



Pike Place Market Preservation and Development Authority (PDA)

COUNCIL MEETING MINUTES – March 28th, 2013

Elliott Bay Room

Council Members: James Savitt, Jackson Schmidt, Ann Magnano, Gloria Skouge, Betty Halfon, David Ghoddousi, Bruce Burger, John Finke, Patrick Kerr, Matt Hanna, Gerry Kumata

Staff Present: Ben Franz-Knight, Tamra Nisly, Kelly Lindsay, Emily Crawford, John Turnbull, Lillian Hochstein, David Dickinson, Dianna Goodsell

Others Present: Mike Hassenger, Mike Stanley, Howard Aller, Haley Land, Bob Messina, Joan Paulson, Ernie Sherman, Sharon Mukai, Chris Scott

The meeting was called to order at 4:00 p.m. by James Savitt - Chair

I. Administration

A. Adoption of Agenda

Jim Savitt proposed including a report on the Nominating Committee under Section III, Item D. The agenda, as amended, was approved by acclamation

Matt Hanna entered in at 4:01pm

B. Review and Approval of the February 28th, 2013 Meeting Minutes

The meeting minutes were approved by acclamation

Bruce Burger and Betty Halfon entered in at 4:02pm

II. Public Comment Including the Market Community

Haley Land commented on 2013-2014 Daystall Rules and Regulations review. He noted that he is still in favor of having the buskers experiment with the area under the Desimone Bridge; he mentioned the possibility of utilizing decibel meters to monitor noise levels. He lastly noted that he was in support on the PDA's position regarding the off-season points system.

Howard Aller briefly addressed the action item regarding free motorcycle parking; he noted the notion of removing motorcycle parking at the specific space proposed was nonsense.

III. Reports and Information Items

A. Council Chair Report

Jim Savitt presented the Council Chair Report for the month of March. He noted that the evening's agenda would include a presentation from Seneca group regarding the PCI-North Baseline Pro Forma Financial Analysis as well as a presentation on the 2013-2013 Daystall Rules & Regulations. He added that within the Waterfront Redevelopment Committee and the Finance Committee there were requests to seek out independent consultants including an Owner's Representative and Low Income

Housing consultant for PC-I North. He lastly added that next month we would discuss trademark issues, the Atrium Kitchen and possibly have a Farmland Preservation recommendation.

B. Executive Director's Report

Ben Franz-Knight presented the Executive Director's Report for the month of March. He noted that there was a written report included in the packet. He briefly discussed the memo regarding a follow-up on the low-hanging fruit actions that was included with the Full Council packet. He provided an update on the US Bank merchant fees which have been substantially reduced as well as the status of the fish ice melting station. He lastly congratulated Kelly Lindsay and the Marketing staff for the prestigious Public Relations rewards that were received regarding the Thank You Seattle Campaign.

C. Committee Chair Report

The PDA Council Committee Chairs provided a brief update on their respective months meeting which is noted in the March Executive Committee meeting minutes.

D. Other Reports

There was a report from the Nominating Committee presented. Jackson Schmidt reported that there was recommendation from the committee to nominate David Ghoddousi as the Executive Officer At Large member of the PDA Council.

Jim Savitt noted that the Nominating Committee is currently working on recommendations for next year's PDA Council and Committee positions.

Jackson Schmidt moved, John Finke seconded

For: Jackson Schmidt, Gloria Skouge, Bruce Burger, Gerry Kumata, Ann Magnano, Matt Hanna, John Finke, Betty Halfon, Patrick Kerr, David Ghoddousi, Jim Savitt

Against: 0

Abstain: 0

The vote passed unanimously in favor of David Ghoddousi's nomination for Executive Officer at-large member of the PDA Council.

IV. Key Issues Presentation and Discussion:

A. Final Sensitivity Analysis on Cost Issues for PC-I North

Ben Franz-Knight provided a brief introduction to the Final Sensitivity Analysis on Cost Issues for PC-I North. He expressed his and the Council's appreciation for the quality work performed by Seneca Group.

Mike Hassenger from Seneca Group gave a presentation on the Final Sensitivity on Cost Issues for PC-I North. A copy of the presentation was included with the meeting minute's record. He gave a brief overview on what was covered at the previous Waterfront Redevelopment Committee meeting in regards to the Baseline Pro Forma for PC-I North and the changes made from the previous assumptions. He gave an overview of the Sensitivity Analysis and the Allocation of costs of the project with the various sources of funding. He noted that within the Sensitivity Analysis a few things become apparent. He noted that there is a very narrow window of debt that this project can handle. He added that it was very important to nail down on what the project costs are going to be. He lastly noted that it is important to get schematics done and start the GC/C/M process.

There was a question and answer session that followed

Matt Hanna commented on the Sensitivity Analysis. He noted it was important to notice the effect of increased debt and the impact it has on the project. He requested to see a 4 year aggregate of the cash flow after debt column added to the Sensitivity Analysis.

Jim Savitt requested to have a true worst case scenario regarding the sensitive analysis performed with the financial model. He noted his curiosity to see what a disaster scenario would look like and what steps would need to be taken to resolve it.

I. **Action Item:** Proposed Amended Resolution **13-14:** Authorization for Additional Contract Authority – Mill Hull – PCI-N Schematic Design

Ben Franz-Knight introduced the resolution which states in order to maintain the viability of the Pike Place Market the PMPDA 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, the PMPDA has determined that Architecture services are necessary for Design and Development of plans for PC-IN and integration with the Central Waterfront Design framework; and, the PMPDA conducted a public process and issued a Requests for Qualifications (RFQ) for Architectural Services in accordance with its Purchasing Guidelines and received six (6) proposals, and conducted interviews of 4 finalists, Miller Hull was identified as the best qualified to address the needs specifically related to Design and Development of PC-IN, integration with the Central Waterfront Design effort; and, the PMPDA has contracted for Design services for PC-I North with Miller Hull for an amount not to exceed \$350,000 as authorized by Resolution 12-30 and issued an amendment to increase contract services by \$25,000 as authorized by Resolution 13-03; and, the PMPDA and is now ready to amend the contract with Miller Hull in an amount not to exceed \$450,000 for schematic design work for PCIN; and, NOW THEREFORE, BE IT RESOLVED that the PDA Council authorizes the PDA Executive Director or his designee, to enter into a contract amendment with Miller Hull for Schematic Design Services for PC-IN, for an amount not to exceed \$450,000; and, The funds for this project will be drawn from the PDA CRRF – Capital Reserve and Replacement Funds

Jackson Schmidt moved, John Finke seconded

There was a discussion that followed

Ben Franz-Knight briefly discussed the specific type of work that would be completed in the schematic design phase with Miller Hull and the timeline of the contemplative work.

John Finke motioned to add an amendment which would state that the funds from this project would be drawn from City Reimbursements from the Waterfront Project if they are available, and if not; they will be drawn from the PDA Capital Reserve and Replacement Funds; and to the extent funds were drawn from the PDA Capital Reserve and Replacement Funds and then City Reimbursements funds come available, they shall replenish funds removed from the PDA CRRF for this purpose. Jackson Schmidt seconded the motion.

Patrick Kerr noted his concern with moving to Schematic Design before handling programming of the space.

Ann Magnano asked about receiving reimbursement from the City for PC-I North costs and the timing of that process.

David Ghoddousi asked David Miller for the breakdown of cost and type of work to be performed in the Schematic Design phase.

Ben Franz-Knight provided specificity on the work to be performed in the Schematic Design phase for PC-I North. He noted that the next step would be refining programming based upon the work with Miller Hull and community input. He reminded the council there are a number of significant steps before more costs would be incurred.

For: Jackson Schmidt, Gloria Skouge, Bruce Burger, Gerry Kumata, Ann Magnano, Matt Hanna, John Finke, Betty Halfon

Against: Patrick Kerr, David Ghoddousi

Abstain: Jim Savitt

Resolution 13-14 passed with a vote 8-2-1.

B. 2013-2014 Daystall Rule & Regulations

David Dickinson gave a presentation on the 2013-2014 Daystall Rules & Regulations. He distributed out the 2013-2014 Daystall Rules & Regulations to the committee which included the proposed rule changes and staff's final recommendations. A copy of the 2013-2014 Daystall Rules & regulations was included with the meeting minute's record. He noted that the proposals were comprised from fifteen PDA Staff members, fifteen craft members and seven members from the busker community. He stated that there were six members in attendance from the first community meeting and fifteen members in attendance from the second meeting community meeting. The proposals recommended for passage by staff were highlighted in yellow in the 2013 Daystall Rules Review Summary List of Proposals.

11. Action Item: Proposed Resolution 13-21: Adoption of Daystall Rules and Regulations

Ben Franz-Knight introduced the resolution which states that the PDA conducts an annual review of the Daystall Rules and Regulations; and the PDA solicited and received suggestions from the Daystall community regarding rule changes; and the PDA staff has held Daystall community meetings regarding the potential changes and have altered the initial proposed changes to Daystall Rules and Regulations based upon those meetings; and on March 14th, 2013 the Market Programs Committee held an open public meeting that discussed and considered rule changes with opportunity for public comment; THEREFORE BE IT RESOLVED that the PPM PDA Council hereby approves the following 2013 changes to the Daystall Rules and Regulations as noted on Exhibit A.

John Finke left at 5:26pm

Ann Magnano moved, David Ghoddousi seconded

For: Jackson Schmidt, Gloria Skouge, David Ghoddousi, Bruce Burger, Gerry Kumata, Ann Magnano, Matt Hanna, Patrick Kerr, Betty Halfon

Against: 0

Abstain: Jim Savitt

Resolution 13-21 passed with a vote 9-0-1

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

A. Consent Agenda

Action Item: Proposed Resolution **13-16:** Authorization for Added Contract Authority – Depew, Inc. – Commissioning Services

Action Item: Proposed Resolution **13-17:** Lease Proposals – March 2013

Action Item: Proposed Resolution **13-18:** Proposed Additional Funds for Contract with RMB Vivid for

Manufacturing of Prototypes for the Wayfinding Signage Project

Action Item: Proposed Resolution **13-23:** Amendment of the Property Management Agreement between the PPM PDA and PPM QALICB

Motion to approve the consent agenda

Gloria Skouge moved, David Ghoddousi seconded

For: Jackson Schmidt, Ann Magnano, Matt Hanna, Patrick Kerr, Gloria Skouge, David Ghoddousi, Bruce Burger, Gerry Kumata, Betty Halfon

Against: 0

Abstain: James Savitt

Consent agenda passed with a vote 9-0-1

B. New Business

Action Item: Proposed Resolution **13-19:** Authorization to Proceed with Atrium Kitchen Operational Plan

Ben Franz-Knight introduced the resolution which states that the PPM PDA by Resolution 12-103 authorized the Executive Director to proceed with the business plan model for the Atrium Kitchen, solicit bids for construction and report to the Council in February, 2013, the Executive Director has

engaged in discussions and review of the proposed business with local professionals in the culinary and meeting facility business and through these discussions been advised of changes to the proposed business and operating model that would increase the success of the venture as a community educational resource focused on culinary topics: and the recommendations of local experts include the formation of an Advisory Board (aka Kitchen Cabinet) of local professionals in the food and education sectors to provide ongoing advice for the design, operation, sources of sponsorship funding and programming of the proposed facility; and, the PMPDA has revised design plans for the proposed kitchen to reflect this added guidance; and, the PMPDA has identified several local and regional experts in culinary instruction, community programming, event hosting, facility operations, nutritional education and culinary media programs who are supportive of the public kitchen proposal, willing to serve as members of the Advisory Board and who offer community and professional expertise that will ensure ongoing programming; and, The Advisory Board will provide ongoing guidance to the PDA Event Management staff on how to best operate the Kitchen and related facilities to ensure professional standards are met, community programming is featured and operating income is sufficient to defray expenses,

THEREFORE BE IT RESOLVED that the PMPDA Council authorizes the PMPDA Executive Director to proceed with the implementation of the Atrium Kitchen, convening an Advisory Board to work with the PDA special event management staff and to proceed with completion of the design and pricing of the build-out of the facility in an expeditious manner.

Ann Magnano moved, Gerry Kumata seconded

John Finke entered in at 5:35pm

Jim Savitt noted a correction to the resolution language by including the word “by” before “convening” under the last paragraph. The motion was accepted by the committee.

David Ghoddousi inquired about the procedural process for resolutions that fail from a committee and then are presented to the Full Council.

Jim Savitt noted that the resolution passage at a committee does not require a prerequisite to be presented to Full Council for consideration.

For: Jackson Schmidt, Gloria Skouge, Bruce Burger, Gerry Kumata, Ann Magnano, John Finke, Betty Halfon, Matt Hanna

Against: David Ghoddousi, Patrick Kerr

Abstain: Jim Savitt

Resolution 13-19 passed with a vote 8-2-1

Action Item: Proposed Resolution **13-20:** Authorization to Enforce No Free Motorcycle Parking – Are directly North of the Western Avenue Entrance

Ben Franz-Knight introduced the resolution which states that there was a Motion by Councilmember Ghoddousi to enforce no free motorcycle parking in the area directly north of the Western Avenue Entrance (see attached photo) to the Market Parking Garage, 2nd by Councilmember Halfon, approved by vote of 2 to 1 at Asset Management on March 11, 2013. It be requested that that the PDA Council approve no free motorcycle parking in the area directly north of the Western Avenue Entrance to the Market Parking Garage.

David Ghoddousi moved, Patrick Kerr seconded

Jim Savitt noted technical corrections for the resolution language under the “Whereas” clause. The language under the resolution was corrected to read “There was a concern with allowing free motorcycle parking in the area directly north of the Western Avenue Entrance”.

Gerry Kumata shared his concern over motorcycle parking access in the Market garage.

David Ghoddousi noted that we should not be giving out free parking for motorcycles and it has to be fair for everybody.

Bruce Burger noted that the resolution did not seem like policy decision but rather an operational decision. He noted that we should have a better place for the motorcyclist to park before eliminating free parking. He asked for staff to come back with a report on what we should do with motorcycle parking. He proposed an amendment to the resolution where staff is directed to analyze the situation regarding motorcycle parking and the space located directly north of the Western Avenue Entrance as well as directing staff to return in two months with a proposal for the uses of the space located directly north of the Western Avenue Entrance and recommendation for where motorcycles should park at the Market. Bruce Burger made the motion, Matt Hanna seconded the motion.

There was a brief discussion that followed

For: Jackson Schmidt, Gloria Skouge, Bruce Burger, Gerry Kumata, Ann Magnano, John Finke, Matt Hanna

Against: David Ghoddousi, Patrick Kerr

Abstain: Jim Savitt, Betty Halfon

The motion passed with a vote 7-2-2

The Council voted on Proposed Amended Resolution 13-20.

For: Jackson Schmidt, Gloria Skouge, Bruce Burger, Gerry Kumata, John Finke, Matt Hanna

Against: David Ghoddousi, Patrick Kerr

Abstain: Jim Savitt, Betty Halfon, Ann Magnano

Proposed Amended Resolution 13-20 passed with a vote 6-2-3

- C. Other
None

VI. Further Public Comment

Joan Paulson commented on Motorcycle parking at the Market and the Schematic design phase for PC-I North with Miller Hull. She noted that the PDA should contact their insurance company in regards to motorcycle parking risks in the garage. She commented on her concerns with the design agreement with Miller Hull and the matter of process. She noted that the project should be phased appropriately and designed consistently with the Urban Renewal Plan, as well as having an insurance and risk review done for the project and an examination of the Arthur Goodwin's book *Markets: Public and Private* published in 1929.

Haley Land noted that the stakeholders committee had setup a community meeting with Miller Hull on April 24th regarding discussion on the design for PC-I North.

VII. Closed Session

- A. Real Property Negotiations - 1501 Western Avenue (*Closed Session Per (RCW 42.30.110(l)(b))*)
This section was postponed until next month due to meeting time constraints.

VIII. Concerns of Council Members

None

IX. Adjournment

The meeting was adjourned at 6:03 p.m. by James Savitt, Chair

Meeting minutes submitted by:
Dianna Goodsell, Administrative Services Coordinator