants. He had asked if the Council was showing favoritism towards other tenants.

John Turnbull explained that with the actual space, we had to separate the space and activate the space which has investments; many of the changes are fixed improvements.

John Finke moved, Patrick Kerr seconded

For: John Finke, Ann Magnano, Jill Andrews, David Ghoddousi, Matt Hanna, Patrick Kerr, Bruce Lorig, Jackson Schmidt, Gloria Skouge

Against: 0

Abstain: 0

Resolution 12-44 passed unanimously

Action Item: Proposed Resolution **12-45:** Authorization for Contract Authority - Designer for Atrium Kitchen

Ben introduced the resolution which states that the PPMPDA desires to provide a public facility to further focus upon food and nutrition education, cooking classes, chef demonstrations, preparation of value added food products by local farmers and chefs, catered events featuring local food products and other special events compatible with the operation of the Public Market. The PPMPDA has designated the Economy Atrium space made available at the end of building renovation as the location for a commercial kitchen that would be made available on a rental basis for these functions. The PPMPDA has previously authorized the contracting for design services for improvements in tenant spaces, especially those concerning food related businesses, with SHKS Architects, selected in accordance with purchasing guidelines, the maximum to be spent under this authorization was \$ 285,000 of which \$41,583 remains at the completion of all previously authorized work. Let it be resolved that the PPMPDA Council authorizes the PPMPDA Executive Director or her designee to enter into a contract with SHKS Architects in an amount not to exceed \$40,000 for Design Service from schematic level through construction administration for a multi-purpose commercial kitchen to be operated by the PPMPDA in the Economy Market Atrium with a target construction budget (including furnishings, fixtures and equipment) of \$200,000. This work is intended to be funded through funds obtained from Other PDA Capital Funds.

John Finke moved, Ann Magnano seconded

There was a discussion that followed.

There was an Amendment for Proposed Resolution 12-45 to not exceed in the amount of \$20,000.

For: John Finke, Ann Magnano, Jill Andrews, Matt Hanna, Bruce Lorig, Jackson Schmidt, Gloria Skouge
Against: David Ghoddousi, Patrick Kerr
Abstain: 0

Amended Resolution 12-45 passed with a vote of 7-2-0

- C. Other
None

VI. Further Public Comment

Joan Paulson commented about the elegance of John F and Peter's comments of the site and framing elements. She noted additions to Peter's comment including a 5th and 6th element of taxis and phasing of the building.

Bob Wagoner had stated that it would be helpful if the design drawings were published while providing a formal way to comment on them. He noted a few architectural comments about the designs. Overall, he thought the team did very well in terms of responding to view blockages.

Betty Helfon commented on the Tenant Alert for the street closure on Monday. She noted that the day the street closure would happen would be on Canada Day. She added that closing the street is going to be a hardship for her business and others. She also added that getting her vendors to the Market is going to be very difficult that day, not to mention stocking for the 4th of July. She inquired if the communication between the businesses could be improved so they could have sufficient time to notify their vendors. Jim had requested Ben to respond to this issue.

Haley Land thanked the PDA Council and Staff. He had noted that there were more than 60 members in attendance to tonight's meeting.

Howard Aller noted that the proposed 375 square footage for residential units is very small. He added that a normal two car garage is over 400 sq feet. He stated that he did not think the proposed square footage of the PCIN residential units is a good idea.

VII. Other Reports and Action Items

None

VIII. Concerns of Council Members

Ann wanted to observe the death of Judy Duff. She had stated that she was very instrumental to the Market and she added that we should take time to realize that this is a farmer's market.

IX. Adjournment

The meeting was adjourned at 6:28p.m. by James Savitt, Chair

Meeting minutes submitted by:
Dianna Goodsell, Administrative Services Coordinator