PDA Council Packet
March 2015

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Section I:

PDA Council Agenda & Minutes
PDA Council Meeting Agenda

Date: Thursday, March 26th, 2015
Time: 4:00 p.m. – 6:00 p.m.
Location: Elliott Bay Room

Committee Members: Matt Hanna (Chair), Patrick Kerr (Vice-Chair), Gloria Skouge, David Ghoddousi, James Savitt, Jackson Schmidt, John Finke, Bruce Burger, Ann Magnano, Betty Halfon, Patrice Barrentine and Rico Quirindongo

4:00pm I. Administrative: Chair
A. Approval of Agenda
B. Approval of the PDA Council Meeting Minutes for February 9th, 2015 and February 26th, 2015

4:05pm II. Public Comment Including the Market Community

4:10pm III. Programs and Information Items
A. Council Chair Report
B. Executive Director’s Report
   I. Committee Chair Report
C. Other Reports

4:20pm IV. Key Issues Presentation and Discussion Items
A. Presentation of MarketFront Financing Plan and PDA Debt
   I. Action Item: Proposed Resolution 15-07: Issuance of Special Obligation and Refunding Bonds

   Ben Franz-Knight, Gerry Johnson, Stacey Crawshaw-Lewis, Fred Eoff

B. MarketFront Design Update
   I. Plaza Canopy
   II. Housing Color Palette & Materials

4:30pm V. Resolutions and Other Action Items (Old and New Business)
A. Consent Agenda
   Proposed Amended Resolution 14:79: Approval of Acceptance of USDA Grant Funding and Contract Approval for Lease of Farm Program Vehicle
   Proposed Resolution 15-16: Approval in Upgrading PPM
   PDA’s Access Control System
   Proposed Resolution 15-17: Authorization for Contract Authority - Replace Roof and Gutter Section over Pike Place Fish

Chair
B. New Business

**Action Item:** Proposed Resolution **15-18:** MarketFront Public Art - Approval of Artist Design “Reflection” by GrayPants

**Action Item:** Proposed Resolution **15-22:** Adoption of Daystall Rules and Regulations

**Action Item:** Proposed Resolution **15-23:** Approval for Rental of Emergency Overflow Shelter for Daystall Vendors

**Action Item:** Proposed Amended Resolution **15-15:** Approval of Development Agreement Exhibits Exhibit E - Form of Quit Claim Deed, Exhibit F - Form of Covenant and Exhibit G - Form of Easement

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<td>5:45pm</td>
<td><strong>VI.</strong> Further Public Comment</td>
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<td>5:55pm</td>
<td><strong>VII.</strong> Concerns of Committee Members</td>
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<td><strong>VIII.</strong> Adjournment</td>
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C. Other

- Lillian Hochstein
- David Dickinson
- Kelly Lindsay
- Ben Franz-Knight
Special Meeting of the PDA Council - MarketFront Committee Meeting Minutes

Monday, February 9th, 2015
4:00 p.m. to 6:00 p.m.
Elliott Bay Room

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

Other Council Members Present:

Staff Present: Ben Franz-Knight, Lillian Hochstein, Tamra Nisly, Sabina Proto, Dianna Goodsell

Others Present: Justine Kim, Howard Aller, Bob Messina, Haley Land, Joan Paulson, Bo Zhang, Gerry Johnson, David Kenagy, Carrie Holmes

The meeting was called to order at 4:01 p.m. by Matt Hanna, PDA Council Chair.

I. Administration
   A. Approval of the Agenda
      The agenda was approved by Acclamation

   B. Approval of the January 21st, 2015 MarketFront Committee Meeting Minutes.
      The minutes were approved by Acclamation

II. Announcements and Community Comments
Haley Land mentioned that he had read over the Development Agreement a few times and had noted that overall there were no surprises in it. He said Ben Franz-Knight and Lillian Hochstein have gone beyond their due diligence with involving the community and public in this MarketFront project process; the Stakeholders group is particularly indebted to them. He highlighted the importance of the Plaza and putting it into perspective. When the public sees the Plaza in the future, the first way they are going to evaluate it is going to be by those things that are most public. He would like make sure that the Plaza it is pleasing to the public and that the public wants to be there.

Ann Magnano entered into the meeting at 4:05 p.m.

Bob Messina noted his support for the project which is being voted upon today. He said that the project has come a long way. He mentioned that current project was a smaller project than what the PDA had originally been presented including the reduction in debt. He congratulated the PDA Council and staff on their fine tuning of the MarketFront project and costs.
Joan Paulson said that the Development Agreement basically commits the organization to the debt of 73 million dollars. She added that the agreement would allow the organization to extend the project activities further West, beyond the approved boundaries of the Pike Place Market Urban Renewal Plan. She spoke further about the commitment with the Overlook Walkway and development potentially another 160,000,000 in costs; this cost is something the PPM PDA Organization cannot take on. She noted that with the agreement, it is committing future generations to over 200,000,000 million dollars. She spoke on Section 12.8, Governing Law of the Development Agreement and the last section of the Development Agreement. She mentioned that it would be to our benefit to hire another attorney, and to get a separate opinion on this agreements effect on the Urban Renewal Plan; she further explained why a City attorney is not a viable option. She lasted noted that this agreement does not uphold the Urban Renewal Plan and commits to a sizable economic impact.

Howard Aller stated that what we have in front of us is a document for roughly a 70 million dollar project; the largest project the Market has undertaken. He stated that if we approve this project, we can deal with the mistakes. If we do not approved this project tonight, each month it will cost us a quarter million dollars.

III. Key Issues and Discussion Items
A. Update on Budget Summary, Flow of Funds and Schedule - MarketFront project
Justine Kim, Project Manager and Ben Franz-Knight provided a review of the Marketfront Project Flow of Funds and Total Budget Summary. Ben highlighted the status of the key financing components for the MarketFront project. He said that that the Market Foundation was confident that they would raise the six million in philanthropy for the project. He provided an update on the New Market Tax credits, noting positive discussions on that front with Chase bank. He lastly reported that Lillian and he would be meeting with State Legislators next week.

Bruce Burger asked what the approximate annual profit of the additional garage spaces before debt was for the project.

Jim Savitt asked about the total debt with the MarketFront project, including the existing garage bond.

Matt Hanna asked for detailed information regarding the ratios of debt-to-revenue for the next Finance and Asset Management Committee meeting.

B. MarketFront/PC-1 North Development Agreement between the City of Seattle and the Pike Place Market Preservation and Development Authority

Gerry Johnson provided a comprehensive review of the final draft of the MarketFront/PC- 1North Development Agreement between the City of Seattle and the Pike Place Market Preservation and Development Authority to the PDA Council and public. Gerry reviewed the following Development Agreement Articles: Article 1 - Recitals, Article 2 - Effective Date; Incorporation of Documents and Materials, Article 3
I. Action Item: Proposed Resolution 15-10: Approval of MarketFront/PC-1 North Development Agreement

Gerry Johnson introduced the resolution which states The Pike Place Market Preservation and Development Authority ("PPMPDA") has been actively engaged in the prospective redevelopment of the PC-1N site with the MarketFront project (MarketFront) in conjunction with emerging plans for the redevelopment of the central waterfront by the City, as reflected in over 14 resolutions adopted by the PPMPDA Council since 2012; and WHEREAS, Consistent with the guidance provided by the PPMPDA Council-adopted resolutions, the PPMPDA has been negotiating with the City a Development Agreement Concerning Redevelopment of the PC-1 North Site Within the Pike Place Market Historical District (the “Development Agreement”); and WHEREAS, The PPMPDA previously approved a Memorandum of Understanding (MOU) Concerning Redevelopment of the PC-1 North Site Within the Pike Place Market Historical District pursuant to which with City and the PPMPDA have worked together to refine the MarketFront project; and WHEREAS, The earlier MOU specifically called for the City and PPMPDA to negotiate a Development Agreement under which the project would be designed, funded and built and outlined the parameters of such and agreement; and WHEREAS, The Development Agreement is consistent with and satisfies the requirements of the PPMPDA as reflected in the MOU, earlier resolutions and other PPMPDA Council priorities and instructions, including the following:

- Provision for transfer of ownership of the PC-1N site to the PPMPDA;
- Secures approval for final design of the proposed MarketFront acceptable to the PPMPDA that also will be a signature feature of the City’s central waterfront project resulting from a highly successful collaboration between the City’s waterfront and the PPMPDA’s respective design teams;
- Secures City grant funding in the amount of $34 million to support development of the project;
- Establishes the process by which the City will review and approve the final project budget and funding; and

WHEREAS, The PPMPDA assumes certain obligations under the Development Agreement, such obligations are consistent with the PPMPDA’s own interests and needs. Such obligations include:

- Secure remaining financing required to fully fund the final project budget and complete the project consistent with the design;
• Accepting the goal that construction should, if possible, begin such that the project will be completed in time to ensure that the below street (Western Avenue) level replacement parking included in the MarketFront will be available prior to demolition of the Viaduct for both Market and waterfront use;
• Manage construction of the project, including accepting responsibility for cost- overrun,
• Responsibility to manage and operate the MarketFront consistent with current PDA management practices:

WHEREAS, The Development Agreement adopts as the final design for the MarketFront project approved by the PPMPDA Council and otherwise satisfies the requirements of the PPMPDA Council’s PC-1N related resolutions adopted over the course of the past three years; and

WHEREAS, The proposed Development Agreement has been submitted by the Mayor to the City Council for their review and approval;

NOW, THEREFORE BE IT RESOLVED that

1. The proposed Development attached hereto is approved and the Executive Director is authorized to execute it (or a substantially similar version) on behalf of the PPMPDA subject to review and approval of the form of the Quit Claim Deed under which the property will be conveyed, Form of Covenant and Form of Easement by the PDA council, currently anticipated for its February 26, 2015 meeting.

Gerry noted that the proposed Development Agreement contained the Quit Claim Deed under which the property will be conveyed, Form of Covenant and Form of Easement by the PDA that would need to be approved subsequently at the February 26th PDA Council meeting.

Betty Halfon had requested to Gerry to provide a background of the Overlook Walkway and how the OWL

Jackson Schmidt moved, Betty Halfon seconded

For: Matt Hanna, Rico Quirindongo, Jim Savitt, John Finke, Jackson Schmidt, Gloria Skouge, Bruce Burger, Betty Halfon, David Ghoddousi, Ann Magnano
Against: 0
Abstained: 0

Resolution 15-10: PDA Council Approval of Development Agreement between the Pike Place Market PDA and the City of Seattle passed unanimously with a vote of 10-0-0.

IV. Action Items and Reports
A. **Action Item:** Proposed Resolution 15-01: MarketFront Project (PC1N) Sellen Early Release Shoring Package

Justine Kim 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-1N that may directly affect the future of the Market. WHEREAS, the PDA Council adopted Resolution 13-56 approving PPMPDA selection of Sellen as the GC/CM Contractor and Resolutions 14-54 and 14-73 to enter into a contract with Sellen for Pre-Construction Services; WHEREAS, the PPMPDA and project consultants have identified areas requiring early release work prior to the negotiation and execution of the full GC/CM contract in order to stay on schedule and is now ready to enter into a contract for services in an amount not to exceed $430,000. Early release work includes generating shop drawings and purchasing the steel material for the project, entering into a contract with SolData for the BNSF tunnel monitoring and getting the sensory equipment set up in the tunnel prior to construction commencement, and ordering of mechanical equipment with a long lead time for the required Food Bank work which needs to be completed prior to the shoring construction.

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Sellen in an amount not to exceed $430,000 for the early release work.

The funds for this project will be drawn from 110630-01 – PC1-N State Funds.

Gloria Skouge moved, Rico Quirindongo seconded

For: Matt Hanna, Rico Quirindongo, Jim Savitt, John Finke, Jackson Schmidt, Gloria Skouge, Bruce Burger, Betty Halfon, David Ghoddousi, Ann Magnano
Against: 0
Abstained: 0

Resolution 15-01: MarketFront Project (PC1N) Sellen Early Release Shoring Package passed unanimously with a vote of 10-0-0.

B. **Action Item:** Proposed Resolution 15-02: MarketFront Project (PC1N) Gas Meter Relocation Agreement - Puget Sound Energy

Justine Kim 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-1N that may directly affect the future of the Market. WHEREAS, the PPMPDA has determined that the existing gas meter servicing the Food Bank and Heritage House needs to be relocated to accommodate the construction of the MarketFront project; and, WHEREAS, the PPMPDA has coordinated with Miller Hull and consultants to find an alternate location for the gas meter and coordinated with Puget Sound Energy on a facility agreement to relocate the gas meter; and, WHEREAS, the PPMPDA has successfully completed negotiations with Puget Sound Energy and is now ready to enter into a contract for services in an amount not to exceed $47,063.

Now, therefore, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract for Puget Sound Energy to relocate the gas meter servicing the Food Bank and Heritage House, in an amount not to exceed $47,063 to accommodate the construction of the MarketFront project.

The funds for this project will be drawn from 110630-01 – PC1-N State Funds.

Betty Halfon moved, Gloria Skouge seconded

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

Against: 0

Abstained: 0

Resolution 15-02: MarketFront Project (PC1N) Gas Meter Relocation Agreement - Puget Sound Energy was passed unanimously with a vote of 10-0-0.

C. Report from Stakeholders Group

Haley Land presented on the Stakeholders Report with the Committee. He first congratulated the PDA Council on their unanimous decision to approve the Development Agreement between the Pike Place Market PDA and the City of Seattle. He provided a brief update on the recent Stakeholder’s meeting including review of the financing plan for the MarketFront as well as the Capital campaign. He reported that the next Stakeholders meeting was scheduled for February 19th at 4:30p.m.

VI. Items for the Consent Agenda

None

VII. Public Comment

Bob Messina congratulated the PDA Council and PDA staff for a job well done with the progress of the project. He inquired regarding the mention of public art money from the City as part of the Development Agreement.
It was noted that the public art money as mentioned in the Development Agreement was the minimum amount we must contribute to the project.

Joan Paulson noted that her participation has always been what’s best for the Market. She said that we have an agreement which has contingencies that had not been reviewed to the public. She noted that she sees the Development Agreement as an erroneous document; the people here that voted upon the document will not be here in five years. She noted that she would like to hear from the PDA Board, in the writing, was where is the role in the Market Historic Commission in regards to the project further to the west. She lastly said that she was not certain on this project because of this agreement; the players keep changing and there is more uncertainty.

Haley Land asked about the Overlook Walkway as part of the Development Agreement. He asked that if the OLW is to be made of superior materials, this is something we should be thinking about with the future connection of the MarketFront project.

Howard Aller thanked the PDA Council for the final Development Agreement. He said this is the Market and that nothing is perfect; the Market is all accidental and organic.

VIII. Concerns of Committee Members
Jackson Schmidt followed up on Howard Aller’s previous public comments. He stated that it is remarkable that we have had complete consensus today with the PDA Council on approving the Development Agreement for the MarketFront project. He gave personal thanks Ben Franz-Knight with his incredible work on leadership with the MarketFront project.

Jim Savitt thanked the public and everyone who had participated in this process with the work on the MarketFront.

Gloria Skouge thanked Jackson Schmidt for his leadership in serving as Chair for Waterfront Redevelopment Committee.

IX. Adjournment
The meeting was adjourned at 5:23pm by Matt Hanna, Chair

Meeting minutes submitted by:
Dianna Goodsell, Administrative Services Coordinator
PDA Council Packet 3.26.15 -12
Frank Coble commented on the possibility of educational outreach with children and utilizing the market for that purpose. He mentioned the opportunity to work with small business owners at the Market in learning about cash handling. He separately commented on the daystall appeals process.

Jim Savitt entered into the meeting at 4:09p.m.

III. Reports and Information Items
   A. Council Chair Report
      Matt Hanna presented a brief Council Chair report for the month of February. He briefly discussed the evening’s agenda items including the Financing of the MarketFront project and approval of the Development Agreement Exhibits in Proposed Resolution 15-15. He lastly noted that Ben and him had discussed the financing approval schedule with the City.

   B. Executive Director’s Report
      Ben Franz-Knight noted that there was a written ED Report included in the PDA Council packet for February. He provided a brief update from the ED Report to the Council. He noted that on February 16th we hosted a Town Hall panel on the MarketFront project; he thanked Rico for his contribution at the meeting and Emily Crawford for her ongoing PR efforts. He lastly reported that we had received approval from the Market Historic Commission (MHC) for additional bicycle parking in front of the Stewart House.

   C. Committee Chair Report
      None

   D. Other Reports
      None

IV. Action Item
   A. Ad-Hoc Appeals Committee Recommendation to the PDA Council regarding Appeal by Frank Coble

      Betty Halfon, Ad-Hoc Appeals Committee Chair presented the Committee recommendation to the PDA Council. In the January 28, 2015 letter from the Ad-Hoc Committee, it states the following: The Committee reviewed the statements presented and made by Frank Coble and also reviewed the evidence presented by the Executive Director. The Ad Hoc Appeals Committee determined that Mr. Coble presented no evidence to support his statement and reasons for appealing the decision of the Executive Director and that the only evidence he did present, in the form of a written statement from David Morley only reinforced the accuracy of the Executive Directors findings on the matter. The Committee recommended denial of the appeal requested to reinstate Frank Cobles permit.
The PDA Council voted upon the Ad-Hoc Appeals Committee’s recommendation regarding the Frank Coble Appeal, which would be in denying the appeal to reinstate Frank Cobles permit.

For: Gloria Skouge, Jim Savitt, Jackson Schmidt, Rico Quirindongo, Patrice Barrentine, Betty Halfon, Patrick Kerr, Ann Magnano, Bruce Burger, David Ghoddousi
Against: 0
Abstain: Matt Hanna

The recommendation in denying the appeal to reinstate Frank Cobles permit passed unanimously by the PDA Council by a vote of 10-0-1.

V. Key Issues and Presentations
A. Presentation and Review of MarketFront Financing Plan and PDA Debt
Ben Franz-Knight, Gerry Johnson and Fred Eoff presented the review of the MarketFront Financing Plan and PDA Debt to the PDA Council and public; a copy of the presentation was included with the PDA Council records. A summary of the MarketFront Financing presentation was noted below:

MarketFront Financing Presentation Summary

Funding Sources
- City Funding - $34 million
- PDA Equity - $3 million
- WSDOT - $6 million
- Housing Grants - $9.2 million
- Philanthropy - $2.1 Committed, $3.9 million remaining*
- State Grants - $2-2.5 million*
- NMTC - $4 million*
- PDA Debt - $8.5 - $18.9 million (short and long term)
*indicates funding not yet secured

PDA Debt History
- PDA Debt History from 1999 – 2015 and projections through 2022

PDA Debt – Refinancing and Retirement
- 1st & Pine Loan and Bond – To be refinanced – current interest rate of 5.4% and 5.12% – Projected interest rate for refinancing below 4%
- Garage Bond – $2.2 million callable now and note due to City of $680,692 to be paid from bond reserves of $441,166 and $2,299,526 from the CRRF. Remaining CRRF Balance after payment - $8,418,769
- Series 2009 Bond – Current annual debt service of $472k – paid off in 2021

Current Financing Market Analysis
- Current interest rate levels
- Still historically low below 4%
• Options for debt
  • Direct Placement - variable loan (fixed for 7), lower initial interest rate
  • Public Offering - Bond (fixed for 20), higher interest rate

Financing Scenario – Direct Placement or Financing Scenario – Public Offering

The benefits with the Direct Placement Financing Scenario included the fastest transaction completion timeframe, least transaction costs and greatest extraordinary redemption flexibility. The disadvantages with Direct Placement included the loan maturity expected at a less than desired amortization term and a variable interest. The benefits with the Public Offering Financing Scenario included a fixed rate at a full desired term. The disadvantages with a Public Offering included decreased extraordinary redemption flexibility, greater transaction completion timeframe and increased transaction costs.

PDA Debt Capacity
• Assumptions
  • Current Garage Bond Paid off in 2015
  • 1st & Pine Loan and Bond refinanced
  • Maximum capacity - $24 million – additional $500k approx. per year in debt service
  • Medium – $22 million – does not include project alternates or TI Funds
  • Low – $18 million – does not include above plus PDA carry on NMTC and portion of Philanthropy

Market Pro-Forma with MarketFront
• Summary of Expense and Revenue – from 2005-2021
  • Modeled with $18, $20, $22 and $24 million in debt/refinancing

Project Cost
• Total Project Cost - $73,205,983
  • Alternates - $1,192,923 million
  • TI Funds - $1.3 million
  • Contingencies
    • Construction Contingency - $4.5 million (10%)
    • Owner Contingency - $3.9 million (8.5%)
  • Base Project without TI funds and Alternates - $71,763,250

Ben Franz-Knight reviewed the MarketFront financing Project Debt and Long Term Risk best case to worst case scenario. He discussed the best case scenario where the long term debt would be estimated at $7,563,250; this included PDA Philanthropy at $6,000,000 and State and other Grants at $2,000,000. The mid-range scenario placed long term debt at $13,563,250; this included PDA Philanthropy reduced from $6,000,000 to $4,000,000 and no State or other Grants. The worst case scenario would include long term debt at $17,563,250; in this scenario there would not be a
contribution from the PDA Philanthropy, New Market Tax Credit and State and other Grants.

**Future Related Costs**

- Cooling Tower Relocation - $840,000 (Upon notice from City of commencement of Overlook Walk)
- South Walkway - $540,000 (Part of future Heritage House Remodel – and informed by Overlook Walk)
- Retail space fronting Overlook Walk - $200,000 (Dependent on Overlook Walk)
- Vertical Green-scape infill on west face of garage - $350,000 (dependent on Overlook Walk)
- Shared responsibility for driveway connecting to new Alaskan Way - $400,000
- Signage Plan Integrated with existing Market Signage - $200,000
- **Total Future Related Costs** - $2,530,000 ($1,930,000 dependent on Overlook Walk)

**Key Decisions and Recommendations**

- Variable Loan vs. Long Term Bond
  - Recommendation - Pursue fixed rate long term Bond over variable rate loan
    - Will take additional time to finalize. Potential short-term savings with variable loan not significant enough to outweigh value of long term predictability.
- **Total Amount of Debt Required**
  - Recommendation - Total debt including refinancing of 1st & Pine Loan/Bond not to exceed $24 million
    - Exercise all prudent project cost control efforts. Base project cost not including TI funds and Alternates in favor of robust contingency during early work.
    - Secure corresponding debt required to bridge funding gap with early call options for Philanthropy, Grants, and NMTC projected funding amounts and timing.

There was a discussion that followed the presentation regarding the MarketFront Financing Plan and PDA Debt.

B. **Proposed Resolution 15-15: Approval of Development Agreement Exhibits: Exhibit E- Form of Quit Claim Deed, Exhibit F - Form of Covenant and Exhibit G - Form of Easement**

Gerry Johnson reviewed the exhibits that were part of Proposed Resolution 15-15: Approval of Development Agreement Exhibits: Exhibit E- Form of Quit Claim Deed, Exhibit F - Form of Covenant and Exhibit G - Form of Easement. The resolution stated that the Pike Place Market Preservation and Development Authority (“PPMPDA”) has been actively engaged in the prospective redevelopment of the PC-1N site with the MarketFront project (MarketFront) in conjunction with emerging plans for the
redevelopment of the central waterfront by the City, as reflected in over 15 resolutions adopted by the PPMPDA Council since 2012; and WHEREAS, Consistent with the guidance provided by the PPMPDA Council-adopted resolutions, the PPMPDA has completed the negotiation process with the City for a Development Agreement Concerning Redevelopment of the PC-1 North Site Within the Pike Place Market Historical District (the “Development Agreement”); and WHEREAS, The PPMPDA previously approved the Development Agreement Concerning Redevelopment of the PC-1 North Site Within the Pike Place Market Historical District (the “Development Agreement”) between the between the Pike Place Market PDA and the City of Seattle at the February 9th Special Meeting of the PDA Council with Resolution 15-10; and WHEREAS, PDA Council approval of the Development Agreement was subject to review and approval of exhibits E - Quit Claim Deed, F - Form of Covenant and G - Form of Easement by the PDA council at its February 26, 2015 meeting; and

NOW, THEREFORE BE IT RESOLVED that

1. Exhibit E- Form of Quit Claim Deed, Exhibit F - Form of Covenant and Exhibit G - Form of Easement attached hereto are approved by the PDA council.

Betty Halfon moved, Rico Quirindongo seconded

For: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Rico Quirindongo, Patrice Barrentine, Betty Halfon, Patrick Kerr, Ann Magnano, Bruce Burger, David Ghoddousi
Against: 0
Abstained: 0

Resolution 15-15: Approval of Development Agreement Exhibits: Exhibit E- Form of Quit Claim Deed, Exhibit F - Form of Covenant and Exhibit G - Form of Easement passed unanimously by the PDA Council by a vote of 11-0-0.

VI. Resolutions and Other Action Items (Old and New Business)
A. Consent Agenda

Proposed Resolution 15-08: Authorization for Renewal of Non-Exclusive Trademark Licensing Agreement with Pike Place Chowder

Motion to approve the Consent Agenda

For: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Rico Quirindongo, Patrice Barrentine, Betty Halfon, Patrick Kerr, Ann Magnano, Bruce Burger, David Ghoddousi
Against: 0
Abstained: 0

The Consent Agenda passed unanimously by a vote of 11-0-0.

B. New Business
New Business items were presented and voted upon prior to the Presentation and Review of MarketFront Financing Plan and PDA Debt under Section V, Item A.

**Action Item:** Proposed Resolution 15-05: Authorization for Contract Authority – Sand and Refinish Floors DownUnder

Bob Beckstrom 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 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 that the floors DownUnder need to be refinished due to high foot traffic over the years; and, WHEREAS, the PPMPDA has executed a bid process to sand and refinish the floors in the DownUnder; and, NOW, THEREFORE BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Seattle Floor Service in an amount not to exceed $41,503.46 for sanding and refinishing the floors DownUnder.

The funds for this project will be drawn from the Capital Projects Budget, 2015 COMFAI – CC Sand & Refinish Floors DownUnder: 163782--00

Betty Halfon moved, David Ghoddousi seconded

For: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Rico Quirindongo, Patrice Barrentine, Betty Halfon, Patrick Kerr, Ann Magnano, Bruce Burger, David Ghoddousi
Against: 0
Abstained: 0


**Action Item:** Proposed Resolution 15-06: Approval of Acceptance of Seattle Farmers Market Operations and Collaboration Agreement

Kelly Lindsay introduced the resolution which states that Seattle has a strong network of farmers markets that adhere to the standards established by both the City of Seattle and the Washington State Farmers Market Association, and; WHEREAS, The Seattle markets are extremely popular in the neighborhoods where they take place and provide valuable public benefits that include:

- Contributing to Seattle's economic and cultural life
- Providing fresh regionally produced farm products directly to consumers
Increasing access to locally grown high quality fruits and vegetables for low-income customers (Fresh Bucks, EBT, WIC and Senior FMNP, food bank donations, etc.).

Supporting direct market opportunities for regional small farms, providing a vitally important source of revenue that enables these farms to stay in production

Preserving local farmland for farming

Enhancing the economic vitality of rural communities

Provide a regular gathering place for people to interact in their neighborhoods

Increasing commerce in business districts adjacent to market locations, and;

WHEREAS, In the interest of promoting shared success and maximizing the social, financial and environmental benefits provided by farmers markets across the City of Seattle, the Neighborhood Farmers Market Alliance, Seattle Farmers Market Association, Queen Anne Farmers Market and Pike Place Market Preservation and Development Authority (Market Organizers) have developed guidelines for operations and collaboration in the following areas:

- New Market Development
- Consumer Outreach
- Joint Advocacy and Resources
- Farm Vendor and Resource Development, and;

WHEREAS, Acceptance of this agreement does not imply any contractual obligation or financial commitment between the Market Organizations, NOW THEREFORE BE IT RESOLVED; that the PDA Council authorizes the Executive Director or his representative to execute a non-binding agreement with Neighborhood Farmers Market Alliance, Queen Anne Farmers Market and the Seattle Farmers Market Association regarding the operating farmers markets in the City of Seattle.

Ann Magnano moved, Bruce Burger seconded

There was a brief discussion that followed

For: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Rico Quirindongo, Patrice Barrente, Betty Halfon, Patrick Kerr, Ann Magnano, Bruce Burger, David Ghoddousi

Against: 0

Abstained: 0

Resolution **15-06**: Approval of Acceptance of Seattle Farmers Market Operations and Collaboration Agreement passed unanimously by the PDA Council by a vote of 11-0-0.

**Action Item**: Proposed Resolution **15-11**: Allocation of Year End 2014 Balance
Sabina Proto introduced the resolution which states that the PDA staff has carefully reviewed the 2014 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 $2,841,032; and, WHEREAS, the full PDA Council in their annual budget process had budgeted a surplus of $1,626,409 to be contributed to PDA capital repair and replacement fund (CRRF), leaving an unallocated balance from 2014 operations of $1,214,623; 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, NOW BE IT RESOLVED that the PPMPDA Council allocates the remaining year-end operating balance as follows: $1,214,623 to the Capital Repair and Replacement Fund (CRRF).

Patrick Kerr moved, Patrice Barrentine seconded

There was a brief discussion that followed

For: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Rico Quirindongo, Patrice Barrentine, Betty Halfon, Patrick Kerr, Ann Magnano, Bruce Burger, David Ghoddousi
Against: 0
Abstained: 0

Resolution 15-11: Allocation of Year End 2014 Balance passed unanimously by the PDA Council with a vote of 11-0-0.

Action Item: Proposed Resolution 15-12: Amendment of the Property Management Agreement between PPM PDA and PPM QALICB

Sabina Proto introduced the resolution which states that the PDA has carefully reviewed the 2014 Management Fee Agreement and is requesting additional payment of Management Fee from PPM QALICB for year 2014. WHEREAS, The Property Management Agreement between PPM PDA and PPM QALICB states: “PDA shall be entitled to additional management fees as agreed by the parties from time to time.” Based on the actual performance of the QALICB during 2014, which has exceeded the projected revenues provided on the financial model for PPM QALICB, and because this performance has created excess cash in PPM QALICB books, THEREFORE BE IT RESOLVED, that the PDA Council hereby authorizes the PDA Executive Director, or his designee, to approve policy terms and conditions in consideration for PDA’s performance pursuant to the Management Fee Agreement (EXHIBIT A), Master Tenant shall pay to PDA a one-time Additional Fee in the amount of five hundred twenty thousand one hundred fourteen dollars ($520,114).

Gloria Skouge moved, Ann Magnano seconded

There was a brief discussion that followed
For: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Rico Quirindongo, Patrice Barrentine, Betty Halfon, Patrick Kerr, Ann Magnano, Bruce Burger, David Ghoddousi
Against: 0
Abstained: 0

Resolution **15-12**: Amendment of the Property Management Agreement between PPM PDA and PPM QALICB passed unanimously by the PDA Council by a vote of 11-0-0.

**Action Item:** Proposed Resolution **15-14**: Authorization for Payment for Central Plant connections to Heritage House Kitchen Equipment

John Turnbull introduced the resolution which states that in February 2014 the Seattle Housing Authority transferred to Pike Place Market PDA title to the property above the Public Market Garage which is leased to Providence/Heritage House at the Market, and WHEREAS, Providence/Heritage House notified the PDA of intent to make upgrades and repairs to kitchen equipment as part of their tenant improvements to the space, and WHEREAS, the Pike Place Market PDA has generally provided all restaurant tenants with connections to the central plant cooling loop to increase overall energy efficiency, and WHEREAS, the Pike Place Market PDA has generally encouraged tenants to make renovations to their spaces and provided compensation for repairs of structural damage identified in this work, and WHEREAS, Providence/Heritage House consulted with the PDA in determining the scope of work in kitchen repairs, configuration and coordination of work to connect to the central plant systems and provided PDA with itemized invoices from Merit Mechanical for this work (which was completed in 2014)

NOW, THEREFORE, BE IT RESOLVED that the Pike Place Market allocate $31,521.77 from the commercial tenant improvement capital reserve fund to pay for the costs of connecting condenser piping to the Heritage House kitchen cooling equipment and $4,821.47 from the same fund for the repair of floor and structure necessary to support a new cooler and freezer in this space. This expense shall be coded to PDA Account 160280-00 – Commercial Tenant Improvements.

Patrick Kerr moved, Betty Halfon seconded

There was a brief discussion that followed

For: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Rico Quirindongo, Patrice Barrentine, Betty Halfon, Patrick Kerr, Ann Magnano, Bruce Burger, David Ghoddousi
Against: 0
Abstained: 0

Resolution **15-14**: Authorization for Payment for Central Plant connections to Heritage House Kitchen Equipment passed unanimously by the PDA Council by a vote of 11-0-0.
C. Other

VII. Further Public Comment
Frank Coble inquired on the status of his appeal with the revocation of his daystall permit.

Matt Hanna responded that the Ad-Hoc Appeals Committee and Council had unanimously recommended denying the appeal made by Frank Coble and that his permit would be revoked indefinitely.

Joan Paulson commented on an issue in regards to the Form of Easement and Overlook Walk as part of the Development Agreement between the PPM PDA and the City of Seattle. She read an insert of the Form of Easement which stated that “Any such signage is subject to prior review and approval of the MHC”. She noted that this is a current change from the Market Historic Commissions role in authority; the MHC responsibility has now been extended further West. She separately commented that we have come a long way in regards to the expenditure of funds in the post development. She thanked the PDA Council for the agreements although there were not enough questions regarding the agreements and time to ask questions.

VIII. Closed Session

I. Property Management Report - RCW 42.30.110 [c]
II. Review of Lease Proposals
   - New Lease - Our Fabric Stash - 93 Pike St #103
   - Lease Renewal - Conscious Wear - 1501 Pike Place #402
   - Lease Renewal - House of Silver & Gold - 1501 Pike Place #407
III. Review of Delinquency Report
    a. Vacancy Report
    b. Current Lease Negotiations

Due to time constraints from the PDA Council meeting, Section VIII - Closed Session on the Property Management Report was removed from the agenda. This item would be presented at the March 17, Finance & Asset Management Committee meeting.

IX. Open Session

   Proposed Resolution 15-13 would be presented at the March 17, Finance & Asset Management Committee meeting.

Jackson Schmidt left the meeting at 6:17p.m.

X. Concerns of Committee Members
Rico Quirindongo noted that a tentative date for the MarketFront groundbreaking is scheduled for May 7th.

VIII. Adjournment
The meeting was adjourned at 6:20pm. Matt Hanna, PDA Council Chair
Meeting minutes submitted by:
Dianna Goodsell, Administrative Services Coordinator
Section II:

Executive Director’s Report
Executive Director’s Report
March 2015

Date: March 23, 2015
To: PDA Council
From: Ben Franz-Knight
Subject: Executive Director’s Report – March 2015

SUMMARY

On Monday, March 23, 2015 the Seattle City Council approved the Development Agreement between the City of Seattle and the Pike Place Market PDA for the MarketFront project. The remaining steps in process include Mayor Murray signing the legislation which we anticipate will take place later this week. We also anticipate the review and approval of the final piece of financing by the PDA Council at the March 26, 2015 PDA Council meeting.

In preparation for the MarketFront project, and to ensure parking for vehicles which is critical to several of our small businesses, farmers and social services during and after construction, the reconfiguration of the Western Avenue Main Entrance to our existing garage is underway and anticipated to be completed by mid-April.

The Windows on Western renovation project is progressing well with work on the last bay of windows expected to start the week of April 6th. The Fairley freight elevator modernization is also underway with completion scheduled for mid-April. The garbage shoot access point off the Main Arcade is scheduled to be upgraded the week of March 30th with a 40 yard dumpster temporally placed on Pike Place.

The Market as a whole has seen record numbers of visitors in March with anecdotal reports of unseasonably high sales supported by high volumes of traffic in the garage. A mild winter and warm February and March has contributed to the early arrival of flowers. The daffodils planted every year in the roof-top boxes above Pike Place bloomed several weeks early, barely making it through Daffodil day on Friday, March 20th. We are currently reviewing options for an unexpected fourth planting between now and June.

KEY OPERATING METRICS

<table>
<thead>
<tr>
<th>Commercial Tenant Sales as Compared to Previous Year*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year to Date Sales (January 2015):</td>
</tr>
<tr>
<td>Restaurants:</td>
</tr>
<tr>
<td>Food:</td>
</tr>
</tbody>
</table>

Pike Place Market Preservation & Development Authority (PDA) · info@pikeplacemarket.org · pikeplacemark.org
P: 206.682.7453 · F: 206.625.0646 · 85 Pike Street, Room 500 · Seattle, WA 98101
Several charts are also attached highlighting year-over-year sales trends through January with partial sales reports for February. **Actual performance is $262,036 over budget.**

**Operating Income after Required Reserves and Debt Service**
March was a strong month in the Market. We have also seen lower than projected expenses in the first few months of the year contributing to a net result after debt service and reserves of $286,036.

**Farm and Craft Attendance**
Farm attendance was up dramatically 37.7% with revenue up 39.2% in February 2015 over the previous year with 83 active farmers. Daystall attendance was down by 6.1% in February 2015.

**MARKET PROGRAMS**

**Marketing**
- Hosted several community based special events including two Pop-Up Dining Events and Seattle Tilth Donor Lunches
- Promoted market businesses and activities via the website and social media, with 236,439 total Facebook likes, 41,228 Twitter followers and 84,133 (mobile and non-mobile) combined website views.
- Responded to all press inquiries and continued active management and engagement on all social media platforms
- Continued active promotion of Market businesses and activities during slower season including Care for the Market Luncheon and Daffodil Day in March
- Conducted 15 school tours and 10 school presentations reaching at total of 339 students in February
- Hosted 3 commercial film shoots and coordinated 5 promotional film shoots
Farm and Daystall
- Presented final recommendations for the 2015 Daystall Rules Review
- Began preparations for this year’s CSA including coordination with King County Metro for drop-off and pick-up for King County employees
- Managed early arrival of flower farmers
- Prepared recommendations for temporary outside slab coverage for April and May

Market Programs Committee - Key Actions and Discussions
- Reviewed prior months marketing activities including pro-active PR efforts and community based special events
- Presented final recommendations for the 2015 Daystall Rules Proposals
- Review of Salal Wild Harvesting options for farmers by newly hired Farm Development Coordinator Leigh Newman-Bell
- Review of OASDFR Grant partnership with PPM, Seattle Tilth, King County and WSU along with progress update on the Hmong Farmer Outreach and Advocacy Project
- Approved Proposed Amended Resolution 14-78: Approval of Acceptance of USDA Grant Funding and Contract Approval for Lease of Farm Program Vehicle
- Approved Proposed Resolution 15-22: Adoption of Daystall Rules and Regulations

FINANCE AND ASSET MANAGEMENT

Finance and Accounting Department
- Processed all payables and receivables
- Made final preparations for PDA annual audit
- Continued analysis and preparation of recommendations for final components of financing for MarketFront

Residential
- Continue to lease available units, Market-wide vacancy rate of 4% through February
- Participated in rental outreach for Oxford Apartments
- Rent Increases processed for LaSalle, Market House and Stewart House
- Proposal received for new phone and internet service

Commercial
- Continued coordination of Windows on Western project
- Processed new leases, lease renewals and options
- Continued booking events in Economy rooms and Atrium Kitchen
- Reviewed change of ownership proposals for Market Galbee, Sabra, Conscious Ware
- Coordinated MHC review, approval, lease negotiations and TI planning for new tenants in the First and Pine Building, Economy Atrium and on Western Avenue

Capital Projects
- Submitted MHC application for installation of gates on eastern side of Hillclimb skybridge.
- Elevator Modernization project is ongoing with anticipated completion by mid-April
- Windows on Western work continuing with anticipated completion in June
• Western Avenue Garage entrance design underway with previous approval of Resolution 14-27 in 2014
• Assisting with review and coordination of TI work in First and Pine, Economy Atrium and Western Ave

Parking
• Garage revenue through February was up 19% over budget projections
• Revenue from the surface parking lots through February was roughly 4% lower than budget projections
• Coordinated Western Ave entrance reconfiguration

Maintenance and Facilities
• Managed recycling collection while Fairley Freight Elevator work is underway
• Responded to minor leaks and calls for service following heavy rain in early March
• Garbage tonnage for February was approximately 136 tons
• 198 miles of toilet paper used in February
• Fish-ice melting station is on hold until Elevator Modernization project is completed
• 44 bales of cardboard recycled in February

Security
• Conducted routine patrols and provided support for filming and events
• Increased patrols at the north end of the Market and around Steinbrueck Park
• Responded to calls for service in the Market, fire alarms and requests for assistance (e.g. commercial tenant after hours building access)

Finance and Asset Management Committee - Key Actions and Discussion
• Review of the Financial Statements for February 2015
• Review of MarketFront Financing Plan and PDA Debt
• Approved: Proposed Resolution 15-07: Issuance of Special Obligation and Refunding Bonds
• Approved: Proposed Resolution 15:13 Lease Proposals for March 2014- New Leases included Country Dough, Old Stove Brewing, Our Fabric Stash and Shug’s Soda Fountain & Ice Cream Shop. Lease Renewals included Conscious Wear and House of Silver & Gold
• Approved: Proposed Resolution 15-16: Approval in Upgrading PPM PDA’s Access Control System
• Approved: Proposed Resolution 15-17: Authorization for Contract Authority - Replace Roof and Gutter Section over Pike Place Fish
• Approved: Proposed Resolution 15-20: Authorization for Contract Authority – Replace Lowell’s and Elevator Penthouse Roofs
• Approved: Proposed Resolution 15-23: Approval for Rental of Emergency Overflow Shelter for Daystall Vendors

MARKETFRONT
• The Seattle City Council unanimously approved Development Agreement between the Pike Place Market PDA and the City of Seattle for the MarketFront Project on March 23, 2015
• Aligned construction and bidding schedule with remaining approval process and proposed bond issuance schedule
• Continued outreach to potential NMTC partners
• Provided project briefings to Friends of the Waterfront and University District Rotary
• Reviewed bids received for first $7 million worth of early work for the MarketFront – bids came in slightly under budget

MarketFront - Key Actions and Discussion
• Reviewed updated project flow-of-funds, project cost estimates and project schedule
• Reviewed materials and color palette for MarketFront housing component
• Approved Proposed Resolution 15-18: MarketFront Public Art - Approval of Artist Design “Reflection” by GrayPants

PDA Employee March 2015 Anniversaries:
12 yrs. - Katie Ngirmechaet (Accounting)
8 yrs. - Carl Wagoner (Administration)
7 yrs. - Tom Blume (Facilities)
7 yrs. - Jacob Luey (Security)
5 yrs. - Eugene DeMesa (Residential)
3 yrs. - Lillian Hochstein (Market Foundation)
3 yrs. - Keith Sonderleiter (Maintenance)
2 yrs. - Jose Hernandez (Facilities)
Commercial Sales Comparison (thru January 2015)
Section III:

Key Presentations &
Supporting Documents
A RESOLUTION of the Pike Place Market Preservation and Development Authority providing for the issuance of its Special Obligation and Refunding Bonds in the aggregate principal amount of not to exceed $24,000,000 for the purpose of financing the acquisition, construction and equipping of parking and other market improvements; refunding outstanding obligations; making a deposit to a debt service reserve account; and paying costs of issuance; and delegating the authority to approve the method of sale for and form and terms of the bonds.

WHEREAS, the Pike Place Market Preservation and Development Authority (the “Authority”), a public corporation chartered by The City of Seattle (the “City”), has been duly constituted pursuant to RCW 35.21.730 through 35.21.757 and Seattle Municipal Code (“SMC”) Chapter 3.110 under which, among other provisions, the Authority is authorized to issue bonds; and

WHEREAS, the Authority may finance parking and other market improvements, including without limitation the planning, financing, design, purchase, acquisition, development, construction, equipping and operation of the PC-1 North parking facilities, public plaza and other improvements, in accordance with the Charter of the Authority (the “Project”); and

WHEREAS, pursuant to Resolution No. 02-05 adopted on February 26, 2002, the Authority issued its $5,925,000 Pike Place Market Preservation and Development Authority Special Obligation Refunding Bonds, currently outstanding in the principal amount of $2,410,000 (the “Parking Bonds”); and

WHEREAS, the Parking Bonds are subject to redemption at the option of the Authority in whole, or in part on November 1, 2012, or on any date thereafter at the price of par plus accrued interest to the date of redemption; and
WHEREAS, on June 17, 2005, the Authority incurred a $2,600,000 bank loan from HomeStreet Bank for improvements to the residential portion of the Pine Street Building, maturing with principal coming due on July 1, 2015 (the “Pine Street Residential Loan”); and

WHEREAS, the Authority also has issued a $3,800,000 secured promissory note to Transamerica Occidental Life Insurance Company for improvements to the commercial portion of the Pine Street Building, maturing with principal coming due on December 1, 2015 (the “Pine Street Commercial Note” and together with the Parking Bonds and the Pine Street Residential Loan, the “Refunding Candidates”); and

WHEREAS, the Authority desires to refinance all or a portion of the Refunding Candidates; and

WHEREAS, pursuant to the requirements of RCW 35.21.747, RCW 42.30.080, and Article XV, Sections 1 and 2 of the Authority’s Charter, on February 6, 2015 (supplemental notice provided on March 2, 2015), and February 24, 2015 (supplemental notice provided on March 4, 2015), the Authority provided notice of its intent to take action regarding the financing outlined in this resolution during the full Council Meeting on March 26, 2015. This resolution authorizes the issuance of the bonds, the terms of the bonds and the sale of the bonds pursuant to parameters set forth in the resolution. Final confirmation and ratification of actions authorized during the March 26, 2015 Council Meeting will take place in April, 2015; and

WHEREAS, for the foregoing reasons it is necessary and desirable for the Authority to carry out its public purpose by issuing and selling one or more Special Obligation and Refunding Bonds to provide financing, together with cash contributions, for the Project and to refinance all or a portion of the Refunding Candidates; and
WHEREAS, WHEREAS, the Board wishes to delegate authority to the Executive Director and/or the Finance Director of the Authority, or his or her designee (each, a “Designated Representative”), for a limited time, to select the method of bond sale that is in the best interests of the Authority (if any) and to approve the interest rates, maturity dates, redemption terms, tax status, and principal maturities for the Bonds within the parameters set by this resolution and confirmed and ratified by subsequent resolution of the Board; and

WHEREAS, the Bonds authorized herein shall be sold by either a direct purchase or private placement or negotiated underwriting as herein provided.

NOW, THEREFORE, BE IT RESOLVED by the Pike Place Market Preservation and Development Authority, as follows:

Section 1. Definitions. As used in this resolution, the following words shall have the meanings hereinafter set forth:

Accreted Value means with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the amount set forth in the resolution authorizing their issuance as the amount representing the initial principal amount of such Capital Appreciation Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date. The Accreted Value shall be determined in accordance with the provisions of the resolution authorizing the issuance of such Capital Appreciation Bonds.

Acquired Obligations means the Government Obligations, if any, acquired by the Authority under the terms of this resolution and the Escrow Agreement to effect the defeasance and refunding of the Refunded Bonds.

Annual Debt Service means the total amount of Debt Service for any Parity Bond or series of Parity Bonds in any fiscal year or Base Period.
**Average Annual Debt Service** means, as of its date of calculation, the sum of Annual Debt Service with respect to all Parity Bonds outstanding (including all Parity Bonds maturing in the fiscal year of calculation) for all fiscal years during which those Parity Bonds are scheduled to remain outstanding, divided by the number of those fiscal years (without regard to Bond Years).

**Balloon Maturity Bonds** means any Future Parity Bonds that are so designated in the resolution pursuant to which they are issued.

**Base Period** means any consecutive 12-month period selected by the Authority out of the 24-month period next preceding the date of issuance of an additional series of Future Parity Bonds.

**Bond Fund** means the special fund of the Authority known as the “Special Obligation Bond Fund”.

**Authority** means the Pike Place Market Preservation and Development Authority, a public corporation chartered by the City pursuant to RCW 35.21.730 through 35.21.757 and SMC Chapter 3.110.

**Board of Directors or Board** means the governing body vested with the management of the affairs of the Authority established pursuant to its Charter and Bylaws as the same shall be duly constituted from time to time.

**Bond Counsel** means Pacifica Law Group LLP or any other firm of nationally recognized bond counsel selected by the Authority.

**Bond Fund** means the fund of that name established by Section 8 of this resolution for the purpose of paying principal of and interest on the Parity Bonds.
**Bond Register** means the registration books maintained by the Registrar setting forth the names and addresses of owners of the Bonds in compliance with Section 149 of the Code.

**Bonds** means the not to exceed $24,000,000 of Pike Place Market Preservation and Development Authority Special Obligation and Refunding Bonds, 2015, issued pursuant to this resolution.

**Bond Year** means each one-year period that ends on the date selected by the Authority. The first and last Bond Years may be short periods. If no day is selected by the Authority before the earlier of the final maturity date of any Tax-Exempt Bonds or the date that is five years after the date of issuance of the Tax-Exempt Bonds, Bond Years end on each anniversary of the date of issue and on the final maturity date of the Tax-Exempt Bonds.

**Call Date** means the date designated by the Designated Representative as the call date for the Parking Bonds, July 1, 2015 for the Pine Street Residential Loan and December 1, 2015 for the Pine Street Commercial Loan, or such other date or dates established by the Designated Representative and specified in the Escrow Agreement.

**Capital Appreciation Bonds** means any Future Parity Bonds all or a portion of the interest on which is compounded, accumulated and payable only upon redemption or on the maturity date of such Capital Appreciation Bonds. If so provided in the resolution authorizing their issuance, Future Parity Bonds may be deemed to be Capital Appreciation Bonds for only a portion of their term. On the date on which Future Parity Bonds no longer are Capital Appreciation Bonds, they shall be deemed outstanding in a principal amount equal to their Accreted Value.

**City** means The City of Seattle, a municipal corporation of the State of Washington.
**City 2009 Loan** means the $4,390,000 loan, initially loaned to the Authority pursuant to the Loan Agreement between the City and the Authority dated March 25, 2009, plus any amounts advanced to the Authority under Section 3.4 of such Loan Agreement.

**Closing Date** means the date of original issuance and delivery of one or more Bonds to the Direct Purchaser or Underwriter.

**Code** means the federal Internal Revenue Code of 1986, as amended from time to time, and the applicable regulations thereunder.

**Commission** means the Securities and Exchange Commission.

**Construction Fund** means the account by that name maintained by the Authority for the purpose of holding funds, including a portion of the net proceeds of the Bonds, to be used for the Project.

**Coverage Requirement** means Net Revenue in each fiscal year at least equal to 125% of the amounts required in such fiscal year to be paid as scheduled Debt Service on all Parity Bonds, subtracting Debt Service Offsets from scheduled Debt Service. Furthermore, in determining compliance with the Coverage Requirement, Net Revenues are subject to adjustment to reflect the following:

(a) It is the intent of the Authority that regularly scheduled net payments under Parity Derivative Products be reflected in the calculation of Debt Service with respect to the associated Parity Bonds and not as adjustments to Gross Revenue or Operations and Maintenance Costs; and

(b) Gross Revenue and Operations and Maintenance Costs may be adjusted, regardless of then applicable generally accepted accounting principles, for certain items
(e.g., to omit unrealized gains or losses in investments) to more fairly reflect the Market’s annual operating performance.

**Covered Bonds** means the Bonds and those Future Parity Bonds designated in the resolution authorizing their issuance as Covered Bonds secured by the Reserve Account.

**Credit Facility** means any bond insurance policy, surety bond, guaranty, letter of credit, standby bond purchase agreement or other similar credit and/or liquidity support facility providing for or securing the payment of all or part of the principal or purchase price of and interest on any evidences of indebtedness secured by the Net Revenue, issued by an institution which has been assigned a credit rating at the time of issuance of the facility in one of the two highest rating categories of any Rating Agency (without regard to any gradations within a rating category).

**Debt Service** means, for any period of time:

(a) With respect to any outstanding Capital Appreciation Bonds that are not designated as Balloon Maturity Bonds in the resolution authorizing their issuance, the principal amount thereof shall be equal to the Accreted Value thereof maturing or scheduled for redemption in such period, and the interest payable during such period;

(b) With respect to any outstanding Fixed Rate Bonds, an amount equal to (1) the principal amount of such Fixed Rate Bonds due or subject to mandatory redemption during such period and for which no sinking fund installments have been established, (2) the amount of any payments required to be made during such period into any sinking fund established for the payment of any such Fixed Rate Bonds, plus (3) all interest payable during such period on any such outstanding Fixed Rate Bonds and with respect to Fixed Rate Bonds with mandatory sinking fund requirements, calculated on the assumption that
mandatory sinking fund installments will be applied to the redemption or retirement of such Fixed Rate Bonds on the date specified in the resolution authorizing such Fixed Rate Bonds; and

(c) With respect to all other Parity Bonds (other than Fixed Rate Bonds or Capital Appreciation Bonds), specifically including, but not limited to, Balloon Maturity Bonds and Parity Bonds bearing variable rates of interest, an amount for any period equal to the amount which would have been payable for principal and interest on such Parity Bonds during such period computed on the assumption that the amount of Parity Bonds as of the date of such computation would be amortized (1) in accordance with the mandatory redemption provisions, if any, set forth in the resolution authorizing the issuance of such Parity Bonds, or if mandatory redemption provisions are not provided, during a period commencing on the date of computation and ending on the date 30 years after the date of issuance, (2) at an interest rate equal to the yield to maturity equal to the higher of (i) the average of the SIFMA Municipal Swap Index over the 60-month period immediately preceding the date of computation, or (ii) the average of the SIFMA Municipal Swap Index over the 12-month period immediately preceding the date of computation, as determined within 10 days prior to the date of computation or, if such computation is being made in connection with the certificate required by Section 14(a)(4) hereof, then within 10 days prior to the date of such certificate, (iii) to provide for essentially level annual debt service of principal and interest over such period.

Debt Service shall be computed net of any interest funded out of Parity Bond proceeds. Debt Service shall include reimbursement obligations to providers of Credit Facilities to the extent authorized by resolution. It is the Authority’s intent that regularly scheduled payments to
be made by or received by the Authority under Parity Derivative Products shall be added to and
deducted from, respectively, Debt Service with respect to Parity Bonds associated with such
Parity Derivative Product, to the extent authorized by resolution.

*Debt Service Offsets* mean receipts of the Authority that are not included in Gross
Revenue and that are legally available to pay debt service on Parity Bonds, including without
limitation federal interest subsidy payments, designated as such by the Authority.

*Designated Representative* means the Executive Director and/or the Finance Director of
the Authority or his or her designee. The signature of one Designated Representative shall be
sufficient to bind the Authority.

*Direct Purchaser* means any bank or other financial institution selected to purchase (or to
accept delivery of one or more Bonds to evidence the Authority’s obligations under a Loan
Agreement) one or more Bonds pursuant to Section 12.

*DTC* means The Depository Trust Company, New York, New York, a limited purpose
trust company organized under the laws of the State of New York.

*Escrow Agreement* means the Escrow Deposit Agreement to be entered into by the
Authority and the Escrow Agent pursuant to Section 13.

*Federal Tax Certificate* means the certificate executed by the Finance Director setting
forth the requirements of the Code for maintaining the tax exemption of interest on the Tax-
Exempt Bonds, and attachments thereto.

*Fixed Rate Bonds* means those Parity Bonds other than Capital Appreciation Bonds or
Balloon Maturity Bonds issued under a resolution in which the rate of interest on such Parity
Bonds is fixed and determinable through their final maturity or for a specified period of time. If
so provided in the resolution authorizing their issuance, Parity Bonds may be deemed to be Fixed Rate Bonds for only a portion of their term.

**Future Parity Bonds** means all special obligation or revenue bonds and other obligations of the Authority for borrowed money (including, without limitation, financing leases) issued or incurred after the date of the issuance of the Bonds, the payment of which constitutes a lien and charge on the Net Revenue equal in rank with the lien and charge upon such revenue required to be paid into the Bond Fund to pay and secure the payment of the principal of and interest on the Bonds.

**Government Obligations** means those obligations now or hereafter defined as such in Chapter 39.53 RCW, as such chapter may be hereafter amended or restated.

**Gross Revenue** means all of the rents, earnings and other revenues received by the Authority from the maintenance and operation of the Market, including investment earnings, but excluding government grants, proceeds from the sale of Market property, principal proceeds of bonds and earnings or proceeds from any investments in a trust, defeasance or escrow fund created to defease or refund Authority obligations (until commingled with other earnings and revenues of the Authority) or held in a special account for the purpose of paying a rebate to the United States Government under the Code, and revenue from any Separate Facility. Gross Revenue shall also include any federal or state reimbursements of operating expenses to the extent such expenses are included as Operations and Maintenance Costs. For purposes of determining compliance with the Coverage Requirement, Gross Revenue shall not include Debt Service Offsets as determined by the Authority.

**Independent Consultant** means a professional consultant retained by the Authority.
**Letter of Representation** means a blanket issuer letter of representations from the Authority to DTC.

**Loan Agreement** means the loan or purchase agreement, if any, between the Authority and a Direct Purchaser under which the Direct Purchaser will make a loan to the Authority, evidenced by a Bond, or under which the Direct Purchaser will purchase the Bond.

**Maximum Annual Debt Service** means the highest dollar amount of Annual Debt Service in any fiscal year or Base Period for all outstanding Parity Bonds and/or for all subordinate lien evidences of indebtedness secured by the Net Revenue, as the context requires.

**Maximum Reserve Requirement** means the maximum dollar amount permitted by the Code including applicable regulations thereunder, to be allocated to a reserve account from tax-exempt bond proceeds without requiring a balance to be invested at a restricted yield.

**MSRB** means the Municipal Securities Rulemaking Board or any successor to its functions.

**Net Proceeds**, when used in reference to the Bonds, means the principal amount of the Tax-Exempt Bonds, plus accrued interest and bond premium, if any, and less original issue discount.

**New Money Bonds** means the Bonds issued to finance costs of the Project.

**Net Revenue** means Gross Revenue less Operations and Maintenance Costs. In calculating Net Revenue, the Authority shall not take into account any non-cash gains or losses with respect to any real or personal property, investment or agreement that it may be required to recognize under generally accepted accounting principles, such as unrealized mark-to-market gains and losses.
**Operations and Maintenance Costs** means all reasonable expenses incurred by the Authority in causing the Market to be operated and maintained in good repair, working order and condition, including without limitation payments of premiums for insurance on the Market. Operations and Maintenance Costs shall exclude depreciation, capital additions and capital replacements to the Market. Operations and Maintenance Costs shall include amounts to be paid by the Authority with respect to the City 2009 Loan.

**Other Derivative Product** means a payment or interest rate swap agreement between the Authority and a counterparty, which is not a Parity Derivative Product.

**Owner** means the person named as the registered owner of a Bond on the Bond Register.

**Parity Bonds** means the Bonds and any Future Parity Bonds.

**Parity Derivative Product** means an interest rate swap or payment agreement between the Authority and a counterparty obligating the Authority to make regularly scheduled payments to the counterparty on a parity with the payment of debt service on Parity Bonds.

**Parity Requirement** means Net Revenues equal to or greater than:

(a) 150% of Maximum Annual Debt Service for all Parity Bonds, and

(b) 100% of Maximum Annual Debt Service for all subordinate lien evidences of indebtedness secured by Net Revenue.

**Permitted Investments** means investments that are legal investments for the Authority at the time of such investment.

**Outstanding** with respect to the Bonds, means any of the Bonds for which payment of the interest or principal has not been made or duly provided.
**Pike Place Public Market** or **Market** means the public market in downtown Seattle owned and operated by the Authority located within the Pike Place Market Historical District, as established pursuant to City of Seattle Ordinance 100475.

**Principal and Interest Account** means the account of that name created in the Bond Fund for the purpose of securing the payment of the principal of and interest on the Parity Bonds.

**Private Person** means any natural person engaged in a trade or business or any trust, estate, partnership, association, company or corporation.

**Private Person Use** means the use of property in a trade or business by a Private Person if such use is other than as a member of the general public. Private Person Use includes ownership of the property by the Private Person as well as other arrangements that transfer to the Private Person the actual or beneficial use of the property (such as a lease, management or incentive payment contract or other special arrangement) in such a manner as to set the Private Person apart from the general public. Use of property as a member of the general public includes attendance by the Private Person at municipal meetings or business rental of property to the Private Person on a day-to-day basis if the rental paid by such Private Person is the same as the rental paid by any Private Person who desires to rent the property. Use of property by nonprofit community groups or community recreational groups is not treated as Private Person Use if such use is incidental to the governmental uses of property, the property is made available for such use by all such community groups on an equal basis and such community groups are charged only a *de minimis* fee to cover custodial expenses.

**Project** means the acquisition, construction and equipping of parking and other market improvements, as described in Section 2 hereof.
**Purchase Contract** means an offer to purchase the Bonds by an Underwriter, approved in Section 12 hereto.

**Rating Agency** means any nationally recognized securities rating agency rating any of the Parity Bonds at the request of the Authority.

**Refunding Candidates** means the Parking Bonds, the Pine Street Residential Loan and the Pine Street Commercial Loan.

**Refunded Bonds** means those Refunding Candidates that have been selected as Refunded Bonds by the Designated Representative under Section 12.

**Refunding Bonds** means those Bonds issued to redeem or defease the Refunded Bonds.

**Escrow Agent** means the escrow agent or Escrow Agent appointed by the Designated Representative, pursuant to Section 13.

**Registered Owner** means the person named as the registered owner of a Bond in the Bond Register. For so long as the Bonds are held in book-entry only form, DTC or its nominee shall be deemed to be the sole Registered Owner.

**Registrar** means the Finance Director or, if the Bonds are sold to an Underwriter, the registrar appointed from time to time by the Finance Director (initially, the fiscal agency of the State of Washington) for the purposes of registering and authenticating the Bonds, maintaining the Bond Register, effecting transfer of ownership of the Bonds and paying interest on and principal of the Bonds.

**Reserve Account** means the account of that name created in the Bond Fund for the purpose of securing the payment of the principal of and interest on the Parity Bonds.

**Reserve Account Credit Facility** means any bond insurance policy, surety bond, guaranty, letter of credit or other similar credit support facility deposited into (a) the Reserve Account to
provide for or secure the payment of all or part of the principal of and interest on the Covered Bonds, or (b) any other reserve account created in the future to secure the payment of debt service on other Future Parity Bonds, in either case, issued by an institution which has been assigned a credit rating at the time of issuance of the facility in one of the two highest rating categories of any Rating Agency (without regard to any gradations within a rating category).

**Reserve Requirement** means the dollar amount to be calculated with respect to all Covered Bonds and separately with respect to other Parity Bonds.

(a) With respect to Covered Bonds, the Reserve Requirement shall be equal to the least of:

1. Maximum Annual Debt Service for Covered Bonds,
2. 10% of the initial principal amount of Covered Bonds of each series, and
3. 125% of average Annual Debt Service for Covered Bonds; provided, however, that the dollar amount required to be contributed, if any, as a result of the issuance of a series of Future Parity Bonds shall not be greater than the Maximum Reserve Requirement. If the dollar amount required to be contributed at the time of issuance of a series of Future Parity Bonds exceeds the Maximum Reserve Requirement, then the amount required to be contributed shall be equal to the Maximum Reserve Requirement; or such lesser amount as designated in the Sale Resolution.

(b) With respect to other series of Parity Bonds, the Reserve Requirement shall be equal to the amount, if any, specified in the resolution authorizing the issuance of that series of Parity Bonds.
The Reserve Requirement shall be adjusted accordingly and remain in effect until the earlier of (i) at the Authority’s option, a payment of principal of Parity Bonds or (ii) the issuance of a subsequent series of Future Parity Bonds (when the Reserve Requirement shall be recalculated).

**Rule** means the Commission’s Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

**Sale Resolution** means the resolution of the Board confirming and ratifying the parameters for the sale of the Bonds, in accordance with Section 12.

**Separate Facility** means one or more additional market facilities established pursuant to Section 16.

**SIFMA Municipal Swap Index** means The Securities Industry and Financial Markets Association Municipal Swap Index as of the most recent date for which such index was published or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by Municipal Market Data, Inc., a Thompson Financial Services Company, or its successor, or as otherwise designated by The Securities Industry and Financial Markets Association; provided, however, that, if such index is no longer produced by Municipal Market Data, Inc., a Thompson Financial Services Company, or its successor, then “SIFMA Municipal Swap Index” shall mean such other reasonably comparable index selected by the Authority.

**Taxable Bonds** means any Bonds determined to be issued on a taxable basis under the Code pursuant to Section 12.

**Tax-Exempt Bonds** mean any Bonds determined to be issued on a tax-exempt basis under the Code pursuant to Section 12.
**Underwriter** means any underwriter for the Bonds selected pursuant to Section 12.

In this resolution, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this resolution, refer to this resolution as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this resolution;

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) Any headings preceding the text of the several articles and Sections of this resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this resolution, nor shall they affect its meaning, construction or effect; and

(e) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

Section 2. Authorization of Bonds. The Authority shall now issue and sell not to exceed $24,000,000 principal amount of Special Obligation and Refunding Bonds for the purpose of providing funds, together with any cash contribution, required to acquire, construct and equip parking and other market improvements including without limitation the planning, financing, design, purchase, acquisition, development, construction, equipping and operation of
the PC-1 North parking facilities, public plaza and other improvements (the “Project”); refunding all or a portion of the Refunding Candidates; making a deposit to the Reserve Account; and paying cost of issuance of the bonds. The bonds shall be designated the “Pike Place Market Preservation and Development Authority Special Obligation and Refunding Bonds, 2015 [(Taxable)] (the “Bonds”), shall be dated their date of delivery, shall be fully registered as to both principal and interest, shall be in the denomination of $5,000 each or any integral multiple thereof (except as may be otherwise provided in the Purchase Contract or Loan Agreement), provided that no Bond shall represent more than one maturity, shall be numbered separately in such manner and with any additional designation as the Registrar deems necessary for purposes of identification and control, and shall bear interest payable as set forth in the Purchase Contract or Loan Agreement. Interest on the Bonds shall be calculated based on a 360-day year (twelve 30-day months) or as otherwise set forth in the Purchase Contract or Loan Agreement. The Bonds shall bear interest at the rates and mature on the dates set forth in the Purchase Contract or Loan Agreement within the parameters set forth in Section 12 and confirmed and ratified by the Sale Resolution.

Section 3. Registration, Exchange and Payments.

(a) Registrar/Bond Register. If the Bonds are sold to a Direct Purchaser, the Finance Director shall serve as Registrar. In the event the Bonds are sold to the Underwriter, the Authority adopts the system of registration approved by the Washington State Finance Committee, which utilizes the fiscal agency of the State of Washington as registrar, authenticating agent, paying agent and transfer agent (the Finance Director and such fiscal agency are each a “Registrar”). The Registrar shall keep, or cause to be kept, sufficient records for the registration and transfer of the Bonds (the “Bond Register”), which shall be open to inspection by
the Authority. The Registrar is authorized, on behalf of the Authority, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of such Bonds and this resolution and to carry out all of the Registrar’s powers and duties under this resolution. The Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Bonds.

(b) Registered Ownership. Except as provided in a continuing disclosure undertaking pursuant to Section 14, the Authority and the Registrar may deem and treat the Registered Owner of each Bond as the absolute owner for all purposes, and neither the Authority nor the Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in subsection (h) hereof, but the transfer of such Bond may be registered as herein provided. All such payments made as described in subsection (h) hereof shall be valid and shall satisfy the liability of the Authority upon such Bond to the extent of the amount or amounts so paid.

(c) DTC Acceptance/Letter of Representations. If purchased by a Direct Purchaser, the Bonds shall be held in certificated form and delivered to the Direct Purchaser. If purchased by an Underwriter, the Bonds shall initially be held in fully immobilized form by DTC acting as depository. To induce DTC to accept the Bonds as eligible for deposit at DTC, the Authority shall execute and deliver to DTC a Blanket Issuer Letter of Representations (the “Letter of Representations”) prior to the Closing Date in the event the Bonds are purchased by an Underwriter.

Neither the Authority nor the Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees with respect to the Bonds for the accuracy of any records maintained by DTC or any DTC participant, the payment by DTC or any -19-
DTC participant of any amount in respect of the principal of or interest on Bonds, any notice that is permitted or required to be given to Registered Owners under this resolution (except such notices as shall be required to be given by the Authority to the Registrar or to DTC), the selection by DTC or any DTC participant of any person to receive payment in the event of a partial redemption of the Bonds, or any consent given or other action taken by DTC as the Registered Owner. Except as provided in the written undertaking of the Authority entered into pursuant to Section 14, for so long as any Bonds are held in fully immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes, and all references in this resolution to the Registered Owners shall mean DTC or its nominee and shall not mean the owners of any beneficial interest in any Bonds.

If any Bond shall be duly presented for payment and funds have not been duly provided by the Authority on such applicable date, then interest shall continue to accrue thereafter on the unpaid principal thereof at the rate stated on such Bond until such Bond is paid.

(d) Use of Depository.

(i) The Bonds sold to an Underwriter shall be registered initially in the name of CEDE & Co., as nominee of DTC, with a single Bond for each maturity in a denomination equal to the total principal amount of such maturity. Registered ownership of such immobilized Bonds, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the Authority pursuant to subsection (ii) below or such substitute depository’s successor; or (C) to any person as provided in subsection (iv) below.
(ii) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Authority to discontinue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the Authority may appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(iii) In the case of any transfer pursuant to clause (A) or (B) of subsection (i) above, the Registrar shall, upon receipt of all outstanding Bonds, together with a written request on behalf of the Authority, issue a single new Bond for each maturity then outstanding, registered in the name of such successor or substitute depository, or its nominee, all as specified in such written request of the Authority.

(iv) In the event that the Bonds are sold to an Underwriter and (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (B) the Authority determines that it is in the best interest of the beneficial owners of the Bonds that the Bonds be provided in certificated form, the ownership of such Bonds may then be transferred to any person or entity as herein provided, and shall no longer be held in fully immobilized form. The Authority shall deliver a written request to the Registrar, together with a supply of definitive Bonds in certificated form, to issue Bonds in any authorized denomination. Upon receipt by the Registrar of all then outstanding Bonds, together with a written request on behalf of the Authority to the Registrar, new Bonds shall be issued in the appropriate denominations and registered in the names of such persons as are provided in such written request.
(e) **Registration of the Transfer of Ownership or the Exchange of Bonds; Change in Denominations.** The transfer of any Bond may be registered and any Bond may be exchanged, but no transfer of any Bond shall be valid unless the Bond is surrendered to the Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner’s duly authorized agent in a manner satisfactory to the Registrar. Upon such surrender, the Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee, a new Bond (or Bonds at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and canceled Bond. Any Bond may be surrendered to the Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same date, maturity and interest rate, in any authorized denomination. Except as otherwise set forth in the Loan Agreement, the Registrar shall not be obligated to transfer or exchange any Bond during a period beginning at the opening of business on the 15th day of the month next preceding any interest payment date and ending at the close of business on such interest payment date, or, in the case of any proposed redemption of the Bonds, after the mailing of notice of the call of such Bonds for redemption.

(f) **Registrar's Ownership of Bonds.** The Registrar may become the Registered Owner of any Bond with the same rights it would have if it were not the Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the rights of the Registered Owners of the Bonds.
(g) **Registration Covenant.** The Authority covenants that, until all Tax-Exempt Bonds have been surrendered and canceled, it will maintain a system for recording the ownership of each Bond that complies with the provisions of Section 149 of the Code.

(h) **Place and Medium of Payment.** Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. For so long as all Bonds are in fully immobilized form, payments of principal and interest shall be made as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations. In the event that the Bonds are not in fully immobilized form, interest on the Bonds shall be paid as set forth in the Loan Agreement or otherwise by check mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register on the 15th day of the month preceding the interest payment date, and principal of the Bonds shall be payable by check upon presentation and surrender of such Bonds by the Registered Owners at the principal office of the Registrar; provided, however, that if so requested in writing by the Registered Owner of at least $1,000,000 aggregate principal amount of Bonds, interest will be paid by wire transfer on the date due to an account with a bank located within the United States.

Section 4. **Redemption and Purchase of Bonds.**

(a) **Redemption.** The Bonds are subject to optional redemption and may be subject to mandatory sinking fund redemption, on the terms set forth in the Purchase Contract or Loan Agreement.

(b) **Selection of Bonds for Redemption.** If the Bonds are held in book-entry only form, the selection of Bonds within a maturity to be redeemed shall be made in accordance with the operational arrangements in effect at DTC. If the Bonds are held in certificated form, the
selection of such Bonds to be redeemed shall be made as provided in the Loan Agreement or otherwise as set forth in this subsection (c). If the Authority redeems at any one time fewer than all of the Bonds having the same maturity date, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot (or in such other manner determined by the Authority) in increments of $5,000. In the case of a Bond of a denomination greater than $5,000, the Authority and Registrar shall treat each Bond as representing such number of separate Bonds each of the denomination of $5,000 as is obtained by dividing the actual principal amount of such Bond by $5,000. In the event that only a portion of the principal sum of a Bond is redeemed, upon surrender of such Bond at the principal office of the Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum thereof, at the option of the Registered Owner, a Bond or Bonds of like maturity and interest rate in any of the denominations herein authorized. If Bonds are called for redemption, portions of the principal amount of such Bonds, in installments of $5,000 or any integral multiple of $5,000, may be redeemed. If less than all of the principal amount of any Bond is redeemed, upon surrender of such Bond at the principal office of the Registrar there shall be issued to the registered owner, without charge therefor, for the then unredeemed balance of the principal amount thereof, a new Bond or Bonds, at the option of the Registered Owner, of like maturity and interest rate in any denomination authorized by this resolution.

(c) **Purchase of Bonds.** The Authority also reserves the right to purchase any of the Bonds offered to the Authority at any time at a price deemed reasonable by the Authority.

(d) **Notice of Redemption**

(i) **Official Notice.** Unless waived by any owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Registrar on behalf of the
Authority by mailing a copy of an official redemption notice by first class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Registrar.

All official notices of redemption shall be dated and shall state:

(A) the redemption date,

(B) the redemption price,

(C) if fewer than all outstanding Bonds are to be redeemed, the identification by maturity (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(D) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and

(E) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Registrar.

On or prior to any redemption date, the Authority shall deposit with the Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

(ii) Effect of Notice; Bonds Due. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Authority shall default in the payment of the redemption price) such
Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

(iii) Additional Notice. In addition to the foregoing notice, further notice shall be given by the Authority as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers, if any, of all Bonds being redeemed; (B) the date of issue of the Bonds as originally issued; (C) the rate of interest borne by each Bond being redeemed; (D) the maturity date of each Bond being redeemed; and (E) any other descriptive information needed to identify accurately the Bonds being redeemed. Each further notice of redemption may be sent to such persons and with such additional information as the Finance Director shall deem appropriate, but such mailings shall not be a condition precedent to the redemption of such Bonds.

(iv) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number if any identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.
(v) Amendment of Notice Provisions. The foregoing notice provisions of this Section 4, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes in order to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

Section 5. Special Obligations. The Bonds shall be special obligations of the Authority payable only from the Bond Fund as provided herein. The Authority is organized pursuant to Seattle Municipal Code (SMC) 3.110 and RCW 35.21.660, 35.21.670, and 35.21.730-.755. RCW 35.21.750 provides in part as follows: “All liabilities incurred by such public corporation, commission, or authority shall be satisfied exclusively from the assets and properties of such public corporation, commission or authority and no creditor or other person shall have any right of action against the city, town, or county creating such corporation, commission, or authority on account of any debts, obligations, or liabilities of such public corporation, commission, or authority.” The powers of the Authority are limited by state and federal law and regulations, ordinances of The City of Seattle, and other elements of the local regulatory scheme.

In no event shall the obligations of the Authority be payable by recourse against any properties, assets or revenues of the City, the State of Washington or any other political subdivision of the State of Washington. No person to whom such obligations are owed shall have any recourse or right of action against the City, the State of Washington or any other political subdivision thereof on account of such obligations.

In accordance with the Charter of the Authority and SMC 3.110.140 and 3.110.420.A., a statement specifying the above shall be printed on the Bonds and any additional documents that
may entail any debt or liability by the Authority in connection with the issuance of the Bonds.

Section 6. Form of Bonds. The Bonds shall be in substantially the following form:

STATEMENT OF INSURANCE

UNITED STATES OF AMERICA

NO. _______ $__________

STATE OF WASHINGTON
PIKE PLACE MARKET PRESERVATION AND DEVELOPMENT AUTHORITY
SPECIAL OBLIGATION AND REFUNDING BOND, 2015 [(TAXABLE)]

INTEREST RATE: MATURITY DATE: [CUSIP NO.:]
REGISTERED OWNER:
PRINCIPAL AMOUNT:

PIKE PLACE MARKET PRESERVATION AND DEVELOPMENT AUTHORITY (the “Authority”), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from __________, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, payable on __________. Both principal of and interest on this bond are payable in lawful money of the United States of America. If the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of DTC referred to in the Blanket Issuer Letter of Representations from the Authority to DTC. If the bonds of this issue are not held in fully immobilized form, interest on this bond shall be paid as provided in the Loan Agreement or otherwise by check or draft mailed to the Registered Owner at the address appearing on the Bond Register on the 15th day of the month preceding the interest payment date, and principal of this bond shall be payable upon presentation and surrender of this bond by the Registered Owner to the Registrar.

This bond is [one of an authorized issue of bonds of like date and tenor, except as to number, amount, rate of interest and date of maturity,] in the aggregate principal amount of $____________ (the “Bonds”), and is issued pursuant to Resolution No. ___ (the “Bond Resolution”) adopted by the Authority on March __, 2015, and confirmed and ratified by Resolution No. ___ adopted by the Authority on April __, 2015, to provide funds for the acquisition, construction and equipping of parking facilities and other market improvements, to refund outstanding obligations, [to make a deposit to the debt service reserve account], and to pay costs of issuance. Capitalized terms used in this bond and not otherwise defined shall have the meanings given them in the Bond Resolution.
The bonds of this issue are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington and resolutions duly adopted by the Authority, including the Bond Resolution.

The bonds of this issue maturing on or prior to ________ are not subject to redemption prior to scheduled maturity. [The Authority has reserved the right to redeem the bonds of this issue maturing on and after ________, in whole or in part on any date on and after ________ at par together with accrued interest, if any, to the redemption date.][The bond is subject to prepayment as set forth in the Loan Agreement].

The Authority is organized pursuant to Seattle Municipal Code (SMC) 3.110 and RCW 35.21.660, 35.21.670, and 35.21.730-.755. RCW 35.21.750 provides in part as follows: “All liabilities incurred by such public corporation, commission, or authority shall be satisfied exclusively from the assets and properties of such public corporation, commission or authority and no creditor or other person shall have any right of action against the city, town, or county creating such corporation, commission, or authority on account of any debts, obligations, or liabilities of such public corporation, commission, or authority.” The powers of the Authority are limited by state and federal law and regulations, ordinances of The City of Seattle, and other elements of the local regulatory scheme.

IN NO EVENT SHALL THE OBLIGATIONS OF THE AUTHORITY BE PAYABLE BY REcourse AGAINST ANY PROPERTIES, ASSETS OR REVENUES OF THE CITY OF SEATTLE, THE STATE OF WASHINGTON OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF WASHINGTON. NO PERSON TO WHOM SUCH OBLIGATIONS ARE OWED SHALL HAVE ANY REcourse OR RIGHT OF ACTION AGAINST THE CITY OF SEATTLE, THE STATE OF WASHINGTON OR ANY OTHER POLITICAL SUBDIVISION THEREOF ON ACCOUNT OF SUCH OBLIGATIONS.

[The bonds of this issue are not “private activity bonds” as such term is defined in the Internal Revenue Code of 1986, as amended (the “Code”). The bonds of this issue are not “qualified tax-exempt obligations” under Section 265(b) of the Code for banks, thrift institutions and other financial institutions.]

The principal of and interest on the Bonds are payable solely out of the special fund of the Authority known as the “Special Obligation Bond Fund” (the “Bond Fund”). The Bonds are special limited obligations of the Authority and are not obligations of the State of Washington or any political subdivision thereof other than the Authority. The Authority has no taxing power.

Under the Bond Resolution, the Authority is obligated to set aside and pay into the Principal and Interest Account out of Gross Revenue of the Market certain fixed amounts sufficient to pay when due the principal of and interest and premium, if any, on the Bonds and all other Parity Bonds. To the extent provided by the Bond Resolution, the amounts pledged to be paid from Gross Revenue into the Bond Fund and accounts therein are a lien and charge thereon
equal in rank to the lien and charge upon Gross Revenue of the amounts required to pay and secure the payment of any Future Parity Bonds that the Authority may issue hereafter, and superior to all other liens and charges of any kind or nature, except the Operations and Maintenance Costs of the Market.

The Bond Resolution sets forth covenants of the Authority to secure the payment of Parity Bonds, including but not limited to covenants relating to rates and charges of the Market, operations of the Market, and the issuance of Future Parity Bonds.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Registrar.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Washington to exist, to have happened, been done and performed precedent to and in the issuance of this bond have happened, been done and performed and that the issuance of this bond and the bonds of this issue does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the Authority may incur.

IN WITNESS WHEREOF, Pike Place Market Preservation and Development Authority Washington has caused this bond to be executed by the manual or facsimile signatures of the President and Secretary of its Board of Directors as of this ____ day of __________, 2015.

PIKE PLACE MARKET PRESERVATION AND DEVELOPMENT AUTHORITY

By /s/ facsimile
President, Board of Directors

ATTEST:

/s/ facsimile
Secretary, Board of Directors

The Registrar’s Certificate of Authentication on the Bonds shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This bond is one of the bonds described in the within-mentioned Bond Resolution and is one of the Pike Place Market Preservation and Development Authority Special Obligation and Refunding Bonds, 2015 [(Taxable)], of the Authority, dated ____________, 2015.

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Section 7. Execution of Bonds. The Bonds shall be executed on behalf of the Authority with the manual or facsimile signatures of the President and Secretary of its Board of Directors shall be impressed, imprinted or otherwise reproduced on each Bond.

Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this resolution. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this resolution.

In case either of the officers who shall have executed the Bonds shall cease to be an officer or officers of the Authority before the Bonds so signed shall have been authenticated or delivered by the Registrar, or issued by the Authority, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the Authority as though those who signed the same had continued to be such officers of the Authority. Any Bond may also be signed and attested on behalf of the Authority by such persons who are at the actual date of delivery of such Bond the proper officers of the Authority although at the original date of such Bond any such person shall not have been such officer of the Authority.
Section 8. Bond Fund. There is hereby created and established a special fund of the Authority to be known as the “Special Obligation Bond Fund” (the “Bond Fund”). The Bond Fund shall be divided into two accounts, a Principal and Interest Account and a Reserve Account.

(a) So long as any Parity Bonds are outstanding against the Bond Fund, the Authority obligates and binds itself to set aside and pay into the Bond Fund out of Net Revenue, certain fixed amounts without regard to any fixed proportion, namely:

(1) Into the Principal and Interest Account on or before each debt service payment date an amount which, together other money on deposit therein, will be sufficient to pay the debt service on all outstanding Parity Bonds coming due and payable on that next debt service payment date, including mandatory redemption amounts due on that date with respect to any Term Bonds, and to pay regularly scheduled net payments on Parity Derivative Products; and

(2) Into the Reserve Account at least annually an amount that, together with other money and Reserve Account Credit Facilities on deposit therein, will equal the Reserve Requirement for all Covered Bonds.

(b) The Reserve Account has been established in the Bond Fund to serve as a common reserve securing the repayment of the Covered Bonds. The Bonds are Covered Bonds. On the date of issue of the Bonds, the Authority shall deposit net proceeds of the Bonds and/or available funds of the Authority into the Reserve Account to satisfy, together with any funds currently on deposit therein, the Reserve Requirement for all Covered Bonds as of the date of issue of the Bonds. The Authority covenants and agrees that it will at all times maintain in the Reserve Account an amount (including the value of all Reserve Account Credit Facilities deposited therein) equal to the Reserve Requirement for all Covered Bonds, except for withdrawals as authorized in this subsection, until there is a sufficient amount in the Principal.
and Interest Account and Reserve Account to pay the principal of and interest on all outstanding Covered Bonds, at which time the money in the Reserve Account may be used to pay any such principal and interest so long as the money remaining on deposit in the Reserve Account is not less than the Reserve Requirement calculated based on the remaining outstanding Covered Bonds. If there are sufficient funds in the Bond Fund to pay all outstanding Covered Bonds and the Reserve Requirement as to those outstanding Covered Bonds is met, excess money in the Bond Fund may be used for any Authority purpose.

In the event that the amounts in the Principal and Interest Account are insufficient to make any debt service payment on any outstanding Covered Bonds, amounts shall be withdrawn from the Reserve Account to make up that deficiency. Any deficiency created in the Reserve Account by reason of such a withdrawal shall then be made up from Net Revenue, but only after necessary provision has been made for Operations and Maintenance Costs and for the required payments into the Principal and Interest Account.

(c) All money in the Bond Fund may be kept in cash; deposited with an institution (as permitted by law) in an amount in each institution not greater than the amount insured by any department or agency of the United States Government; or invested in Permitted Investments or other legal investments permitted to the Authority maturing not later than the date when needed (for investments in the Principal and Interest Account) or the last maturity of any outstanding Covered Bonds (for investments in the Reserve Account). Income from investments in the Principal and Interest Account shall be deposited in that account. Income from investments in the Reserve Account shall be deposited in that account until the amount therein is equal to the Reserve Requirements of all Covered Bonds, and thereafter shall be deposited in the Principal and Interest Account.
(d) The Authority may create sinking fund accounts or other accounts in the Bond Fund for the payment or securing the payment of Parity Bonds as long as the maintenance of such accounts does not conflict with the rights of the owners of Parity Bonds.

(e) It is declared that in creating the Bond Fund and in fixing the amounts to be paid into it as aforesaid, the Board has had due regard for Operations and Maintenance Costs (including without limitations the Authority’s obligations under the City 2009 Loan), and declares that it is not setting aside into the Bond Fund a greater amount than in its judgment will be available over and above such Operations and Maintenance Costs.

If the Authority fails to set aside and pay into the Bond Fund the amounts set forth above, the owner of any of the outstanding Parity Bonds may bring action against the Authority and compel the setting aside and payment.

The Board finds and determines that the Gross Revenue and benefits to be derived from the operation and maintenance of the Market at the rates to be charged for service from the System will be more than sufficient to meet all Operations and Maintenance Costs (including without limitation the Authority’s obligations with respect to the City 2009 Loan) and to permit the setting aside into the Bond Fund of the amounts of Net Revenue that will be sufficient to pay the principal of and interest on the Parity Bonds when due. The Net Revenue is pledged for the payment of the Bonds and all Future Parity Bonds. This pledge shall constitute a lien and charge upon the Net Revenue prior and superior to any other liens, and charges whatsoever.

Section 9. Bond Covenants. The Authority covenants and agrees with the owner of each of the Bonds as follows:
(a) It will establish, maintain, revise as necessary, and collect such rents, rates and charges at the Market such that Net Revenue will be sufficient to at least equal the Coverage Requirement.

(b) It will at all times maintain and keep the Market in good repair, working order and condition, and also will at all times operate such business in connection therewith in an efficient manner and at a reasonable cost.

(c) It will not sell mortgage or dispose of (but may lease for Market purposes) all the property of the Market unless provision is made for payment into the Bond Fund of a sum sufficient to pay the principal of and interest on all outstanding Parity Bonds. Furthermore, it will not sell, mortgage, or dispose of (but may lease for Market purposes) any part of the property of the Market that is used, useful and material to its operation, unless provision is made (a) for the replacement of that portion of the Market, or (b) for the payment into the Bond Fund of an amount bearing the same ratio to the par amount of outstanding Parity Bonds as the amount of Net Revenue available for debt service derived during the preceding 12-month period from that portion of the Market bears to the total Net Revenue available for debt service for such bonds for the same period; provided that the Authority need not provide for (a) or (b) if the Authority executes a certificate demonstrating that the Authority would have met the Coverage Requirement for the prior fiscal year disregarding the Net Revenue attributable to that portion of the Market. Any such money so paid into the Bond Fund shall be used to retire outstanding Parity Bonds at the earliest possible date and may be invested to the same extent and in the same manner as provided for the investment of money in the Reserve Account until so used.
(d) While any of the Parity Bonds remain outstanding it will keep proper and separate accounts and records in which complete and separate entries shall be made of all transactions relating to the Market, and it will furnish the owner or owners of the Parity Bonds or any subsequent owner or owners thereof, at the written request of such owner or owners, complete operating and income statements of the Market in reasonable detail covering any fiscal year. It will grant any owner or owners of at least 25 percent of the outstanding Parity Bonds the right at all reasonable times to inspect the entire Market and all records, accounts and data relating thereto, and upon request of any owner of any of the Parity Bonds a copy of the most recently completed audit of the Authority accounts by the State Auditor of Washington.

(e) It will at all times carry fire and such other forms of insurance on such of the buildings, equipment, facilities and properties of the Market as are ordinarily carried on such buildings, equipment, facilities, and properties by entities engaged in the operation of similar public markets to the full insurable value thereof, and also will carry adequate public liability insurance at all times. The premiums on such insurance policies are declared to be a normal part of Operations and Maintenance Costs.

(f) It will pay all Operations and Maintenance Costs and otherwise meet the obligations of the Authority as herein set forth.

(g) Except as expressly permitted under this resolution, the Authority will not create any special fund or funds for the payment of the principal of and interest on any other revenue obligations which will have any priority over or which will rank on a parity with the payments required by this resolution to be made out of the Net Revenue, nor will it issue Parity Bonds except as permitted pursuant to this resolution.
Section 10. Defeasance. In the event that money and/or Government Obligations maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and retire part or all of the Bonds in accordance with their terms, are set aside in a special account of the Authority to effect such redemption and retirement, and such moneys and the principal of and interest on such Government Obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the Bond Fund of the Authority for the payment of the principal of and interest on the Bonds so provided for, and such Bonds shall cease to be entitled to any lien, benefit or security of this resolution except the right to receive the moneys so set aside and pledged, and such Bonds shall be deemed not to be outstanding hereunder.

Upon the defeasance of Bonds the Registrar shall provide notice of defeasance of Bonds to registered owners and the MSRB in accordance with the written undertaking of the Authority pursuant to Section 14.

Section 11. Tax Covenants.

(a) Arbitrage Covenant. The Authority hereby covenants that it will not make any use of Net Proceeds of the Tax-Exempt Bonds or any other funds of the Authority which may be deemed to be proceeds of such Tax-Exempt Bonds pursuant to Section 148 of the Code which will cause the Tax-Exempt Bonds to be “arbitrage bonds” within the meaning of said section and said Regulations. The Authority will comply with the requirements of Section 148 of the Code (or any successor provision thereof applicable to the Tax-Exempt Bonds) and the applicable Regulations thereunder throughout the term of the Tax-Exempt Bonds, and will enter into the Federal Tax Certificate.
(b)  **Private Person Use Limitation for Bonds.** The Authority covenants that for as long as the Tax-Exempt Bonds are outstanding, it will not permit:

(i)  More than 10% of the Net Proceeds of the Tax-Exempt Bonds to be used for any Private Person Use; and

(ii) More than 10% of the principal or interest payments on the Tax-Exempt Bonds in a Bond Year to be directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the Authority) in respect of property, or borrowed money, used or to be used for any Private Person Use.

The Authority further covenants that, if:

(iii) More than five percent of the Net Proceeds of the Tax-Exempt Bonds are to be used for any Private Person Use; and

(iv) More than five percent of the principal or interest payments on the Tax-Exempt Bonds in a Bond Year are (under the terms of this resolution or any underlying arrangement) directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the Authority) in respect of property, or borrowed money, used or to be used for any Private Person Use, then, (1) any Private Person Use of the projects described in subsection (iii) hereof or Private Person Use payments described in subsection (iv) hereof that is in excess of the five percent limitations described in such subsections (iii) or (iv) will be for a Private Person Use that is related to the state or local governmental use of the projects financed or refinanced with Tax-Exempt Bond.
proceeds, and (2) any Private Person Use will not exceed the amount of Net Proceeds of the Tax-Exempt Bonds used for the state or local governmental use portion of the projects to which the Private Person Use of such portion of such projects relates. The Authority further covenants that it will comply with any limitations on the use of the projects by other than state and local governmental users that are necessary, in the opinion of its bond counsel, to preserve the tax exemption of the interest on the Tax-Exempt Bonds. The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the Tax-Exempt Bonds.

Section 12. Sale of Bonds and Official Statement. The Board has determined that it would be in the best interest of the Authority to delegate to the Designated Representative for a limited time the authority to approve the method of sale and to approve the final interest rates, maturity dates, redemption terms, tax status, and principal maturities for the Bonds for confirmation and ratification pursuant to the Sale Resolution. The Designated Representative is hereby authorized to designate a portion or all of the Refunding Candidates as Refunded Bonds (which may include one or both series of Refunding Candidates and/or certain maturities or partial maturities within a series) and may also determine the date to which interest on the Bonds shall be capitalized, whether the Bonds shall be issued in one or more series, and to determine whether the Bonds (or the Bonds of a series) shall be issued as Taxable Bonds or Tax-Exempt Bonds. The Designated Representative is hereby authorized to approve the sale and/or delivery of one or more Bonds to a Direct Purchaser or to an Underwriter, as set forth below.

(a) Direct Purchaser Loan or Private Placement. If the Designated Representative determines that the Bonds are to be privately placed or delivered to a Direct Purchaser, the Designated Representative or his designee shall solicit proposals and shall select one or more
Direct Purchasers that submit a proposal that is in the best interest of the Authority. The Bonds (or a single Bond) shall be sold or delivered to the Direct Purchaser pursuant to the terms of the Loan Agreement.

Subject to the terms and conditions set forth in this Section 12, the Designated Representative is hereby authorized to accept one or more Direct Purchaser proposals for the Bonds in one or more series upon his or her approval of the final interest rates, maturity dates, aggregate principal amounts, principal maturities, tax status, and redemption or prepayment rights set forth therein for the Bonds in accordance with the authority granted by this section and as confirmed and ratified by the Sale Resolution so long as:

1. the aggregate principal amount of the Bonds does not exceed $24,000,000;
2. the final maturity date for the Bonds is no later than December 1, 2040;
3. the Bonds are sold (in the aggregate) at a price not less than 96% and not greater than 120%; and
4. the true interest cost for the Bonds (in the aggregate) does not exceed 5.00%.

(b) Negotiated Bond Sale. If the Designated Representative determines that the Bonds are to be sold to an Underwriter, the Designated Representative shall solicit bond underwriting proposals and shall select the Underwriter that submits the proposal that is in the best interest of the Authority. The Bonds shall be sold to the Underwriter pursuant to the terms of the Purchase Contract.

Subject to the terms and conditions set forth in this Section 12, the Designated Representative is hereby authorized to enter into the Purchase Contract with the Underwriter to issue and sell the Bonds in one or more series upon his or her approval of the final interest rates, PDA Council Packet 3.26.15 -71

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maturity dates, aggregate principal amounts, principal maturities, and redemption rights set forth therein for the Bonds in accordance with the authority granted by this section and as confirmed and ratified by the Sale Resolution so long as:

(1) the aggregate principal amount of the Bonds does not exceed $24,000,000;
(2) the final maturity date for the Bonds is no later than December 1, 2040;
(3) the Bonds are sold (in the aggregate) at a price not less than 96% and not greater than 120%; and
(4) the true interest cost for the Bonds (in the aggregate) does not exceed 5.00%.

(c) Report to Board; Expiration of Authority. Following the sale or delivery of the Bonds, the Designated Representative shall provide a report to the Board, describing the method of sale and final terms of the Bonds approved pursuant to the authority delegated in this section and confirmed and ratified pursuant to the Sale Resolution.

The authority granted to the Designated Representative by this Section 12 shall expire one year after the effective date of this resolution. If a Loan Agreement or Purchase Contract has not been accepted within one year after the effective date of this resolution, the authorization for the issuance of the Bonds shall be rescinded, and the Bonds shall not be issued nor their sale approved unless such Bonds shall have been re-authorized by resolution of the Board. The resolution re-authorizing the issuance and sale of such Bonds may be in the form of a new resolution repealing this resolution in whole or in part or may be in the form of an amendatory resolution approving a Loan Agreement or Purchase Contract or establishing terms and conditions for the authority delegated under this Section 12.
(d) **Delivery of Bonds; Documentation.** Upon the passage and approval of this resolution, the proper officials of the Authority, including the Designated Representative, are authorized and directed to undertake all action necessary for the prompt execution and delivery of the Bonds to the Direct Purchaser or Underwriter thereof and further to execute all closing certificates and documents required to effect the closing and delivery of the Bonds.

(e) **Preliminary and Final Official Statements.** The Authority authorizes the Finance Director to approve the preliminary official statement, if any, for the Bonds and authorizes the distribution of the preliminary official statement in connection with any public offering of the Bonds. Pursuant to the Rule, the Designated Representative is hereby authorized to deem the preliminary official statement as final as of its date except for the omission of information dependent upon the pricing of the Bonds. The Authority agrees to cooperate with the successful bidder or Underwriter to deliver or cause to be delivered, within seven business days from the date of the sale of the Bonds and in sufficient time to accompany any confirmation that requests payment from any customer of the successful bidder or Underwriter, copies of a final official statement in sufficient quantity to comply with paragraph (b)(4) of the Rule and the rules of the MSRB. The Authority’s Finance Director is authorized to approve, supplement or amend the final official statement.

**Section 13. Application of Bond Proceeds.** From the money derived from the sale of the Bonds together with any cash contribution of the Authority, as determined by the Designated Representative, shall be applied as specified by the Designated Representative as follows:

(a) **New Money Bonds.** The net proceeds derived from the New Money Bonds, and any cash contribution to the costs of the Project, shall be deposited in the Reserve Account and in the “Construction Fund,” which the Authority is hereinafter authorized to create.
The money on deposit in the Construction Fund shall be utilized to pay or reimburse the Authority for the costs of the Project and costs incidental thereto, and costs incurred in connection with the issuance and sale of the Bonds, to the extent designated by the Designated Representative.

All or part of the proceeds of the Bonds may be temporarily invested in or with such institutions or in such obligations as may now or hereafter be permitted to public development authorities of the State of Washington by law that will mature prior to the date on which such money shall be needed.

In the event that it shall not be possible or practicable to accomplish all of the Project, the Authority may apply the proceeds of the Bonds to pay the costs of such portion thereof or such other projects as the Board shall determine to be in the best interests of the Authority.

Any part of the proceeds of the Bonds remaining in the Construction Fund after all costs referred to in this section have been paid may be used to acquire, construct, equip and make other improvements to the Project or may be transferred to the Bond Fund for the uses and purposes therein provided.

(b) **Refunding Bonds.** The Refunded Bonds shall include all or a portion of the Refunding Candidates as designated by the Designated Representative when the Bonds are sold pursuant to the Purchase Contract or delivered pursuant to the Loan Agreement. A portion of proceeds of the Bonds, together with any cash contribution as set forth in the Escrow Agreement, shall be deposited pursuant to the Escrow Deposit Agreement, to be used immediately upon receipt thereof to defease or pay the Refunded Bonds and to pay costs of issuance of the Bonds.

The proceeds and cash deposited with the Escrow Agent shall be used to defease or pay
the Refunded Bonds and discharge the obligations thereon by the purchase of certain
Government Obligations (which obligations so purchased, are herein called “Acquired
Obligations”), bearing such interest and maturing as to principal and interest in such amounts and
at such times which, together with any necessary beginning cash balance, will provide for the
payment of:

(1) interest on the Refunded Bonds due and payable on and prior to the Call Date; and

(2) the redemption prices of the Refunded Bonds on the Call Date.

Such Acquired Obligations shall be purchased at a yield not greater than the yield permitted by the Code and regulations relating to acquired obligations in connection with refunding bond issues. The Designated Representative is authorized to appoint an escrow agent or Escrow Agent for the Refunded Bonds (the “Escrow Agent”). A beginning cash balance, if any, and the Acquired Obligations shall be deposited irrevocably with the Escrow Agent in an amount sufficient to defease or pay the Refunded Bonds. The proceeds of each series of the Bonds remaining after acquisition of the Acquired Obligations and provision for the necessary beginning cash balance shall be utilized to pay expenses of the acquisition and safekeeping of the Acquired Obligations and costs of issuance of the Bonds.

In order to carry out the purposes of this subsection, the Designated Representative is authorized and directed to execute and deliver to the Escrow Agent, an Escrow Deposit Agreement.

(c) Call for Redemption of Refunded Bonds. The Authority hereby irrevocably sets aside sufficient funds out of the purchase of Acquired Obligations from proceeds of the Bonds to make the payments described above.
The Authority hereby irrevocably calls the Refunded Bonds for redemption on their Call Date. Said defeasance and call for redemption of the Refunded Bonds shall be irrevocable after the issuance of the Bonds and delivery of the Acquired Obligations to the Escrow Agent.

The Escrow Agent is hereby authorized and directed to provide for the giving of notices of the redemption of the Refunded Bonds. The costs of publication of such notices shall be an expense of the Authority.

The Escrow Agent is hereby authorized and directed to pay to the Finance Director, or, at the direction of the Finance Director, to the paying agent for the Refunded Bonds, sums sufficient to pay, when due, the payments specified in this section. All such sums shall be paid from the moneys and Acquired Obligations deposited with the Escrow Agent, and the income therefrom and proceeds thereof. All such sums so paid to said Finance Director shall be credited to the Refunding Account. All moneys and Acquired Obligations deposited with the Escrow Agent and any income therefrom shall be held, invested (but only at the direction of the Finance Director) and applied in accordance with the provisions of this resolution and with the laws of the State of Washington for the benefit of the Authority and owners of the Refunded Bonds.

The Authority will take such actions as are found necessary to see that all necessary and proper fees, compensation and expenses of the Escrow Agent for the Refunded Bonds shall be paid when due.

Section 14. Future Parity Bonds.

(a) The Authority may issue Future Parity Bonds only for lawful Authority purposes and only if the following conditions are met and complied with at the time of the issuance of those Future Parity Bonds:

(1) The resolution authorizing those Future Parity Bonds must provide for the
payment of the principal of and interest thereon out of the Bond Fund;

(2) The Authority shall not be in default with respect to any of its obligations under this resolution;

(3) The applicable resolution authorizing those Future Parity Bonds must provide for the deposit into the Reserve Account (in the case of Covered Bonds) or any other applicable reserve account of any combination of Future Parity Bond proceeds, Reserve Account Credit Facilities or other money legally available, in the amount necessary (if any) to make the amount on deposit in the Reserve Account or other applicable reserve account equal to the applicable Reserve Requirement upon the issuance of those Future Parity Bonds.

(4) Except as provided in Section 14(b) hereof, there shall be on file with the Authority a certificate (prepared as described in Section 14(c) or Section 14(d) hereof) demonstrating fulfillment of the Parity Requirement, commencing with the first full fiscal year following the date on which any portion of interest on the series of Future Parity Bonds then being issued no longer will be paid from the proceeds of such series of Future Parity Bonds.

(b) The certificate described in Section 14(a)(4) hereof shall not be required as a condition to the issuance of Future Parity Bonds:

(1) If the Future Parity Bonds being issued are for the purpose of refunding outstanding Parity Bonds (including incidental costs and costs related to the sale and issuance thereof and providing for any applicable Reserve Requirement) and Annual Debt Service on the Future Parity Bonds is less than Annual Debt Service on the Parity Bonds to be refunded for each year such Future Parity Bonds are to be outstanding; or

(2) If the Future Parity Bonds are being issued to pay costs of construction of facilities of the Market for which Future Parity Bonds have been issued previously and the
principal amount of such Future Parity Bonds being issued for completion purposes does not exceed an amount equal to an aggregate of 15% of the principal amount of Parity Bonds theretofore issued for such facilities and reasonably allocable to the facilities to be completed as shown in a certificate of the Designated Representative.

(c) If required pursuant to Section 14(a)(4) hereof, a certificate may be delivered by the Authority (executed by the Designated Representative) without an Independent Consultant if Net Revenues for the Base Period demonstrate that the Parity Requirement will be fulfilled commencing with the first full fiscal year following the date on which any portion of interest on the series of Future Parity Bonds then being issued will not be paid from the proceeds of such series of Future Parity Bonds.

(d) Unless compliance with the requirements of Section 14(a)(4) hereof have been satisfied as provided in Section 14(c) hereof, compliance with the Parity Requirement shall be demonstrated conclusively by a certificate of an Independent Consultant.

In making the computations of Net Revenues for the purpose of certifying compliance with the Parity Requirement, the Independent Consultant shall use as a basis the Net Revenues (which may be based upon unaudited financial statements of the Authority if the applicable audit has not yet been completed) for the Base Period. Such Net Revenues shall be determined by adding the following:

(1) The historical net revenue of the Market for the Base Period being issued as determined by an Independent Consultant.

(2) The net revenue derived from those tenants of the Market that have become tenants during such 12-month period or thereafter and prior to the date of such certificate, adjusted to reflect a full year’s net revenue from each such tenant to the extent such net revenue
was not included as described in Section 14(d)(1) hereof.

(3) The estimated annual net revenue to be derived from any person, firm, association, private or municipal corporation under any executed contract with the Authority, which net revenue was not included in any of the sources of net revenue described in this Section 14(d).

(4) The estimated annual net revenue to be derived from the operation of any additions or improvements to or extensions of the Market under construction but not completed at the time of such certificate and not being paid for out of the proceeds of sale of such Future Parity Bonds being issued, and which net revenue is not otherwise included in any of the sources of net revenue described in this Section 14(d).

(5) The estimated annual net revenue to be derived from the operation of any additions and improvements to or extensions of the Market being paid for out of the proceeds of sale of such Future Parity Bonds being issued.

In the event the Authority will not derive any revenue as a result of the construction of the additions, improvements or extensions being made or to be made to the Market within the provisions of Sections 14(d)(4) and 14(d)(5) hereof, the estimated normal Operations and Maintenance Costs of such additions, improvements and extensions shall be deducted from estimated annual net revenue.

The words “historical net revenue” or “net revenue” as used in this Section 14(d) shall mean the Gross Revenue or any part or parts thereof less the normal expenses of maintenance and operation of the Market or any part or parts thereof, but before depreciation.

Such “historical net revenue” or “net revenue” shall be adjusted to reflect the rates and charges effective on the date of such certificate if there has been any change in such rates and
charges during or after such 12-consecutive-month period.

(e) Nothing contained in this Section 14 shall prevent the Authority from issuing revenue bonds or other obligations that are a charge upon the Net Revenue of the Market junior or inferior to the payments required by this resolution to be made out of such Net Revenue to pay and secure the payment of any outstanding Parity Bonds. Such junior or inferior obligations shall not be subject to acceleration. This prohibition against acceleration shall not be deemed to prohibit mandatory tender or other tender provisions with respect to variable rate obligations or to prohibit the payment of a termination amount with respect to an Other Derivative Product or a Parity Derivative Product.

(f) Nothing contained in this Section 14 shall prevent the Authority from issuing revenue bonds to refund maturing Parity Bonds for the payment of which moneys are not otherwise available.

Section 15. Derivative Products. The Authority hereby reserves the right to enter into Parity Derivative Products and Other Derivative Products. The Authority may amend this resolution to accommodate new or modified definitions of Debt Service in connection with a Parity Derivative Product, to implement the Authority’s intent that regularly scheduled payments made by or received by the Authority in connection with a Parity Derivative Product be added to or deducted from, respectively, Debt Service on such Parity Bonds. The Authority may amend this resolution to reflect the lien position and priority of any payments made in connection with a Parity Derivative Product or Other Derivative Product; provided, however, that any lien to secure regularly scheduled payments made in connection with a Parity Derivative Product may not be prior to the lien of the Parity Bonds and that any lien to secure any other payments under Parity Derivative Products and all payments under any Other Derivative Products must be subordinate.
to the lien of Parity Bonds. If the Authority enters into a Parity Derivative Product, the Authority shall not be required to satisfy the conditions set forth in Section 14 of this resolution with respect to the Parity Derivative Product provided that the conditions set forth in Section 14 of this resolution are satisfied with respect to the associated Parity Bonds. Each Parity Derivative Product shall set forth the manner in which the Authority’s and its counterparty’s payments are to be calculated and a schedule of payment dates.

Section 16. Separate Facilities. The Authority may create, acquire, construct, finance, own and operate one or more additional market facilities. The revenue of that Separate Facility, payable solely with respect to improvements to a Separate Facility, shall not be included in the Gross Revenue and may be pledged to the payment of revenue obligations issued to purchase, construct, condemn or otherwise acquire or expand the Separate Facility. Neither the Gross Revenue nor the Net Revenue may be pledged to the payment of any obligations of a separate utility Separate Facility except that the Net Revenue may be pledged on a basis subordinate to the lien of the Parity Bonds.

Section 17. Flow of Funds. The Net Revenue shall be used for the following purposes only and shall be applied in the following order of priority:

(a) To make when due the required payments into the Principal and Interest Account in respect of interest on the Parity Bonds and, without duplication, to make regularly scheduled payments due with respect to any Parity Derivative Product.

(b) To make when due the required payments into the Principal and Interest Account in respect of principal of and premium, if any, on the Parity Bonds, whether at maturity or pursuant to redemption prior to maturity, and to make payments due under any reimbursement agreement with a provider of a Credit Facility for any Parity Bonds that requires those payments
to be made on a parity with the Parity Bonds.

(c) To make when due all payments required to be made into the Reserve Account for the Covered Bonds, all payments required to be made into any other reserve account created in the future to secure the payment of debt service on other Future Parity Bonds, and all payments required to be made under any reimbursement agreement with a provider of a Reserve Account Credit Facility that requires those payments to be made on a parity with the payments required to be made into the Reserve Account or such other reserve account created in the future to secure the payment of debt service on other Future Parity Bonds.

(d) To make when due all payments required to be made under any reimbursement agreement with a provider of a Credit Facility for any Parity Bonds other than payments to be made on a parity with the Parity Bonds, and all payments required to be made under any reimbursement agreement with a provider of a Reserve Account Credit Facility other than payments to be made on a parity with the payments to be made into the Reserve Account or such other reserve account created in the future to secure the payment of debt service on other Future Parity Bonds, in any priority not inconsistent with this resolution that the Authority may hereafter establish by resolution.

(e) To make when due the payments required to be made into any revenue bond, note, warrant or other revenue obligation redemption fund, debt service account or reserve account created to pay and secure the payment of any revenue bonds, warrants, notes or other obligations of the Market having a charge upon the Net Revenue junior and inferior to the charge thereon for the payment of the principal of and premium (if any), and interest on the Parity Bonds, or under any reimbursement agreement with a provider of a Credit Facility or reserve account credit facility therefor, and all regularly scheduled payments due pursuant to an Other Derivative
Product, as set forth in such Other Derivative Product, in any priority not inconsistent with this resolution, that the Authority may hereafter establish by resolution.

(f) To make when due all nonscheduled payments (i.e., any termination payment or other fees) under any Parity Derivative Product as set forth in such Parity Derivative Product and under any Other Derivative Product as set forth in such Other Derivative Product, and for any other lawful Authority purposes, in any priority not inconsistent with this resolution, that the Authority may hereafter establish by resolution.

Section 18. Supplemental Resolutions.

(a) This resolution shall not be modified or amended in any respect subsequent to the initial issuance of the Bonds, except as provided in and in accordance with and subject to the provisions of this section.

(b) The Authority may from time to time and at any time, without the consent of or notice to the registered owners of the Parity Bonds, pass supplemental resolutions for any one or more of the following purposes:

(1) To cure any formal defect, omission, inconsistency or ambiguity in this resolution;

(2) To impose upon the Bond Registrar (with its consent) for the benefit of the registered owners of the Bonds any additional rights, remedies, powers, authority, security, liabilities or duties which may lawfully be granted, conferred or imposed and which are not contrary to or inconsistent with this resolution as previously in effect;

(3) To add to the covenants and agreements of, and limitations and restrictions upon, the Authority in this resolution other covenants, agreements, limitations and restrictions to be observed by the Authority which are not contrary to or inconsistent with this resolution as previously in effect;
(4) To confirm, as further assurance, any pledge under, and the subjection to any claim, lien or pledge created or to be created by this resolution of any other money, securities or funds;

(5) To authorize different denominations of the Bonds and to make correlative amendments and modifications to this resolution regarding exchangeability of Bonds of different authorized denominations, redemptions of portions of Bonds of particular authorized denominations and similar amendments and modifications of a technical nature;

(6) To authorize the issuance of any (A) Future Parity Bonds, (B) revenue bonds or other obligations which are a charge upon the Net Revenue of the Market junior or inferior to the payments required by this resolution to be made out of such Net Revenue to pay and secure the payment of any outstanding Parity Bonds, or (C) revenue bonds to refund maturing Parity Bonds for the payment of which moneys are not otherwise available, in each case, to the extent permitted by this resolution; or

(7) To modify, alter, amend or supplement this resolution in any other respect which is not materially adverse to the registered owners of the Bonds and which does not involve a change described in Section 18(c) hereof.

Before any supplemental resolution described in this Section 18(b) shall become effective, there shall be delivered to the Authority and the Bond Registrar an opinion of Bond Counsel, stating that such supplemental resolution is authorized or permitted by this resolution and will, upon its effective date, be valid and binding upon the Authority in accordance with its terms and will not adversely affect the exemption from federal income taxation of interest on the Bonds.

(c) (1) Except for any supplemental resolution passed pursuant to Section 18(b)
hereof, subject to the terms and provisions contained in this Section 18(c) and not otherwise, registered owners of not less than a majority of the aggregate principal amount of the Parity Bonds then outstanding shall have the right from time to time to consent to and approve the passage by the Board of any supplemental resolution deemed necessary or desirable by the Authority for the purposes modifying, altering, amending, supplementing or rescinding, in any particular, any of the terms or provisions contained in this resolution.

However, unless approved in writing by each registered owner of each Parity Bond then outstanding, nothing contained in this Section 18 shall permit, or be construed at permitting:

(A) A change in the times, amounts or currency of payment of the principal of or interest on any outstanding Bond, or a reduction in the principal amount or redemption price of any outstanding Bond, or a change in the method or redemption price of any outstanding Bond, or a change in the method of determining the rate of interest thereon;

(B) A preference or priority of any Bond or Bonds over any other Bond or Bonds, or

(C) A reduction in the aggregate principal amount of Bonds the consent of the registered owners of Bonds of which is required for any such supplemental resolution.

(2) If at any time the Authority shall pass any supplemental resolution for any of the purposes of this Section 18(c), the Bond Registrar shall cause notice of the proposed supplemental resolution to be given by first class United States mail to all registered owners of the then outstanding Parity Bonds, to each Rating Agency that has provided a rating on an issue of the Parity Bonds. Such notice shall briefly set forth the nature of the proposed supplemental resolution and shall state that a copy thereof is on file at the office of the Bond Registrar for inspection by all registered owners.

(3) Within two years after the date of the mailing of such notice, the Authority may
pass such supplemental resolution in substantially the form described in such notice, but only if there shall have first been delivered to the Bond Registrar:  (A) the required consents, in writing, of the registered owners, and (B) an opinion of Bond Counsel, stating that such supplemental resolution is authorized or permitted by this resolution and, upon the execution and delivery thereof, will be valid and binding upon the Authority in accordance with its terms and will not adversely affect the exclusion from federal income taxation of interest on the Bonds.

(4) If the registered owners of not less than the percentage of Parity Bonds required by this subsection (c) have consented to and approved the execution and delivery thereof as herein provided, no owner of the Parity Bonds shall have any right to object to the passage of such supplemental resolution, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the passage thereof, or to enjoin or restrain the Authority or the Bond Registrar from passing the same or from taking any action pursuant to the provisions thereof.

(5) Upon the execution and delivery of any supplemental resolution pursuant to the provisions of this section, this resolution shall be, and be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this resolution of the Authority, the Bond Registrar and all Owners shall thereafter be determined, exercised and enforced under this authority subject in all respects to such modifications and amendments.

Section 19. Undertaking to Provide Ongoing Disclosure. The Designated Representative is authorized to enter into a written undertaking for the benefit of the owners (including Beneficial Owners) of the Bonds as required by Section (b)(5) of the Rule.

Section 20. Severability. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the Authority shall be declared by any court of
competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bonds.

Section 21. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED by the Board of Directors of the Pike Place Market Preservation and Development Authority at a special meeting thereof held this _____ day of _____, 2015.

PIKE PLACE MARKET PRESERVATION AND DEVELOPMENT AUTHORITY

By ________________________________
   President

By ________________________________

By ________________________________

By ________________________________

By ________________________________

By ________________________________
SECRETARY’S CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Secretary of the Pike Place Market Preservation and Development Authority (the “Authority”), and keeper of the records of the Authority’s Board of Directors (the “Board), DO HEREBY CERTIFY:

1. That the attached Resolution No. 1 (the “Resolution”) is a true and correct copy of a resolution of the Board, as finally adopted at a special meeting of the Board held on the ____ day of ______, 2015, and duly recorded in the offices of the Authority.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Board voted in the proper manner for the adoption of said Resolution; that all other requirements and proceedings incident to the proper adoption of said Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand as of this ____ day of ______, 2015.

________________________________________
Secretary of the Board of Directors
Pike Place Market Preservation and Development Authority
PIKE PLACE MARKET PDA REPORT RESPONDING TO PUBLIC COMMENTS RECEIVED ON THE WRITTEN ANALYSIS AND SUMMARY FOR THE PC1N REDEVELOPMENT AND FINANCING PLANS – MARCH 20, 2015

The PDA Charter requires public disclosure and a review process for actions that may have a substantial effect on Market merchants, tenants, residents and others in the Market community, and this includes projects like the construction that is being planned as part of the PC-1N/MarketFront (MarketFront) Redevelopment and Financing Plans. The process requires that we provide a 45-day community notification prior to votes taken by the PDA Council, that we provide an analysis of possible impact to the community at least 31 days in advance, and that we compile and respond to public comments. Listed below is the Pike Place Market PDA Report responding to the public comments received on the written analysis and summary for the PC1N/MarketFront Redevelopment and Financing Plans;

Public comments and questions are noted in Italics or attached

Public Comments from March 9, 2015 MarketFront Committee Meeting

Recommend fixed rate structure for debt.

The current recommendation is to utilize a fixed rate structure to ensure predictability and guard against any future uncertain interest rate increases.

If we can’t trust 12 lawyers and stockbrokers on the council don’t ask us joe public what we think of the financing.

Public oversight, input and comment on all of the PDA Council deliberations is critical regardless of the complexity of the decision or level of expertise of individual members of the public.

When this process started in 2013 Ben stated three priorities; get ahead of the waterfront planning effort, capture the need for replacement parking, and conduct a transparent process. None of these has happened. It has not been a transparent process.

The proposed project is happening in advance of the central waterfront project but is designed to meet and integrate with future plans to connect to the waterfront. $6 million in funding for the project comes from the Alaskan Way Viaduct Parking Mitigation Fund to support the 300 new parking spaces included in the project. The current process of design, development and financing for the PC1N project commenced in 2011 and has followed a process committed to public engagement which included the following meetings: 35 PDA Council Meetings, 94 PDA
Council Committee Meetings, 7 Briefings of the Market Constituency, 24 Briefings of the Market Historic Commission, 6 briefings of the Seattle City Council Waterfront Committee, 2 presentations to the Full Seattle City Council, 10 Open House and Community meetings, 1 Town Hall meeting (video available on Seattle TV Channel Website), 3 briefings of the Seattle Design Commission, 4 Briefings of the Central Waterfront Design and Oversight and Committee, 1 Briefing of the Washington State Low-Income Housing Finance Committee, all of which were open to the public. In addition there have been numerous opportunities for the public to view and comment on all aspects of the project design and financing plans including a comprehensive analysis of the project and early funding sources as required by the Charter and State Statute in April and May of 2013.

You are planning on taxing the market for 20 years.

The program under consideration does include the issuance of debt for a term of 20 years. The amount of debt includes refunding current obligations that have much higher interest rates and additional funding needed to cover MarketFront project costs. Extensive analysis has been conducted and was included in the initial written analysis published on February 23, 2015 to ensure that debt amounts do not present an undue burden on current Market operations.

You are comfortable with your current $10 million reserves but need to also put more money in reserves for insurance. This is especially important given the risk with the train tunnel with coal, oil and potential terrorism.

Insurance is important and the PDA has included in the program amounts needed to secure necessary and prudent insurance coverage. The PDA does not establish dedicated reserves to fund insurance we speculate is needed but rather purchases all necessary and prudent insurance in advance of needs that is consistent with the activities in which the PDA is engaged. The PDA does not control, manage or oversee operations of the train tunnel which is the responsibility of Burlington Northern Sante Fe Railroad which has owned and operated the Tunnel since it was built in 1904 by Northern Pacific Railroads since merged with BNSF.

Written Comments Received by March 13, 2015

The PDA Board wants to tax this Market for the next 20 years, which will be the generation that will be paying for this economic action.

The program does contemplate issuing debt over a 20 year period.

Rents will continue to be increased, as most of the staffing interest is to continue development and not to preserve the Market. The staff/Board has little balance between preservation and development actives. Only development has first place for staff and Board members. Gentrification will continue to rule/grow and will never be measure, like the budget is. The points/goals that are written in the Ordinance that created the Market PDA are not measured up against what projects the Market PDA is proposing. These stated goals in the Ordinance
needs to be measured, so that preservation (common sense) side of the Market PDA activates are just as important/balanced with the budget/dollars/cents. (Excerpt of written public comment see attached Joan Paulson – March 13, 2015 comment letter for full text.)

The written analysis includes extensive review of PDA financial performance including the existing parking garage to ensure that the amount of debt issued does not present a burden on the current Market or create adverse impacts to existing Market tenants and businesses.

The third aspect that needs to be measured is how much more gentrification can this Market take before it stops being the Market??

For over 100 years the Pike Place Market has served a diverse set of customers, visitors and clients. The MarketFront project continues this tradition with 40 units of Low-Income housing dedicated to seniors, new social service space in the form of a Neighborhood outreach center and additional commercial space for small independent businesses, artists, crafters and farmers.

SDOT is paying out funds to the Market PDA as the Viaduct/Tunnel project is now at $4.2 billion cost, since the decision for this effort happened in 2000, before the 2001 earthquake. (Excerpt of written public comment see attached Joan Paulson – March 13, 2015 comment letter for full text.)

SDOT is not paying out funds to the PDA for this project. Funding has been provided from the Alaskan Way Viaduct Parking Mitigation fund and the City of Seattle has provided funding consistent with the MOU approved in February 2013. The decision for this effort, if referring to the MarketFront project and more specifically the action contemplated as part of this notice process, written analysis and public comment is expected to take place on March 26, 2015.

This amount of non-transparency has continued with the Board vote for the MOU agreement on February 9, 2015. Ben stated at this meeting that the process of the MOU Agreement was “as good as it was going to get and he recommended approval of it”…. James Savitt stated that the Board made a decision to withhold review of the MOU from the public because of possible community objections. (Excerpt of written public comment see attached Joan Paulson – March 13, 2015 comment letter for full text.)

The current process of design, development and financing for the PC1N project commenced in 2011 and has followed a process committed to public engagement which included the following meetings: 35 PDA Council Meetings, 94 PDA Council Committee Meetings, 7 Briefings of the Market Constituency, 24 Briefings of the Market Historic Commission, 6 briefings of the Seattle City Council Waterfront Committee, 2 presentations to the Full Seattle City Council, 10 Open House and Community meetings, 1 Town Hall meeting (video available on Seattle TV Channel Website), 3 briefings of the Seattle Design Commission, 4 Briefings of the Central Waterfront Design and Oversight and Committee, 1 Briefing of the Washington State Low-Income Housing Finance Committee, all of which were open to the public. In addition there have been
numerous opportunities for the public to view and comment on all aspects of the project design and financing plans including a comprehensive analysis of the project and early funding sources as required by the Charter and State Statute in April and May of 2013. The vote on February 9, 2015 Special PDA Council meeting was related to the Development Agreement between the PDA and City of Seattle. The PDA council vote on the MOU between the PDA and the City of Seattle occurred in January 2013. Councilmember Savitt is on record multiple times stating that in advance of a vote all documents must be made available to the public for review. The final draft of the Development Agreement was posted on the PDA website on February 4, 2015 with notice sent out to the public so that they would have adequate time to review the document in advance of the council vote on February 9, 2015.

The MOU Agreement also states that the Municipal Market Building had been burned down in the 1970’s, which is a untrue statement….With the process of manipulative, driven development action steps founded on untruth, will result in continued damages to the Market, visitors, businesses, property and conclude in lawsuits. The only way to protect the Market in this situation is to have a reserve set aside for the lawsuits ahead, just like the $10 million reserve…. (Excerpt of written public comment see attached Joan Paulson – March 13, 2015 comment letter for full text.)

The Municipal Market caught fire in 1974, suffered substantial damage and was demolished. The PDA does not currently maintain reserves solely for potential lawsuits but does have D and O, General Liability and multiple other insurance policies to protect against unforeseen events.
March 13, 2015

To: Pike Place Market Preservation and Development Authority Board Members

From: Joan Paulson

Subject: Proposed Need for Additional Funding to Make the PC-1N Development Site Happen

I listened with interest to the presentation of the funding needs/options at the February 26th Board meeting. The way that this information was presented to the Board/public told me that the result was to request the largest amount of funds for this proposed project—$24 million. It was clear to me that the Board will only go along to get along, with what is being presented and it really does not matter what public comments are made or not because the PDA Board members will not change their direction. The PDA Board wants to tax this Market for the next 20 years, which will be the generation that will be paying for this economic action. Rents will continue to be increased, as most of the staffing interest is to continue development and not to preserve this Market. The staff/Board has little balance between preservation and development actives. Only development has first place for staff and Board members. Gentrification will continue to rule/grow and will never be measured, like the budget is. The budget is the dollars/cents which is always being measured toward development. The points/goals that are written in the Ordinance that created the Market PDA are not measured up against what projects the Market PDA is proposing. These stated goals in the Ordinance needs to be measured, so that the preservation (common sense) side of the Market PDA activates are just as important/balanced with the budget/dollars/cents. The third aspect that needs to be measured is how much more gentrification can this Market take before it stops being the Market??

This presentation on February 26th was just as consistent with the process which started with high hopes 3-3 1/2 years ago, as Ben stated that the PC-1N development needs to move ahead to achieve the following: 1) The proposed PC-1 parking development needs to be part of the James Corner Waterfront Development and currently the Market project has yet to get started. 2) The Market needs to capture the proposed funding offered by the State Department of Transportation (SDOT), that will help mitigate the loss of parking changes from the Viaduct/Tunnel projects. 3) The proposed Market garage process will be transparent to include the citizen participation throughout the process. As a result of three plus years, the proposed Market parking project is leading the Waterfront Project as the James Corner project has slowed down and needs to rethink how funding can occur to pay for a yet to be defined Waterfront project. SDOT is paying out the funds to the Market PDA as the Viaduct/Tunnel project is now at $4.2 billion cost, since the decision for this effort happened in 2000, before the 2001 earthquake.

I believe that this Market development process has been far from transparent from the very beginning. What Ben had stated the planning intentions, it just did not ring true to my ear. This amount of non-transparency has continued with the Board vote for the MOU Agreement on February 9, 2015. Ben stated at this meeting that the process of the MOU Agreement was ‘as good as it was going to get and he recommended approval of it’. My point that was stated publicly, was that I did not want to settle for a MOU Agreement that is good or less. I wished to work for a process/result that was better or best, for the Market. Good or less is not good enough for this Market! James Savitt stated that the Board had made a decision to withhold the review of the MOU from the public because of the possible community objections. Given that all Board members need to perform a public oath of office to be a PDA Board member, in the action to withhold the review of the MOU Agreement from the public, the Board members had over ruled/under minded their public oath that each had been sworn to uphold. This action is a violation of their position of being a Board member. Many times, the PDA Board members had the complete documents to review in their packet, as the general public had missing pages or a version that was not available to review or different than what the members of the PDA Board members had. This is more manipulation of the
materials/process which has been going on since the beginning. The minutes for the February 9th meeting have not been prepared yet, because this is another way to withhold information from the general public to review.

The MOU Agreement also states that the Municipal Market Building had been burned down in 1970's, which is a untrue statement. To me, what process that starts with untrue directions will continue into untrue agreements and will result in continued problems ahead. The reason for this outcome is due to the negative environment that grows and continues throughout the process and documents, which will continue to create more negativity. The Market PDA only has a $10 million cushion financially, which does not provide enough of a safeguard. With the process of manipulative, driven development action steps founded on untruth, will result in continued damages to the Market, visitors, businesses, property and conclude in lawsuits. The only way to protect the Market in this situation is to have a reserve set aside for the lawsuits ahead, just like the $10 million reserve. In time, the story will be told and the truth will come out but this Market will be changed forever.

What I wish for the PDA Board to do is go and re-read the statement that started this Market on August 17, 1907, which is located under the Market clock. You need to ask yourselves, why am I here and is my participation for the better or best for this Market or will I settle for good or less? I am going to guess that you will not get the point of this process and will continue to vote, without questions, concerns or care of the future of this Market. As a Board member, the continued way of this process is ‘go along to get along’ will continue, in the sheep like manor.
Section IV:

Consent Agenda Items
Approval of Acceptance of USDA Grant Funding and Contract Approval for Lease of Farm Program Vehicle
March 2015

WHEREAS, the United States Department of Agriculture Agricultural Marketing Service annually awards competitive grants to expand marketing through the Farmers Market Promotion Program (FMPP). FMPP makes investments in marketing and promotion activities for farmers markets, CSAs and other direct producer-to-consumer outlets for local food, and;

WHEREAS, the USDA has awarded $43,500 in an FMPP grant to Pike Place Market Preservation and Development Authority (PDA), Seattle, WA. The purpose of the grant is to support the operation of small-scale farmers' markets (Pike Place Express Markets) in five dense urban neighborhoods with concentrations of low-income residents around downtown Seattle, and;

WHEREAS, this grant funding will be used to obtain a large cargo vehicle that will transport items efficiently between the Express Market locations, and;

WHEREAS, PDA staff has solicited five bids for the long-term lease of a cargo vehicle capable of transporting all of the equipment necessary to conduct the Express Markets, including a bid from AutoNation Seattle in an amount not to exceed $37,000, and;

WHEREAS, the remaining $6,500 in grant funding will be used for supplies, branding, and maintenance of the vehicle.

NOW, THEREFORE BE IT RESOLVED, that the PDA accept grant funding from the USDA in the amount of $43,500, and;

BE IT FURTHER RESOLVED, that the PDA enter into a two-year lease agreement with AutoNation Seattle for a 2014 Dodge Ram ProMaster for an amount not to exceed $37,000.

____________________________________ ______________________________
Gloria Skouge, Secretary/Treasurer                            Date

Date Approved by Council:
For: 
Against: 
Abstained:
## Lease Proposals
March 2015

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<th>Tenant</th>
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<td></td>
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Gloria Skouge, Secretary/Treasurer                             Date

Date Approved by Council:

For:
Against:
Abstained:

PROPOSED RESOLUTION 15-13
**Date:** March 17, 2015

### Business Name/Owner:
**Country Dough / Biao Yang & Yue Yang**

### Address/Building/Square feet:
1916 Pike Place #14 / Soames-Dunn / 435 sf

### Tenant Since:
New Tenant

### Primary Term:
Two (2) Years

### Options:
Three (3) Years

### Use Description:
Business specializing in Szechuan style cooking; offering dumpling cakes with savory meat and vegetarian meat fillings, noodle dishes, shave ice and assortment of dried ginseng.

### Business Name/Owner:
**Old Stove Brewing, LLC / Christopher Moore**

### Address/Building/Square feet:
1525 1st Avenue #16 / First & Pine / 1,483 sf
1530 Post Alley #19 / First & Pine / 770 sf

### Tenant Since:
New Tenant

### Primary Term:
Five (5) Years

### Options:
Two – Five (5) Year options

### Use Description:
Brewery specializing in the brewing of original craft beer on-site for the purposes of selling beer for on-site and off-site consumption. Featuring other local beers on-tap and beer driven pub fare.

### Business Name/Owner:
**Our Fabric Stash / The Art Brokeress, LLC**
Deborah & Gary Boone

### Address/Building/Square feet:
93 Pike St #103 / Economy / 1,262

### Tenant Since:
New Tenant

### Primary Term:
One (1) Year

### Options:
Two (2) Years

### Use Description:
Business specializing in the consignment and re-sale of specialty and designer fabrics, including notions and other related sewing items; finished goods made from fabric, materials and notions; and classes, alteration and customer sewing services.
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<thead>
<tr>
<th>Business Name/Owner:</th>
<th>Shug's Soda Fountain &amp; Ice Cream Shop / Colleen Wilkie &amp; Paul Dormann</th>
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</thead>
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<tr>
<td>Use Description:</td>
<td>Vintage soda fountain and ice cream shop with private party room, featuring carbonic flavored sodas, floats, shakes and malts; ice cream by the scoop, sundaes w/fresh local fruit, and ice cream novelties; and assortment of locally brewed beers, wines, champagne and espresso; no more than 10% of sales from daily soup and sandwich offerings, no more than 2% of sales from “Shug’s at the Market” T-Shirts, and other merchandise related to the soda fountain</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Business Name/Owner:</th>
<th>Conscious Wear / Tashi Dawa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address/Building/Square feet:</td>
<td>1501 Pike Place #402 / Leland 480 sf</td>
</tr>
<tr>
<td>Tenant Since:</td>
<td>Since 2010 / Change of Ownership</td>
</tr>
<tr>
<td>Primary Term:</td>
<td>One (1) Year</td>
</tr>
<tr>
<td>Options:</td>
<td>Two (2) years</td>
</tr>
<tr>
<td>Use Description:</td>
<td>Business specializing in natural fiber clothing and accessories (such as hemp, jute, cotton, and silk jackets, shirts, yoga pant, trousers, dresses, hats, scarves, gloves, and bags), fine ethnic jewelry (5%) and unique wooden masks and art objects (5%), and bolts of fabric.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Business Name/Owner:</th>
<th>House of Silver &amp; Gold / Vinod &amp; Pooja Herkishanani</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address/Building/Square feet:</td>
<td>1501 Pike Place #407 / Leland / 220 sf</td>
</tr>
<tr>
<td>Tenant Since:</td>
<td>Since 2005</td>
</tr>
<tr>
<td>Primary Term:</td>
<td>Three (3) Years</td>
</tr>
<tr>
<td>Options:</td>
<td>Two (2) Years</td>
</tr>
<tr>
<td>Use Description:</td>
<td>Shop specializing in the sale of jewelry and crystals and a limited amount of (not to exceed 15%) miniatures and Mt. St. Helen’s items.</td>
</tr>
</tbody>
</table>
PROPOSED RESOLUTION 15-16

Approval in Upgrading PPM PDA’s Access Control System
March 2015

WHEREAS, 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 quality, reliability, and expansion capability of the PPMPDA’s access control system the PPMPDA has determined that the current software and specific portions of the hardware are outdated and not compatible with any future access control components, and;

WHEREAS, the PPMPDA has executed a competitive bid review process to upgrade the PPMPDA’s current Maxxess access control software to the latest version and upgrade or replace the access control hardware

NOW, THEREFORE BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA to purchase the software and hardware from Reliable Security in an amount not to exceed $25,700.00, for upgrades to the PPMPDA’s access control system.

The funds for this project will be drawn from Capital Repair and Replacement Reserve, Account number 110630-00

____________________________________ _______________________________
Gloria Skouge, Secretary/Treasurer                            Date

____________________________________ _______________________________
Date Approved by Council:
For:  
Against:  
Abstained:
Authorization for Contract Authority – Replace Roof and Gutter System over Pike Place Fish

March 2015

WHEREAS, 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 that the roof and gutter system over Pike Place Fish will need to be replaced; and,

WHEREAS, the PPMPDA has executed a bid process to replace the roof and gutter system over Pike Place Fish; and,

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Cobra in an amount not to exceed $23,784.06 for the replacement of the roof and gutter system over Pike Place Fish.

The funds for this project will be drawn from the Levy Funds - GL Replace Roof and Gutter System Over Pike Place Fish 163227-00.

_______________________________  _______________________________
Gloria Skouge, Secretary/Treasurer                            Date

Date Approved by Council:

For: ______________________________
Against: __________________________
Abstained: _________________________
Proposed Resolution 15-17
Authorization for Contract Authority – Replace roof and gutter system over Pike Place Fish
March 2015

Proposed Resolution Costs: $23,784.06

Current Budget: $55,000

Project: Replace roof and gutter system over Pike Place Fish

Account: Levy Funds

Accounting Code: 163227-00

Project Description:
Install a new roof and gutter system, with a 20 year warranty

Scope:
The purpose of this project is to install a new roof and gutter system, the roof and gutter both currently leak

Bid Process:

Bid process: Solicited four bids, and received four bids:

- **Cobra** $21,621.87 (23,784.06 with 10% Contingency)
- **Centimark** $28,128.36
- **NW Roofing Solutions** $48,633.34
- **Snyder Roofing** $51,246.00
Authorization for Contract Authority – Replace Lowell’s and Elevator Penthouse Roofs
March 2015

WHEREAS, 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 that the roofs over the Fairley Elevator Penthouse and Lowell’s Restaurant are in need to be replaced; and,

WHEREAS, the PPMPDA has executed a bid process to replace the roofs over the Fairley Elevator Penthouse and Lowell’s Restaurant; and,

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Cobra in an amount not to exceed $63,264.72 for the replacement of both roofs over the Fairley Elevator Penthouse and Lowell’s Restaurant.

The funds for this project will be drawn from the Levy Funds - GL Lowell’s and Elevator Penthouse Roofs 163228-00.

__________________________________ ______________________________
Gloria Skouge, Secretary/Treasurer                            Date

Date Approved by Council:
For:  
Against:  
Abstained:
Proposed Resolution 15-20
Authorization for Contract Authority – Replacement of Lowell’s and Elevator Penthouse roofs
March 2015

Proposed Resolution Costs: $63,264.72
Current Budget: $65,000
Project: Replace roofs over Fairley Elevator Penthouse and Lowell’s Restaurant
Account: Levy Funds
Accounting Code: 163228-00

Project Description:
Install new roof systems, with a 20 year warranty

Scope:
The purpose of this project is to install a new roof system over the elevator penthouse and Lowell’s. Lowell’s roof system is deteriorating.

Bid Process:
Bid process: Solicited five bids, and received four bids:

- **Cobra** $55,012.80 ($63,264.72 with 15% Contingency)
- **Snyder** $58,582.50
- **Chinook** $62,415
- **Centimark** $74,815.88
- **NW Roofing** Walked Project/Declined to submit proposal
Section V:

New Business Items
PROPOSED RESOLUTION 15-18

MarketFront Public Art - Approval of Artist Design “Reflection” by GrayPants
March 2015

WHEREAS, 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 permanent 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 the artist team Graypants to create and install a piece of art entitled “Reflections” on the plaza of the MarketFront. “Reflections” is a functional bench made of letters, between 4’ x 5.5’ high, that spell out Seattle, see attached Exhibit A. The bench will be made from marine grade metal.

NOW, THEREFORE BE IT RESOLVED that the PPMPDA approves of “Reflections” being included as an installation on the rooftop plaza of the MarketFront building as shown in Exhibit A.

____________________________________  _______________________________
Gloria Skouge, Secretary/Treasurer                            Date

Date Approved by Council:
For:  
Against:  
Abstained:
Resolution 15-18: Exhibit A
Part Two
Adoption of Daystall Rules and Regulations
March 2015

WHEREAS, The PDA conducts an annual review of the Daystall Rules and Regulations; and

WHEREAS, The PDA solicited and received suggestions from the Daystall community regarding rule changes; and

WHEREAS, 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 February 10th, 2015 the Market Programs Committee held an open public meeting that discussed and considered rule changes with opportunity for public comment;

NOW, THEREFORE BE IT RESOLVED that the PPMPDA Council hereby approves the following 2015 changes to the Daystall Rules and Regulations as noted in Exhibit A.

____________________________________ _______________________________
Gloria Skouge, Secretary/Treasurer                            Date

Date Approved by Council:  
For:  
Against:  
Abstained:
# 2015 DAYSTALL RULES REVIEW

**Final Staff Recommendations**

Re. Rule Change Proposals

PDA Daystall Office 3/2/2015

<table>
<thead>
<tr>
<th>Prop #</th>
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<th>Author</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>Craftspeople</td>
<td>Craft Product Standards</td>
<td>Thomas Marnin &amp; Skye Saylor; Craftspeople</td>
</tr>
</tbody>
</table>

**Description:** Allow limited amount of "ancillary products", designed but not handmade by producer.

**Staff Recommendation:** Staff do not support this proposal. Handmade requirements of Daystall Products are too fundamental to the brand of Pike Place Market crafts to allow this sort of exception. While staff support the value of developing one’s brand, we disagree that there are not enough options for doing this within handmade guidelines and creative self-marketing.

**Public Comment Received:** 9 written comments in opposition, one verbal comment in opposition, and 2 verbal comments in support.

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<tbody>
<tr>
<td>2</td>
<td>Craftspeople</td>
<td>Craft Product Standards</td>
<td>Loren Ballard; Craftsperson</td>
</tr>
</tbody>
</table>

**Description:** Allow products that are collaborative work of 2 separate craft permits holders.

**Staff Recommendation:** This proposal offers on one hand an opportunity to offer quality handmade product options for shoppers that showcase Pike Place Market artisans, yet on the other hand risks creating a slippery slope that could threaten the integrity of our handmade standards, ie. the presence on tables of products not entirely made by the permit holder. Staff support a limited, highly regulated approach to this proposal. Essential requirements would include: 1) Both components of a collaborative product must require a highly specialized method of handmade fabrication that is not reasonably accessible to the other partner of the collaborative product arrangement. 2) Such a joint permit agreement would require formal application to the Market Master and subsequent approval. 3) The collaborative nature of the product would have to be clearly labelled on the table. “This product is a collaboration with fellow Pike Place Market artisan so-and-so”. 4) A permit holder would be limited to a single collaborative product approval representing 1 item on the table and 20% or less of the visual area of the display, the other 80% of the display consisting of approved products handmade by the permit holder displaying the product. 5) Both contributors to a collaborative product must be permitted Pike Place Market craftspeople in good standing. 6) This rule would be reviewed in next year’s rules review to ensure that it supports Market handmade standards.
### Public Comment Received:

6 written comments in opposition, 2 written comments in support, 2 written comment mixed.

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<th>Prop #</th>
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<tbody>
<tr>
<td>3</td>
<td>Craftspeople</td>
<td>Craft Attendance</td>
<td>Barb Benning; Craftsperson</td>
</tr>
</tbody>
</table>

**Description:** Advance senior craft status with one-day attendance move from the 30-year mark to the 25-year mark

**Staff Recommendation:** Staff do not support this proposal. While staff value the long-term contribution of senior craftspeople, it is important to maintain balance between the advantages of the front end of the seniority list and the ability to retain new craftspeople on the back half of the list. The primary advantage of a high seniority number is the ability to claim a more desirable table assignment by virtue of a better number. In recent years, senior craft status was established allowing a 1-day week option once a permit holder has been here 30 years, and additional vacation days have been granted at both the 20-year mark and the 25-year mark. The senior craft status was set at 30 years to mirror senior Farm Permit status, which allows exemption from the weekly point system. Senior craft vendors wishing to sell less days than they are required to do have the option of hiring a sales agent, or “doubling” with a fellow vendor. Please see staff proposal 5A which attempts to offer a limited amount of extra vacation for contributing permit holder “Meet the Producer” presence above and beyond the minimum requirement.

Public Comment Received: 4 written comments in support, 1 written comment opposed, 3 written comments mixed.

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<thead>
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<th>Prop #</th>
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<tbody>
<tr>
<td>4</td>
<td>Craftspeople</td>
<td>Craft Attendance</td>
<td>Terra Burton, Craftsperson</td>
</tr>
</tbody>
</table>

**Description:** Allow 1-day-per-week attendance for craftspeople over age 65 who have worked in the market for 15 years

**Staff Recommendation:** Staff do not support this proposal. While some limited rewards exist within the rules for vendors who have served a long time (ie. 20, 25, and 30 years), staff oppose age-based discrimination for attendance requirements and they would not be beneficial to the Market as a whole. Senior vendors wishing to sell less days than they are required to do have the option of hiring a sales agent. Please see staff proposal 5A which attempts to offer a limited amount of extra vacation for contributing permit holder “Meet the Producer” presence above and beyond the minimum requirement.

Public Comment Received: 3 written comments in support, 4 written comments in opposition.
<table>
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<th>Prop #</th>
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<th>Topic</th>
<th>Author</th>
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</thead>
<tbody>
<tr>
<td>5</td>
<td>Craftspeople</td>
<td>Craft Attendance</td>
<td>Sarah “Goldie” Goldenberg, Craftsperson</td>
</tr>
</tbody>
</table>

Description: Increase basic annual vacation allowance from 8 days per year to 12 days per year.

Staff Recommendation: Staff do not support this rule change proposal. First, staff believes that the author intended to propose “Vacation weeks from 8 to 12”, since current rules provide 8 weeks of vacation, not 8 days. Current attendance requirements allow a permit holder to be absent from the Market 8 weeks out of each year, with slightly higher allowances for long-term vendors. Current rules also require permit holders to sell themselves a minimum of one day per week, if they choose to employ a sales agent, allowing a permit holder to be in attendance for as few as 44 out of 365 days of the year. This proposal is a significant change to a longstanding “Meet the Producer” requirement in this historic, outdoor market. That being said, staff offer a counter-proposal that addresses some concerns of proposal #’s 4, 5 & 6: please see proposal 5A below.

Public Comment Received: 3 written comments in opposition, one written comment mixed.

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<th>Prop #</th>
<th>Pertains to</th>
<th>Topic</th>
<th>Author</th>
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</thead>
<tbody>
<tr>
<td>5A</td>
<td>Craftspeople</td>
<td>Craft Attendance</td>
<td>PDA Staff</td>
</tr>
</tbody>
</table>

Description: Offer additional vacation weeks for Permit Holders who surpass the minimum attendance requirement.

Staff Recommendation: As counter-proposal to above proposal #’s 3, 4, & 5, Proposal 5A would reward permit holders who work double (or more) the annual minimum number of permit holder days required, ie. 88 instead of 44, would be credited with an additional 2 vacation weeks per year at the beginning of the following calendar year. This rewards permit holders who contribute to the “Meet the Producer” presence well beyond the minimum requirement. The 88 permit holder days requirement for extra vacation would apply equally to all permit holders, regardless of how many years that they have held a permit.

Public Comment Received: 2 written in support.

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<th>Prop #</th>
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<th>Topic</th>
<th>Author</th>
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<tbody>
<tr>
<td>6</td>
<td>Craftspeople</td>
<td>Craft Attendance</td>
<td>Sharon Mukai, Craftsperson &amp; DTA Chair</td>
</tr>
</tbody>
</table>

Description: Reduce or eliminate the attendance requirement and/or the daily table rent fee for weeks in which the weather is extremely cold.
Staff Recommendation: Staff do not support this proposal. Any such reduction of the longstanding attendance requirements or of the daily table rent would require much more specific language and criteria. Currently, staff relax the closing time requirement on extremely cold days, and the vacation allowance exists in part to allow vendors to opt out of several weeks of attendance as they wish.

Public Comment Received: 4 written comments in opposition, one written comment in support.

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<thead>
<tr>
<th>Prop #</th>
<th>Pertains to</th>
<th>Topic</th>
<th>Author</th>
</tr>
</thead>
<tbody>
<tr>
<td>7</td>
<td>Craftspeople</td>
<td>Craft Set Up Times</td>
<td>Kenneth Telesco, Daystall Craft Agent</td>
</tr>
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</tbody>
</table>
| Description: Adjust the set up time requirement for craftspeople from 11:00 am to 11:30 am on days that Roll Call is at 9:30 am

Staff Recommendation: Staff do not support this proposal as written, primarily because the rule exists to ensure that a neighbor’s delayed set up will not impinge on a vendor’s ability to sell. Though the proposal has received many expressions of support through public comment, staff observation has shown that most permit holders have been able to comply with the 11am set up deadline despite a later roll call and are hesitant to delay opening any later than 11 for the sake of the shopping public. Staff would be more interested in revisiting the option of an earlier Roll Call than further delaying opening for business if the general perception is that more time is needed for set up. Staff experience regular day-to-day complaints from vendors that a neighbors delayed set up, with bins and carts still out, has blocked business and access to tables.

Public Comment Received: 7 written comments in support, 1 written comment opposed, 3 verbal comments in support, 1 verbal comment in opposition.

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<th>Prop #</th>
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<tbody>
<tr>
<td>8</td>
<td>Craft and Farm</td>
<td>Craft and Farm businesses of deceased permit holders</td>
<td>Joe Lamano; Craftsperson</td>
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<td></td>
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</table>
| Description: Allow Permit holders' family or agents to remain open for limited time following permit holders death in order to sell remaining inventory

Staff Recommendation: Staff support this proposal. Staff have essentially allowed similar activity at Market Master Discretion, and support inclusion of this concept as a rule. Staff would add the stipulation that verification of existing inventory at the onset of such period would be required to ensure authenticity of work to be sold. Allowance would be for up to 3 months, within the first 4 months following the passing of the permit holder.

Public Comment Received: 5 written comments in support, 2 written comments mixed, 3 verbal comments in support.
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<th>Prop #</th>
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<tbody>
<tr>
<td>9</td>
<td>General</td>
<td>Daystall Rules Terminology</td>
<td>Penny Pruitt; Craftsperson</td>
</tr>
</tbody>
</table>

**Description:** Replace the term "Market Master" with "Market Manager"

**Staff Recommendation:** Staff do not support this rule as written. After much discussion and consideration, staff feel that traditional business of the Daystalls are exceedingly important and deserve carefully chosen terminology. The term Market Master is asserted in the Hildt-Licata Agreement, which supersedes the Daystall rules. In the context of Pike Place Market, the definition of Market Master is akin to terms such as harbormaster or choirmaster. As a way of further establishing its special meaning, the PDA propose alternative proposal 9A, establishing the one-word term Marketmaster.

**Public Comment Received:** one written comment in support, 2 written comments in opposition, 2 written comment mixed, one verbal comment in support.

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<tbody>
<tr>
<td>9A</td>
<td>General</td>
<td>Daystall Rules Terminology</td>
<td>PDA Staff</td>
</tr>
</tbody>
</table>

**Description:** Replace the term "Market Master" with "Marketmaster"

**Staff Recommendation:** Staff propose this rule change as an alternative to proposal #9. The term Market Master is asserted in the Hildt-Licata Agreement, which supersedes the Daystall rules. In the context of Pike Place Market, the definition of Market Master is akin to terms such as harbormaster or choirmaster. As a way of further establishing its special meaning, the PDA could similarly use the one-word term Marketmaster.

**Public Comment Received:**

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<tbody>
<tr>
<td>10</td>
<td>Farmers</td>
<td>Farm Flower Bouquets</td>
<td>Gary Davis; Craftsperson</td>
</tr>
</tbody>
</table>

**Description:** Proposes wet paper wraps replace bagged water in Market flower bouquets
Staff Recommendation: Staff do not support this proposal. Staff do not think it is sufficiently justified to regulate flower bouquets to this degree, and that this issue can be adequately addressed by communication with customers.

Public Comment Received: 3 written comments in support, 4 written comments in opposition, one written comment mixed, one verbal comment in support, one verbal comment in opposition, one verbal comment mixed.

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<tbody>
<tr>
<td>11</td>
<td>General</td>
<td>Use of Daystall Tables</td>
<td>Jon Strongbow, Craftsperson</td>
</tr>
</tbody>
</table>

Description: Proposes special event on New Year’s Day with allowance for non-permitted items to be sold.

Staff Recommendation: Staff do not support this proposal for two reasons. Firstly, the PDA has opened the Daystalls on New Year’s Day in response to vendor interest in taking advantage of existing crowds, and does not deem it feasible to extend further resources on supporting a special event, beyond the current Daystall practice, on this day. Secondly, opening the Daystalls to products that are not supported by the Hildt-Licata Agreement and the Daystall Rules undermines the public perception of our cherished farm-grown and handmade, “Meet the Producer”-driven brand. If staff were to explore a possible special event in the Daystalls, it would be something that promotes artisanal, producer-driven aspects of our traditional businesses. Instead of having a flea market, perhaps have an annual “Artists’s Seconds Sale”. The PDA Rummage Hall is available for rental throughout the year, and individuals can make arrangements with the PDA Events Program to rent spaces to hold their own special events.

Public Comment Received: 7 written comments in opposition, one written mixed comment, one verbal comment mixed, 4 verbal comments in opposition, one verbal comment in support.

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<tbody>
<tr>
<td>12</td>
<td>Farm and Crafts</td>
<td>Daystall Table Rent Increase</td>
<td>PDA Staff</td>
</tr>
</tbody>
</table>

Description: Increase daily table rent fees by 3%

Staff Recommendation: Staff Supports its own proposal.

Public Comment Received: 1 written comment against, 4 written comments mixed, one verbal comment against.
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<tbody>
<tr>
<td>13</td>
<td>General</td>
<td>Permit Holder Conduct</td>
<td>PDA Staff</td>
</tr>
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</table>

Description: Establish egregious violations of the standards of behavior towards others as grounds for permit revocation

Staff Recommendation: Staff amends its initial proposal in response to public comment expressing an interest in greater specificity in the language of this rule, added wording shown in **bold type**:

Egregious instances of behavior toward others that are rough, menacing, vulgar, profane or abusive, including discrimination based on race, ethnicity, gender, sexual orientation, age, disability or national origin, may also result in revocation if they are deemed by the Market Master to be especially malicious, injurious or disruptive to Market functions.

As with any violation in the Daystall Rules, an individual who might be subject to this rule would still have same avenues of appeal that currently exist in the Administrative Guidelines for the Enforcement of Rules of the Daystall Rules and Regulations.

Public Comment Received: 2 written comment in support, 2 written comment in opposition, 4 written comments mixed, 2 verbal comments mixed.
# 2015 Annual Daystall Rules Review: Proposal Packet

<table>
<thead>
<tr>
<th>PROP #</th>
<th>AUTHOR</th>
<th>REPRESENTING</th>
<th>AFFECTING</th>
<th>BRIEF DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Thomas Marnin &amp; Skye Saylor</td>
<td>Craftsperson</td>
<td>Craft Product Standards</td>
<td>Allow limited amount of &quot;ancillary products&quot;, designed but not handmade by producer</td>
</tr>
<tr>
<td>2</td>
<td>Loren Ballard</td>
<td>Craftsperson</td>
<td>Craft Product Standards</td>
<td>Allow products that are collaborative work of 2 separate craft permits holders.</td>
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<tr>
<td>3</td>
<td>Barb Benning</td>
<td>Craftsperson</td>
<td>Craft Attendance</td>
<td>Advance senior craft status with one-day attendance move from the 33-year mark to the 25-year mark</td>
</tr>
<tr>
<td>4</td>
<td>Terra Burton</td>
<td>Craftsperson</td>
<td>Craft Attendance</td>
<td>Allow 1-day-per-week attendance for craftspeople over age 65 who have worked in the market for 15 years</td>
</tr>
<tr>
<td>5</td>
<td>Sarah &quot;Goldie&quot; Goldenberg</td>
<td>Craftsperson</td>
<td>Craft Attendance</td>
<td>Increase basic annual vacation allowance from 8 weeks per year to 12 weeks per year</td>
</tr>
<tr>
<td>6</td>
<td>Sharon Mukal</td>
<td>Craftsperson</td>
<td>Craft Attendance</td>
<td>Reduce or eliminate the attendance requirement and/or the daily table rent fee for weeks in which the weather is extremely cold</td>
</tr>
<tr>
<td>7</td>
<td>Kenneth Telesco</td>
<td>Craft Agent</td>
<td>Craft Set Up</td>
<td>Adjust the set up time requirement for craftspeople from 11:00 am to 11:30 am on days that Roll Call is at 9:30 am</td>
</tr>
<tr>
<td>8</td>
<td>Joe Lamsno</td>
<td>Craftsperson</td>
<td>Craft and Farm businesses of deceased permit holders</td>
<td>Allow Permit holders’ family or agents to remain open for limited time following permit holders death in order to sell remaining inventory</td>
</tr>
<tr>
<td>9</td>
<td>Penny Pruitt</td>
<td>Craftsperson</td>
<td>Daystall Rules Terminology</td>
<td>Replace the term “Market Master” with “Market Manager”</td>
</tr>
<tr>
<td>10</td>
<td>Gary Davis</td>
<td>Craftsperson</td>
<td>Farm Flower Bouquets</td>
<td>Proposes wet paper wraps replace bagged water in Market flower bouquets</td>
</tr>
<tr>
<td>11</td>
<td>Jon Strongbow</td>
<td>Craftsperson</td>
<td>Use of Daystall Tables</td>
<td>Proposes special event on New Year’s Day with allowance for non-permitted items to be sold</td>
</tr>
<tr>
<td>12</td>
<td>PDA Staff</td>
<td>PDA</td>
<td>Daystall Table Rent Increase</td>
<td>Increase daily table rent fees by 3%</td>
</tr>
<tr>
<td>13</td>
<td>PDA Staff</td>
<td>PDA</td>
<td>Permit Holder Conduct</td>
<td>Establish egregious violations of the standards of behavior towards others as grounds for permit revocation</td>
</tr>
</tbody>
</table>
Proposal #1

Daystall Rule Change Proposal Form

Please write legibly. Unreadable proposals will be returned to author.

Name: Thomas Marnin & Skye Saylor
Contact info (for any clarification): 

You are (circle one):

- Daystall Craftsperson
- Daystall Busker
- Daystall Farmer
- PDA Staff
- General Public
- PPM Commercial Business
- Other

Proposal relates to (circle one):

- Craftspeople
- Farmers
- Buskers
- General
- Other

Proposed Daystall Rule Change: Please be as concise as possible, continue on back if needed

Use of external non-creative production, wherein the production process adds significantly less value to the product than does the design process, will be allowed for ancillary "brand specific" products. "Brand specific" will be defined as aesthetics solely associated with the permit holder's products and branding. The ancillary products must represent 15% or less of table space. The visual dominance of the permit-holder-created, handmade product must be maintained on the table.

Ancillary brand specific items will be further limited to non-competitive and unique imagery unassociated with the established culture of the Pacific Northwest, regardless of personal branding. For example, brand specific items would not include the Seahawks logo, Space Needle profile, Starbucks cup, or the Pike Place Market pig, even if those objects appear within the permit holder's handmade products or branding.

The ancillary products must be fully designed by the permit holder. External production must be done within the state of Washington. All ancillary brand specific products will be subject to the same jurying and add-on screening procedures as handmade items.

Rationale: Reason(s) why you think the rule should be changed

The value of our toys is not only created through fine craftsmanship but also through the experience of entering into our little four foot world. We have always wanted to make specialized products (stickers, cast keychain danglers) to better contextualize our toys. Some of those products require production tools outside of our means. As long as we remain true to the goals of the market, enforced through jurying, self-designed specifications, and the 15% table rule, there should be room to allow brand growth.
Proposal # 2

Daystall Rule Change Proposal Form

Deadline for submission for 2015 Rules Review is Wednesday, January 7, 2015. Please write legibly. Unreadable proposals will be returned to author.

You are (circle one): Loren Ballard

   Daystall Craftsperson   Daystall Busker   Daystall Farmer   PDA Staff
   General Public   PPM Commercial Business   Other

Proposal relates to (circle one):

   Craftsperson   Farmers   Buskers   General   Other

Proposed Daystall Rule Change: Please be as concise as possible, continue on back if needed

Permit Holders Collaborating

Permit Holders Collaborating to invent exciting new products.
You could only work with other permit holders in the market.
There would need to be an agreement between producers about prices sold by other parties.

Rationale: Reason(s) why you think the rule should be changed

Businesses working together to sell products and develop new products.

We would like to be able to place other artist work into ours such as; Grape clusters made by Steel Images Team logos by Allen Boyce Laser cut inlays done by Scott Alberts and Chuck
We could sell along with our staves, custom glass blown by Gina or KOBO glass. Cindy makes nice bottle stoppers that we could include in our sale of different pieces.

Two Heads are better than one!
Many businesses have become stagnant. They need a new look. They need help to reinvent their products. They need help to stay productive. Too be able to make a living.
We could help teach each other how to make their and our products even better.

List of supporting vendors:
Loren & Ron Ballard  Allen Boyce  Orion Brothers  Daniel Flemming  Chuck  Scott Alberts
Proposal #3

Daystall Rule Change Proposal Form

Deadline for submission for 2015 Rules Review is Wednesday, January 7, 2015. Please write legibly. Unreadable proposals will be returned to author.

Name Barb Benning
Date 1/5/15

Contact info (for any clarification)

You are (circle one):

Daystall Craftsperson Daystall Busker Daystall Farmer PDA Staff
General Public PPM Commercial Business Other ________________

Proposal relates to (circle one):

Craftspeople Farmers Buskers General Other ________________

Proposed Daystall Rule Change: Please be as concise as possible, continue on back if needed

I request to revise seniority requirement for artisans for one day attendance per week from 30 years to 25 years seniority.

Rationale: Reason(s) why you think the rule should be changed

Would provide artisans more efficient use of time to produce product as well as reward longevity at the market.

Pike Place Market Preservation & Development Authority (PDA) · info@pikeplacemarket.org · pikeplacemarket.org
P: 206.682.7453 · F: 206.625.0646 · 85 Pike Street, Room 500 · Seattle, WA 98101

PDA Council Packet 3.26.15 -120
Proposal #4

Daystall Rule Change Proposal Form

Deadline for submission for 2015 Rules Review is Wednesday, January 7, 2015. Please write legibly. Unreadable proposals will be returned to author.

Name _______________________________ Date __________________

Contact info (for any clarification) ____________________________________________

You are (circle one):

Daystall Craftsperson  Daystall Busker  Daystall Farmer  PDA Staff

General Public  PPM Commercial Business  Other __________________________

Proposal relates to (circle one):

Craftspeople  Farmers  Buskers  General  Other __________________________

Proposed Daystall Rule Change: Please be as concise as possible, continue on back if needed

Allow permit holders that have sold in the market for 15 years and are over 65 years old to work 1 day a week to fulfill attendance requirement.

Rationale: Reason(s) why you think the rule should be changed

There are many of us that are over 65 years old, that do very labor intensive work and do not use agents. Many of us have health issues that are made worse by the cold. Illness, such as the flu or a cold can take much longer to recover from. Often we take vacation time or a "home vacation" to reduce exposure to winter conditions. This rule change would alleviate some of the stress of attendance in the cold damp weather.
Proposal #5

Daystall Rule Change Proposal Form

Deadline for submission for 2015 Rules Review is Wednesday, January 7, 2015. Please write legibly. Unreadable proposals will be returned to author.

Name: Sarah Goldberg  Date: 1-7-15

Contact info (for any clarification):

You are (circle one): Daystall Craftsperson  Daystall Busker  Daystall Farmer  PDA Staff

General Public  PPM Commercial Business  Other

Proposal relates to (circle one): Craftspeople  Farmers  Buskers  General  Other

Proposed Daystall Rule Change: Please be as concise as possible, continue on back if needed

Vacation Days from 8 to 12

Rationale: Reason(s) why you think the rule should be changed

There is a variety of crafts at the market and as much difference in the labor intensity of what it takes to produce for each individual craftsperson. Instead of proposing that some get less vacation some get more asking for more days for everyone seems reasonable and would be appreciated by long-time craft people as well as anyone who does more labor intensive product to produce.
Daystall Rule Change Proposal Form
(Deadline for 2015 Rules Review Submissions is Wednesday, January 7, 2015)

(Please write legibly: unreadable proposals will be returned to author.)

Name: Muskie Date: 1/7/15

Contact info (staff may need to contact you for clarification)

You are (circle one):
- Daystall Craftsperson
- Daystall Busker
- Daystall Farmer

PDA Staff General Public PPM Commercial Business

Other:

Proposal relates to (circle one):
- Craftspeople
- Farmers
- Buskers
- General
- Other:

Proposed Daystall Rule Change:
(Please be as concise as possible, continue on back if needed)

On the infrequent days of very cold weather that occur around Christmas especially,
I propose that attendance requirements for that week become more flexible and allow for
working on a Saturday with no required days for attendance that week, if the weather

Rationale:
(Reason(s) why you think the rule should be changed)

The daystalls have no source of heat and although this is not often a problem it will always be one in the
winter. I doubt we will ever have heat in the daystall area.
proposed rule change;

has been consistently very cold. Because Seattle has so much humidity in the winter the cold is much more intense. Reducing or eliminating rent for such cold days is also an option.

rationale:
because it is not feasible in an open air market. Therefore, some allowances need to be made and a procedure put in place within the structure of the Day Stall Rules.
Proposal #7

Daystall Rule Change Proposal Form

Deadline for submission for 2015 Rules Review is Wednesday, January 7, 2015. Please write legibly. Unreadable proposals will be returned to author.

Name: KENNETH TELESCO  Date: 3/15/15

Contact info (for any clarification): 

You are (circle one):

Daystall Craftsperson  Daystall Busker  Daystall Farmer  PDA Staff

General Public  PPM Commercial Business  Other  Daystall Agent

Proposal relates to (circle one):

Craftspeople  Farmers  Buskers  General  Other

Proposed Daystall Rule Change: Please be as concise as possible, continue on back if needed

During the months when Roll Call is at 9:30 please allow us to have an additional 1/2 hour set of time with our casts not needing to be closed away until 11:30.

Rationale: Reason(s) why you think the rule should be changed

It's not always possible to be completely set up and our casts stashed away in less than 2 hours.

Thanks very much for your consideration of this matter.

Pike Place Market Preservation & Development Authority (PDA)  info@pikeplacemarket.org  pikeplacemarket.org
P: 206.682.7453  F: 206.625.0646  85 Pike Street, Room 500, Seattle, WA 98110
Daystall Rule Change Proposal Form

Please write legibly. Unreadable proposals will be returned to author.

You are (circle one):

Daystall Craftsperson
Daystall Busker
Daystall Farmer
PDA Staff

General Public
PPM Commercial Business
Other ______________________

Proposal relates to (circle one):

Craftspeople
Farmers
Buskers
General
Other ______________________

Proposed Daystall Rule Change: Please be as concise as possible, continue on back if needed

I would like to suggest that a rule be established for a permit holder who wishes to continue their business at PPM after they are deceased.

The proposed rule would establish that their permit would remain active for 3-4 months after their death. In that case their agents, family or partner would have the opportunity to sell off their remaining inventory.

Rationale: Reason(s) why you

Thank You for your participation in this matter.

Joe Lamanno, Artist

For those of you who have been on the market for a long time we start to think about our mortality although it may always surprise us....

Thank you for coming up with a proposal that could extend our opportunities a little bit longer.
Proposal #9

Daystall Rule Change Proposal Form

Deadline for submission for 2015 Rules Review is Wednesday, January 7, 2015. Please write legibly. Unreadable proposals will be returned to author.

Name PENNIE PRUITT Date 1.7.2015

Contact info (for any clarification)

You are (circle one):

Daystall Craftsperson
Daystall Busker
Daystall Farmer
PDA Staff

General Public
PPM Commercial Business
Other

Proposal relates to (circle one):

Craftsperson
Farmers
Buskers
General
Other

Proposed Daystall Rule Change: Please be as concise as possible, continue on back if needed

I propose the term "Market Master" be permanently changed to "Market Manager." This is the title David Dickenson uses on his e-mail correspondence with us; "Master" is still used verbally.

Rationale: Reason(s) why you think the rule should be changed

The term "Master" is an antiquated one. In reading the history of the Daystalls the term "Market Manager" was utilized in the 1930s.
Proposal #10

Daystall Rule Change Proposal Form

Deadline for submission for 2015 Rules Review is Wednesday, January 7, 2015. Please write legibly. Unreadable proposals will be returned to author.

You are (circle one):

Daystall Craftsperson  Daystall Busker  Daystall Farmer  PDA Staff

General Public  PPM Commercial Business  Other

Proposal relates to (circle one):

Craftspeople  Farmers  Buskers  General  Other

Proposed Daystall Rule Change: Please be as concise as possible, continue on back if needed

Farmer

Stop putting flowers in bags of water and go to wrapping flowers in wet newspaper instead.

Rationale: Reason(s) why you think the rule should be changed

This would save the market water, but more importantly it would eliminate the damage to craft products from unintended spilling of water on products. It would also reduce the slippery walkways that has caused people to fall down.
Proposal #11

Daystall Rule Change Proposal Form

Deadline for submission for 2015 Rules Review is Wednesday, January 7, 2015. Please write legibly. Unreadable proposals will be returned to author.

Name: Jon Strange

Date: Jun 5, 2015

Contact info (for any clarification)

You are (circle one):

- Daystall Craftsperson
- Daystall Busker
- Daystall Farmer
- PDA Staff
- General Public
- PPM Commercial Business
- Other

Proposal relates to (circle one):

- Craftspeople
- Farmers
- Buskers
- General
- Other

Proposed Daystall Rule Change: Please be as concise as possible, continue on back if needed

I propose that once a year on New Year's Day we stage an event - in order to encourage mobile vendors to show up when in fact that day only we are allowed to bring wacky items to sell - a la a "swap meet" rummage sale - (more akin to the Sunday farmers market) but these swap meet items would be extras & wouldn't dominate our tables. This was actually Mike Shciable's idea... but I liked it!

Rationale: Reason(s) why you think the rule should be changed

It would be fun - and might turn into a cool annual event that could bring more folks to the market on that day.
Daystall Rule Change Proposal Form

Please write legibly. Unreadable proposals will be returned to author.

Name ____________________________ Date 1/5/2015

Contact info (for any clarification) ____________________________ 206.682.7453

You are (circle one):
- Daystall Craftsperson
- Daystall Busker
- Daystall Farmer
- General Public
- PPM Commercial Business
- Other ____________________________

Proposal relates to (circle one):
- Craftspeople
- Farmers
- Buskers
- General
- Other ____________________________

Proposed Daystall Rule Change: Please be as concise as possible, continue on back if needed

Under Administrative Guidelines Regarding Enforcement, in paragraph “Other

Grounds for Revocation”, add the following passage:

Egregious instances of behavior toward others that are rough, menacing, vulgar,

profane or abusive may also result in revocation if they are deemed by the

Market Master to be especially malicious, injurious or disruptive to Market functions.

Rationale: Reason(s) why you think the rule should be changed

Behaviors that significantly undermine the safety and the professional

atmosphere of the Daystall environment should not require a second occurrence

within 12 months to result in loss of permit.
Daystall Rule Change Proposal Form

Deadline for submission for 2015 Rules Review is Wednesday, January 7, 2015. Please write legibly. Unreadable proposals will be returned to author.

Name: PDA Staff

Date: 1/5/2015

Contact info (for any clarification): 206.682.7453

You are (circle one):

- Daystall Craftsperson
- Daystall Busker
- Daystall Farmer
- General Public
- PPM Commercial Business
- Other

Proposal relates to (circle one):

- Craftspeople
- Farmers
- Buskers
- General
- Other

Proposed Daystall Rule Change: Please be as concise as possible, continue on back if needed

Raise daily Daystall table rental rates by 3%, appearing as follows:

Rental Rates for Day Tables
Showing Current rates in BLACK & proposed rates in RED

<table>
<thead>
<tr>
<th></th>
<th>Mon-Thu</th>
<th>Friday</th>
<th>Saturday</th>
<th>Sunday</th>
</tr>
</thead>
<tbody>
<tr>
<td>Off-Peak Rates (Jan-Mar)</td>
<td>$6.55</td>
<td>$14.55</td>
<td>$21.55</td>
<td>$13.55</td>
</tr>
<tr>
<td>Shoulder Season Rates (April-May &amp; October-December)</td>
<td>$11.55</td>
<td>$22.25</td>
<td>$32.25</td>
<td>$22.25</td>
</tr>
<tr>
<td>Peak Season Rates (June-September)</td>
<td>$12.90</td>
<td>$29.80</td>
<td>$34.80</td>
<td>$32.80</td>
</tr>
</tbody>
</table>

Rationale: Reason(s) why you think the rule should be changed

Helps offset rising operational costs and is consistent with rent increases for Commercial tenants.
Daystall Rules Review Schedule 2015

Updated 2/14/2015

Wednesday, January 7, 2015: Deadline for 2015 Daystall Rule Change Proposals
Completed proposal forms must be turned in to Daystall staff or to PDA Front Desk by 5:00 p.m.

Friday, January 16, 2015: Distribution of Rule Change Proposals
Mailed to PDA Council members and available at PDA Front Desk for all other interested parties.

Wednesday, January 28, 2015: 1st Daystall Community Meeting
The Classroom, 5:00 p.m.
Daystall staff will present the rule change proposals and listen to initial community feedback.

Thursday, February 5, 2015: 2nd Daystall Community Meeting
The Classroom, 5:00 p.m.
Community comment session regarding proposed rule changes.

Tuesday, February 10, 2015: Market Programs Committee of PDA Council
Short Presentation of Proposed Rules, 4:00 p.m.
Daystall staff will present a draft of proposed rule changes to Council members.

Wednesday, February 25, 2015 (deadline extended)
Friday, February 20, 2015: Deadline for written responses to draft rules proposals
Daystall staff must receive responses by 5:00 p.m.

Monday, March 2, 2015: Final draft proposals distributed
Mailed to PDA Council members and available at PDA Front Desk for all other interested parties.

Tuesday, March 10, 2015: Market Programs Committee of PDA Council
Presentation of Rules for Full Discussion, 4:00 p.m.
Public hearing on recommended changes to the Daystall Rules and Regulations.

Thursday, March 26, 2015: PDA Council Mtg.
Rules Presentation & Final Approval, 4:00 p.m.
Council will vote on the proposed recommendations for the 2014-2015 Daystall Rules & Regulations

For more information: please contact David Dickinson at 206.774.5224 or davidd@pikeplacemarket.org
PROPOSED RESOLUTION 15-23

Approval for Rental of Emergency Overflow Shelter for Daystall Vendors
March 2015

WHEREAS, From March 2014 through May 2014 the PDA experienced an extreme shift in Daystall table availability, resulting in a total of 140 vendor turn-aways, including as many as 22 in a single day; and,

WHEREAS, the PDA has acquired approval from the Market Historical Commission for temporary placement of a 20’ x 40’ tent providing up to 16 extra covered Daystall tables from early April through mid-May; and,

WHEREAS, the PDA staff has solicited four bids for temporary shelter options, including two rentals and two custom tent purchases; and,

WHEREAS, the PDA has secured approval from Seattle Fire Department and Seattle Department of Transportation; and,

WHEREAS, the PDA has solicited input and support of Daystall Craftspeople affected by the shortage of table availability and the placement of the proposed temporary shelter structure; and,

NOW, THEREFORE BE IT RESOLVED, that the PDA contract for a 6-week rental of a 20’ x 40’ tent set up from ABC Special Event Rentals by CORT for an amount not to exceed $13,000.

The funds for this project will be drawn from the Contingency for Unknown Projects budget. GL code: 160970-00.

____________________________________ _______________________________
Gloria Skouge, Secretary/Treasurer                            Date

Date Approved by Council:
For: 
Against: 
Abstained:
Approval of Development Agreement Exhibits: Exhibit E - Form of Quit Claim Deed, Exhibit F - Form of Covenant and Exhibit G - Form of Easement
March 2015

WHEREAS, The Pike Place Market Preservation and Development Authority (“PPMPDA”) has been actively engaged in the prospective redevelopment of the PC-1N site with the MarketFront project (MarketFront) in conjunction with emerging plans for the redevelopment of the central waterfront by the City, as reflected in over 15 resolutions adopted by the PPMPDA Council since 2012; and

WHEREAS, Consistent with the guidance provided by the PPMPDA Council-adopted resolutions, the PPMPDA has completed the negotiation process with the City for a Development Agreement Concerning Redevelopment of the PC-1 North Site Within the Pike Place Market Historical District (the “Development Agreement”); and

WHEREAS, The PPMPDA previously approved the Development Agreement Concerning Redevelopment of the PC-1 North Site Within the Pike Place Market Historical District between the Pike Place Market PDA and the City of Seattle at the February 9th Special Meeting of the PDA Council with Resolution 15-10; and

WHEREAS, PDA Council approval of the Development Agreement was subject to review and approval of exhibits E - Quit Claim Deed, F - Form of Covenant and G - Form of Easement by the PDA council at its February 26, 2015 meeting; and

WHEREAS, PDA Council approval of the Development Agreement was subject to review and approval of exhibits E - Quit Claim Deed, F - Form of Covenant and G - Form of Easement by the PDA council at its February 26, 2015 meeting; and

NOW, THEREFORE BE IT RESOLVED that

1. Exhibit E - Form of Quit Claim Deed, Exhibit G - Form of Easement and as amended by the Seattle City Council, Exhibit F - Form of Covenant as attached hereto are approved by the PDA council.

Gloria Skouge, Secretary/Treasurer Date

Date Approved by Council:
For:
Against:
Abstained:
COVENANTS FOR LOW-INCOME HOUSING AND PUBLIC PARKING

GRANTOR: PIKE PLACE MARKET PRESERVATION AND DEVELOPMENT AUTHORITY, a Washington public corporation

GRANTEE: The City of Seattle, a Washington municipal corporation

SUMMARY LEGAL DESCRIPTION: Parcel B of City of Seattle Lot Boundary Adjustment Number 880103 under recording number 8807750812 and amended by recording number 8811290942.

TAX PARCEL NUMBER: 197720-0330

RELATED DOCUMENTS: N/A

The covenants herein (collectively, this "Agreement") are made on or as of the ____day of ______________, 2015, for the benefit of The City of Seattle, a municipal corporation of the State of Washington ("City"), by PIKE PLACE MARKET PRESERVATION AND DEVELOPMENT AUTHORITY, a Washington public corporation ("Authority"), whose address is 85 Pike St., Room 500, Seattle, WA 98101. This Agreement is made as a condition of, and as part of the consideration for, the transfer the land described below to Authority by the City, and is made pursuant to RCW 35.21.747, RCW Ch. 35.81 and Seattle Ordinance ____________.

WHEREAS, the Authority owns certain real property located at 1901 Western Ave., Seattle, WA ("Property"), which Property is legally described as:

COVENANTS FOR LOW-INCOME HOUSING AND PUBLIC PARKING - 1
Those portions of Lots 5 through 12, Block 36, and that certain unnumbered tract or lot lying generally southeast of Block 36, delineated on an Addition to the Town of Seattle as Laid Out by A.A. Denny (commonly known as A.A. Denny’s 6th Addition to the City of Seattle), as recorded in Volume 1 of plats, page 99, in King County, Washington, and those portions of the vacated alley in said Block 36 and vacated Pine and Stewart Streets more particularly described as follows:

Beginning at the most northerly corner of Lot 5, Block 36, of said plat of A.A. Denny’s Sixth Addition to the City of Seattle;

Thence southwesterly along the northwesterly margin of said Lot 5 to its intersection with the northeasterly line of Armory Way, as established by condemnation Ordinance No. 66339, as amended by Ordinance No. 67125;

Thence southeasterly along said northeasterly line of Armory Way to a point on a line parallel with and 30 feet northwest of the northwesterly line of Block H, Addition to the Town of Seattle as Laid out by A.A. Denny (commonly known as A.A. Denny’s 4th Addition to the city of Seattle), as recorded in Volume 1 of plats, page 69, in King County, Washington;

Thence northeasterly along said parallel line to the southwesterly line of Western Avenue as widened under the provisions of Ordinance Nos. 11704 and 18109 of the City of Seattle;

Thence northwesterly along said southwesterly line of Western Avenue to its intersection with the northwesterly line of Lot 6, Block 36, said plat of A.A. Denny’s 6th Addition to the City of Seattle;

Thence southwesterly along the northwesterly line of said Lot 6 to the most westerly corner thereof;

Thence southwesterly along the southwesterly projection of the northwesterly line of said Lot 6 to the point of beginning;

(Also known as Parcel B of City of Seattle Lot Boundary Adjustment Number 8800103, recorded under recording number 8807250812 and amended by recording number 8811290942); and

WHEREAS, by Ordinance ____________, the Seattle City Council authorized the transfer of the Property to the Authority pursuant to a Development Agreement dated ________________, 2015 (“Development Agreement”) on condition that this Agreement be made and the covenants below be granted by the Authority; and

COVENANTS FOR LOW-INCOME HOUSING AND PUBLIC PARKING - 2
WHEREAS, the Authority is also granting to the City that certain Perpetual Easement for Public Access ____________________ of even date (“Easement”);

NOW, THEREFORE, in consideration of the foregoing and of the conveyance of the Property, the Authority hereby grants, agrees to, and imposes upon the Property the following covenants and restrictions:

1. Term of Agreement; General Obligation of the Authority

Commencing on the date (“Commencement Date”) that is the “Completion Date” as defined in the Project Schedule incorporated into the Development Agreement and continuing for fifty (50) years thereafter (the “Term”), and except as provided in the Easement, the Authority shall use the Property only to construct, renovate, maintain, lease, and operate buildings consistent with the terms of this Agreement.

2. Low-Income Housing.

   (a) Beginning on the Commencement Date and continuing for the Term, the Authority shall operate or cause to be operated at least forty (40) Units of rental housing of which at least twenty (20) shall be occupied only by Extremely Low-Income Families and at least twenty (20) others shall be occupied only by Very Low-Income Families. Units for Extremely Low-Income Families shall be Affordable to Extremely Low-Income Families and Units for Very Low-Income Families shall be Affordable to Very Low-Income Families. The Authority shall maintain or cause to be maintained such Units and related common areas, and all portions of any structure that includes or supports such Units, at all times in good condition and repair, and shall maintain and operate such Units in compliance with all ordinances applicable to Units offered for rent or occupied as rental housing.

   (b) For purposes of this Section the following definitions apply:

   “Annual Income” means the annual income of a Family as determined, unless otherwise approved in writing by the City, in accordance with 24 CFR Section 5.609 or successor provision, and unless otherwise approved in writing by the City’s Office of Housing (“OH”) shall be calculated in accordance with 24 CFR Section 92.203(d) or successor provision, subject to any interpretations, modifications or assumptions that may be promulgated by HUD.

   “City Loan” means any loan from The City of Seattle Office of Housing to the Master Lessee to provide a portion of the financing for the development of the Housing Project.

COVENANTS FOR LOW-INCOME HOUSING AND PUBLIC PARKING - 3
“City Loan Agreement” means that certain loan agreement to be entered into between the City and the Master Lessee setting forth the terms and conditions of the City Loan.

“City Loan Documents” means those documents to be executed by the Authority or the Master Lessee, or both, in connection with the City Loan, including but not limited to the City Loan Agreement and City Regulatory Agreement.

“City Regulatory Agreement” means the Regulatory Agreement (Covenants and Easements for Low-Income Housing) to be recorded against the Property in connection with the City Loan.

“Eligible Household” means, for an Extremely Low-Income Unit, an Extremely Low-Income Family, and for a Very Low-Income Unit, a Very Low-Income Family.

“Extremely Low-Income Family” means Family whose Annual Income, at the time of initial occupancy, does not exceed 30% of Median Income.

“Extremely Low-Income Unit” means a dwelling unit designated for occupancy by Extremely Low-Income Families under this Agreement.

“Family” has the meaning set forth in 24 CFR Section 5.403, or successor provision, and includes an individual person.

“Housing Project” means the improvements to be constructed on a portion of the Property which shall include at least 40 units of low-income residential rental housing and ancillary improvements.

“Investor Member” means any non-managing member of the Master Lessee who has made an equity contribution to the Housing Project in accordance with a budget or other document approved by OH.

“Families” means more than one Family.

“Master Lease” means that long term financing lease to be executed by the Authority and the Master Lessee with respect to the Housing Project with the express written consent of the OH Director.

“Master Lessee” means Western Avenue Senior Housing LLC, a Washington limited liability company.

“Median Income” means median family income for the Seattle area, as published from time to time by HUD, as adjusted for Family size so that the ratio of the Median Income for any
Family size to such published median family income is the same as the ratio of the “low-income” limit for that Family size published by HUD for the Section 8 subsidy program for the Seattle area, or any successor program, to the “low-income” limit for that program for a Family size of four persons as published by HUD. If in any year HUD shall publish median family income data for more than one area that includes Seattle, then unless otherwise approved in writing by the OH Director, the lowest of such median family income figures shall be used. If, at any time, Median Income for a Family size cannot be determined under the foregoing sentences based on data published by HUD for the Seattle area within the most recent thirteen months, then the City may determine “Median Income” for such Family size based on any data for the Seattle area or an area including Seattle, published or reported by a federal, state, or local agency, as the City shall select in its sole discretion, adjusted for Family size in such manner as the City shall determine in its sole discretion. For Family sizes that are not integers, the Median Income shall be determined by the City by averaging the Median Incomes for the next higher and lower integral Family sizes as determined under this paragraph.

“Office of Housing” or “OH” means the City of Seattle Office of Housing or any successor department, office or agency of the City.

“Operating Agreement” means the Operating Agreement of Western Avenue Senior Housing LLC and any amendment and restatement of such Operating Agreement as approved by the Office of Housing.

“Unit” means a residential rental unit at the Property.

“Utility Allowance” means an allowance approved by the City for utilities and services payable by tenants, which shall be equal to the utility allowance allowed by the Washington State Housing Finance Commission under Section 42 of the Internal Revenue Code and the regulations pertaining thereto for such long as such Commission provides such an allowance no less frequently than annually. If such Commission does not provide a utility allowance under such provisions no less frequently than annually, then the Utility allowance, which unless otherwise directed by HUD, shall be equal to the utility allowance published from time to time by the Seattle Housing Authority (“SHA”) for the type of Unit in which the City determines that utilities are most nearly comparable to those for such Unit, or, if the City determines that no reasonably comparable figures are available from SHA, the utility allowance shall be such amount as the City determines from time to time is an adequate allowance for utilities and services (to the extent such items are not paid for tenants by the Authority). The Utility Allowance shall not include telephone services.
“Very Low-Income Family” means a Family whose Annual Income, at the time of initial occupancy, does not exceed 50% of Median Income.

“Very Low-Income Unit” means a Unit designated for occupancy by Very Low-Income Families in accordance with this Agreement that is not an Extremely Low-Income Unit.

(c) A Unit is considered "Affordable to an Extremely Low-Income Family if the monthly rent paid by the Family occupying the Unit together with the Utility Allowance is no greater than one-twelfth of 30% of 30% of Median Income, and is considered “affordable” to a Very Low-Income Family if the monthly rent paid by the Family occupying the Unit together with the Utility Allowance is not greater than one-twelfth of 30% of 50% of Median Income, in each case using Median Income for the presumed household size corresponding to the size of Unit as set forth below, regardless of the number of persons actually occupying the Unit:

<table>
<thead>
<tr>
<th>Unit size</th>
<th>Presumed household size</th>
</tr>
</thead>
<tbody>
<tr>
<td>Studio or SRO</td>
<td>1 person</td>
</tr>
<tr>
<td>1 bedroom</td>
<td>1.5 persons</td>
</tr>
<tr>
<td>2 bedrooms</td>
<td>3 persons</td>
</tr>
<tr>
<td>3 bedrooms</td>
<td>4.5 persons</td>
</tr>
<tr>
<td>4 bedrooms</td>
<td>6 persons</td>
</tr>
</tbody>
</table>

The foregoing notwithstanding, for so long as a tenant Family’s Annual Income after initial occupancy shall be in excess of the applicable income limit for the Family’s Unit, the Authority may charge a rent higher than the Affordable rent specified in subsection (c) above, provided that the total rent paid by the tenant Family, together with the Utility Allowance, is no greater than one-twelfth of 30% of the tenant Family’s Annual Income as reasonably determined by the Authority.

(d) For so long as a City Regulatory Agreement is in effect, any increases in rent must comply with the terms of the City Regulatory Agreement.

(e) The Authority shall make diligent efforts to ensure that any Unit that becomes vacant shall be rented to an Eligible Household. The Authority shall affirmatively market Units in compliance with all applicable Fair Housing laws and regulations and in such a manner as to make opportunities available to persons from all segments of the community, including without limitation minorities.
(f) Without limiting the foregoing, during the period specified in Section 1, unless there shall be at least twenty (20) habitable Extremely Low-Income Units maintained and operated as housing for Extremely Low-Income Families in compliance with this Section, the Authority shall not cause or permit any Unit in the Property to be occupied by anyone other than an Extremely Low-Income Family, nor make any use of the Property for purposes other than as rental housing for Extremely Low-Income Families as required under this Section 2 and for the purposes specified in Section 3 below.

(g) The Authority shall not, prior to expiration of the Term, cause or permit the demolition or removal of any structure, fixture or improvements on the Property without the express written consent of the City’s Director of Finance given expressly for purposes of this Agreement.

(h) Other than the rent permitted hereunder, the Authority shall not require any other fees or payments from residential tenants as a condition to commencing or continuing occupancy in any of the 20 Units for Extremely Low-Income Families or the additional 20 Units for Very Low-Income Families required by this Agreement, except as may be approved in writing by the OH Director expressly for purposes of this Agreement.

3. Public Parking Garage

Beginning on the Commencement Date and continuing for the Term, the Authority shall operate, or cause to be operated, a public parking garage on the Property comprising at least 300 parking stalls for the purpose of short-term parking. However, the Authority may temporarily use the lowest level of the garage for long-term parking as an interim condition until the new driveway access at the north end of the garage is constructed and operational. The Authority shall at all times maintain a total of at least 300 short-term public parking stalls in its parking facilities during this interim condition.

4. Commercial Space and Other Uses.

In addition to the uses permitted under Sections 2 and 3 above, the Authority may construct and maintain on the Property other lawful uses for which all necessary permits and approvals shall have been obtained, that are not incompatible with the residential use required under Section 2 or with the public parking garage use required under Section 3 including, without limitation, for commercial and nonresidential uses to the extent permitted under the Development Agreement and not inconsistent with the Easement. Specifically, the Authority may operate, or cause to be operated, nonresidential space in the same building with the rental

COVENANTS FOR LOW-INCOME HOUSING AND PUBLIC PARKING - 7
housing for Very Low-Income Families and Extremely Low-Income Families, in an adjacent building, or in the parking garage structure consistent with the Development Agreement. The Authority shall not cause or permit any use of the Property other than as rental housing for Extremely Low-Income Families and Very Low-Income Families consistent with Section 2, as a public parking garage consistent with Section 3, and as commercial and nonresidential space authorized under this Section.

5. Run with the Land; Limits on Transfer; Remedies

(a) The covenants herein shall run with the Property for the Term of this Agreement and be binding on Authority and its successors including any purchaser, grantee, owner or lessee of any portion of the Property and any other person or entity having any right, title or interest therein and on the respective heirs, executors, administrators, devisees, successors and assigns of any of the foregoing, provided, that (i) after construction of the improvements on the Property in compliance with the Development Agreement, the Master Lessee and any sublessee of all or part of the Housing Project shall not, solely as the Master Lessee or sublessee, be obligated for performance of the covenants and obligations with respect to the public parking garage or for obligations hereunder or otherwise with respect to any portion of the Property other than the Housing Project; (ii) any tenant occupying a Unit shall not be obligated except with respect to the restrictions on eligible occupants and affordability of that Unit; (iii) any lessee of all or part of the public parking garage space authorized under Section 3 shall not, solely as such lessee, be obligated for performance of covenants with respect to the operation and maintenance of Units or for any reporting obligations with respect to the housing or for obligations relating solely to other parts of the garage; and (iv) any lessee of the nonresidential space authorized under Section 4 or of any space that is allowed to be devoted to other uses as set forth in Section 4 shall not, solely as lessee of such space, be obligated for performance of any covenants herein, except those in Section 6 to the extent applicable to the activities of such lessee or to activities in such lessee’s space.

(b) Except for the Master Lease or rental agreements with residential tenants, the Authority shall not sell, lease or otherwise transfer the Property or any portion thereof or interest therein to anyone unless the transferee agrees in writing to be bound by the provisions of this Agreement to the same extent as the transferor, except as limited in subsection 5(a) above, and the City receives a copy of the transferee’s agreement prior to the transfer, but the covenants and restrictions herein shall be binding on any such transferee regardless of whether such written agreement is obtained. In any event the Authority shall not sell, lease, or otherwise transfer ownership, possession or control of (i) the entire Property; (ii) more than one Unit to the same transferee; or (iii) any part of the public parking garage, in each case without the express written consent of the City.

COVENANTS FOR LOW-INCOME HOUSING AND PUBLIC PARKING - 8
(c) Consent to Certain Transfers. If the Authority (or a limited liability company in which the Authority is the sole member), is the managing member of the Master Lessee, then (i) a transfer of the Investor Member’s interests in the Master Lessee or any partnership or member interest of the Investor Member shall not be considered a property transfer or transfer of an interest in the Housing Project and shall not require the City’s consent, and (ii) the City consents to the grant of an option or right of first refusal to the Authority, and will not unreasonably withhold consent to any transfer of the Housing Project to the Authority pursuant to the exercise of an option or right of first refusal reserved to the Master Lessee in its Operating Agreement provided that the transferee assumes all obligations under this Agreement.

Any other provision of this Agreement notwithstanding, the withdrawal (not including a voluntary withdrawal allowed by the Master Lessee’s Operating Agreement or with the consent of the Investor Member) of the Authority as the managing member pursuant to the terms of the Operating Agreement, shall not constitute a default under this Agreement provided that: (A) within 60 days thereafter a successor managing member is substituted that is, or the sole member of which is, either, at the option of the Investor Member, (i) a Seattle-based nonprofit or public entity approved in writing by the City or (ii) any other non-profit or public entity approved in writing by the City, or (B) if the successor managing member or its sole member is not a Seattle-based nonprofit or public entity approved in writing by the City, then, within six (6) months of such entity becoming the successor managing member, the Investor Member shall have replaced such successor managing member with a managing member or a limited liability company, the sole member of which is, a Seattle-based nonprofit or public entity approved in writing by the City; and (C) the new managing member shall be granted options to purchase the Master Lessee’s interest in the Housing Project or the Investor Member’s interest in the Master Lessee on the same terms and conditions as previously were applicable to the former managing member’s interest or options, unless otherwise agreed in writing by the City.

(d) This Agreement may be enforced by The City of Seattle, which shall have all remedies available at law or in equity in case of any breach of the terms hereof. Authority agrees that such remedies may include, without limitation, specific performance, injunctions, appointment of a receiver, and restitution of any unjust enrichment that may accrue to Authority or its successors or assigns from any transfer or use of the Property or any part thereof contrary to the terms hereof. No provision of this Agreement is intended to be enforceable by any person other than The City of Seattle.

(e) The City shall not take any enforcement action hereunder with respect to the Housing Project until the City has provided the Authority, the Master Lessee and Investor Member thirty (30) days’ notice of any breach of this Agreement. The City agrees to accept cures tendered by the Investor Member on behalf of the Authority or Master Lessee to the same
extent as if tendered by the Authority or Master Lessee. The Authority is responsible for ensuring that the City has current names, addresses and telephone numbers for all parties entitled to notice hereunder, and any notice mailed or delivered to the address of any of them as most recently provided to OH shall be sufficient hereunder. This Section 5(e) regarding notice to the Master Lessee and Investor Member shall not apply at any time when the Master Lease is not in effect, and as to the Investor shall not apply after any transfer or redemption of the Investor’s entire interest in the Master Lessee.

6. Compliance with Laws and Documents.

Authority shall at all times maintain and operate the Property consistent with the Market Historical District Ordinance, SMC Ch. 25.24, as it may be amended, all applicable Seattle, State and federal laws, ordinances, and permits, and with the Development Controls for the MCHRR-5 Land Use Area in Part III.B. of the Pike Place Market Urban Renewal Plan, as it may be amended ("Plan") and other applicable provisions of the Plan. Authority shall not cause or permit any activity on the Property that would constitute a nuisance. Authority shall ensure that any additional uses authorized by Section 4 hereof are maintained and operated in a manner compatible with the uses required by this Agreement.

7. No Waiver or Termination.

No waiver or modification of this Agreement shall be valid unless in writing and signed by Authority and City. No termination of this Agreement prior to expiration of its Term, nor of the obligations in Section 2 or Section 3 during the periods specified in such Sections, shall be valid unless expressly authorized by City Ordinance. No forbearance or delay by the City in enforcement of this Agreement shall be construed as a waiver, nor in any way impair the rights or remedies of the City hereunder, and if any waiver shall be granted with respect to any instance of noncompliance with the terms hereof, such waiver shall not affect the right of the City to require compliance with all terms hereof in the future. Any consent of the City required hereunder shall be valid only if given by the Director of Finance or his or her designee expressly for the purposes of this Agreement, and no consent given for purposes of this Agreement shall be construed as a consent, permit, or approval for purposes of another contract or instrument, nor for purposes of any law, ordinance, regulation or permit.

8. Relation to City Loan Documents.

This Agreement shall be effective regardless of whether any City Loan Documents are executed or whether any City Loan Documents remain in effect. To the extent that this Agreement would require what the City Loan Documents prohibit, or would prohibit what the City Loan
Documents require, with respect to the operation of the Housing Project, the terms of the City Loan Documents shall prevail.

9. Governing Law; Venue

This Agreement shall be governed by the laws of the State of Washington. Authority, for itself and its successors and assigns, consents to the jurisdiction of the courts of the State of Washington and to venue of any proceedings brought hereunder in King County, Washington.

10. Severability

If any provision of this Agreement, or the application thereof to any conditions or circumstances, shall be found to be invalid or unenforceable, the parties intend that the validity or enforceability of the other provisions, or of such provision as applied to other conditions or circumstances, as the case may be, shall not be impaired.

11. Reporting

Authority shall make annual certifications to the City that it is in compliance with the housing provisions of this Agreement and shall provide annual audited financial statements for the operation of the Housing Project, including a statement of revenues and expenses for the operation of the Unit and a statement of assets and liabilities of the owner of the Unit as of the end of the calendar year, in each case certified by an officer of such owner and including the auditor's report. Such certifications and the financial statements for the most recently ended year shall be submitted by June 30 of each year and shall include the most current rent schedule (showing which Units are those maintained for Extremely Low-Income Families and which other Units are those maintained for Very Low-Income Families); the income and household size of each tenant Family; a calculation justifying any increases in rents from the previous rent schedule, consistent with this Agreement, and the actual rents being charged each tenant household. Authority shall also include with such certification any changes in the management policies for the Housing Project and such other information covering the prior calendar year as the City may request by notice at least 90 days in advance of the due date, and with such accompanying documentation as the City may request. If so requested by the City, Authority shall report to the City, at such other times as the City shall request upon reasonable advance notice, on the rent levels, current income levels of tenants, and management policies for the Property.

Reports under this subsection 11 shall be submitted to the Office of Housing of the City. If pursuant to any other agreement the Authority shall be required to submit to the Office of
Housing reports containing the same information as required in this Section, no additional report shall be required hereunder.

12. Rights and Remedies Additional to Development Agreement Documents.

The rights and interests granted by Authority, the covenants of Authority herein, and the remedies of the City hereunder, are in addition to, and not in substitution for, the terms of the Easement and those terms of the Development Agreement that, by the terms thereof, survive. Authority acknowledges that any breach of its obligations hereunder nonetheless may constitute or give rise to a default under the Development Agreement, to the extent provided therein. This Agreement shall survive the satisfaction of obligations under the Development Agreement.

13. Waiver.

Failure of either party at any time to require performance of any provision of this Agreement shall not limit such party’s right to enforce such provision, nor shall any waiver of any breach of any provision of this Agreement constitute a waiver of any succeeding breach of such provision or a waiver of such provision itself.


This Agreement may be executed in any number of counterparts, each of which shall, when executed, be deemed to be an original and all of which shall be deemed to be one and the same instrument.

EXECUTED as of the day and year first above written.

PIKE PLACE MARKET PRESERVATION AND DEVELOPMENT AUTHORITY

By: ______________________________
Name: __________________________
Title: __________________________

The City of Seattle accepts the foregoing agreement as of the day and year first above written.

THE CITY OF SEATTLE

COVENANTS FOR LOW-INCOME HOUSING AND PUBLIC PARKING - 12
STATE OF WASHINGTON )
 ) ss.
COUNTY OF KING )

On this ____ day of __________________, 2015, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared___________________________, to me personally known (or proven on the basis of satisfactory evidence) to be the ______________________ of PIKE PLACE MARKET PRESERVATION AND DEVELOPMENT AUTHORITY, the Washington public corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute the said instrument.

WITNESS my hand and seal hereto affixed the day and year in this certificate above written.

____________________________________
Print Name: ____________________________

NOTARY PUBLIC in and for the State of Washington, residing at ___________________
(Seal) My commission expires: ________________
On this ____ day of __________________, 2015, before me, the undersigned, a Notary Public in and for the State of Washington, duly commissioned and sworn, personally appeared___________________________, to me personally known (or proven on the basis of satisfactory evidence) to be the ______________________ of THE CITY OF SEATTLE, the Washington municipal corporation that executed the within and foregoing instrument, and acknowledged said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that he/she was authorized to execute the said instrument.

WITNESS my hand and seal hereto affixed the day and year in this certificate above written.

____________________________________
Print Name: ____________________________

NOTARY PUBLIC in and for the State of Washington, residing at ___________________
(Seal)My commission expires: ________________
Section VI:

PDA Committee Minutes
Market Programs Committee Draft Meeting Minutes

Pike Place Market Preservation and Development Authority (PDA)  
Tuesday, March 10th, 2015  
4:00 p.m. to 6:00 p.m.  
Atrium Loft

Committee Members Present: Betty Halfon, Patrice Barrentine, Gloria Skouge, Ann Magnano, David Ghoddousi, Bruce Burger

Other Council Members Present:

Staff Present: Ben Franz-Knight, Kelly Lindsay, Sue Gilbert Mooers, Emily Crawford, David Dickinson, Zack Cook, Leigh Newman-Bell, Dianna Goodsell

Others Present: Howard Aller, David Kenagy, Joan Paulson

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

I. Administration
   A. Approval of the Agenda
      
      Section V, Item A: Proposed Resolution 15-22: Annual Daystall Rules and Regulations was included for review under the meeting agenda. The agenda, as amended, was approved by Acclamation.
      
   B. Approval of the February 10\textsuperscript{th}, 2015 Meeting Minutes. The minutes were approved by acclamation.

II. Announcements and Community Comments
   None

III. Programs and Marketing Director's Report
    A. Programs & Promotions Update
      
      Zack, Farm Program Manager and Leigh Newman-Bell, Farm Development Coordinator provided an update on the Salal issue from last year’s Daystall Rules Proposals. Leigh provided an informational document on options for harvesting Salal in Washington.
      
      Kelly Lindsay briefly presented on the monthly Programs and Promotions update for March. She provided a brief updated on the monthly social media metrics as well as Market news.

IV. Presentation and Discussion Items
    A. 2015 Daystall Rules Review: Proposed Changes
David Dickinson, Daystall and Craft Program Manager reviewed the 2015 Daystall Rules proposed changes and staff recommendations of those proposed changes with the Committee. He reported that there were thirteen rules proposals received for the 2015 Daystall Rules proposal changes rules review process. A summary of each of the thirteen Daystall rules proposals were as presented including the staff’s recommendations, public comments received for the proposals and staff’s counter proposals:

Proposal #1: Author - Thomas Marnin & Skye Saylor (Craftsperson) Affecting: Craft Product Standards

- Allow limited amount of "ancillary products", designed but not handmade by producer

Staff Recommendation: Staff do not support this proposal. Handmade requirements of Daystall Products are too fundamental to the brand of Pike Place Market crafts to allow this sort of exception. While staff support the value of developing one’s brand, we disagree that there are not enough options for doing this within handmade guidelines and creative self-marketing.

Public Comment Received: 9 written comments in opposition, one verbal comment in opposition, and 2 verbal comments in support.

Proposal #2: Author - Loren Ballard (Craftsperson) Affecting: Craft Product Standards

- Allow products that are collaborative work of two separate craft permits holders.

Staff Recommendation: This proposal offers on one hand an opportunity to offer quality handmade product options for shoppers that showcase Pike Place Market artisans, yet on the other hand risks creating a slippery slope that could threaten the integrity of our handmade standards, ie. the presence on tables of products not entirely made by the permit holder. Staff support a limited, highly regulated approach to this proposal. Essential requirements would include: 1) Both components of a collaborative product must require a highly specialized method of handmade fabrication that is not reasonably accessible to the other partner of the collaborative product arrangement. 2) Such a joint permit agreement would require formal application to the Market Master and subsequent approval. 3) The collaborative nature of the product would have to be clearly labelled on the table. “This product is a collaboration with fellow Pike Place Market artisan so-and-so”. 4) A permit holder would be limited to a single collaborative product approval representing 1 item on the table and 20% or less of the visual area of the display, the other 80% of the display consisting of approved products handmade by the permit holder displaying the product. 5) Both contributors to a collaborative product must be permitted Pike Place Market craftspeople in good standing. 6) This rule would be reviewed in next year’s rules review to ensure that it supports Market handmade standards.

Public Comment Received: 6 written comments in opposition, 2 written comments in support, 2 written comment mixed.

Proposal #3: Author - Barb Benning (Craftsperson) Affecting: Craft Attendance
- Advance senior craft status with one-day attendance move from the 30-year mark to the 25-year mark

Proposal #4: Author - Terra Burton (Craftsperson) Affecting: Craft Attendance
- Allow 1-day-per-week attendance for craftspeople over age 65 who have worked in the market for 15 years

Staff Recommendation: Staff do not support this proposal. While staff value the long-term contribution of senior craftspeople, it is important to maintain balance between the advantages of the front end of the seniority list and the ability to retain new craftspeople on the back half of the list. The primary advantage of a high seniority number is the ability to claim a more desirable table assignment by virtue of a better number. In recent years, senior craft status was established allowing a 1-day week option once a permit holder has been here 30 years, and additional vacation days have been granted at both the 20-year mark and the 25-year mark. The senior craft status was set at 30 years to mirror senior Farm Permit status, which allows exemption from the weekly point system. Senior craft vendors wishing to sell less days than they are required to do have the option of hiring a sales agent, or “doubling” with a fellow vendor. Please see staff proposal 5A which attempts to offer a limited amount of extra vacation for contributing permit holder “Meet the Producer” presence above and beyond the minimum requirement.

Public Comment Received: 3 written comments in support, 4 written comments in opposition.

Proposal #5: Author - Sarah "Goldie" Goldenberg (Craftsperson) Affecting: Craft Attendance
- Increase basic annual vacation allowance from 8 weeks per year to 12 weeks per year

Staff Recommendation: Staff do not support this rule change proposal. First, staff believes that the author intended to propose “Vacation weeks from 8 to 12”, since current rules provide 8 weeks of vacation, not 8 days. Current attendance requirements allow a permit holder to be absent from the Market 8 weeks out of each year, with slightly higher allowances for long-term vendors. Current rules also require permit holders to sell themselves a minimum of one day per week, if they choose to employ a sales agent, allowing a permit holder to be in attendance for as few as 44 out of 365 days of the year. This proposal is a significant change to a longstanding “Meet the Producer” requirement in this historic, outdoor market. That being said, staff offer a counter-proposal that addresses some concerns of proposal #’s 4, 5 & 6: please see proposal 5A below.

Public Comment Received: 3 written comments in opposition, one written comment mixed.

Proposal 5A: Author - PDA Staff - Affecting Craft Attendance
- Offer additional vacation weeks for Permit Holders who surpass the minimum attendance requirement.
Staff Recommendation: As counter-proposal to above proposal #’s 3, 4, & 5, Proposal 5A would reward permit holders who work double (or more) the annual minimum number of permit holder days required, ie. 88 instead of 44, would be credited with an additional 2 vacation weeks per year at the beginning of the following calendar year. This rewards permit holders who contribute to the “Meet the Producer” presence well beyond the minimum requirement. The 88 permit holder days requirement for extra vacation would apply equally to all permit holders, regardless of how many years that they have held a permit.

Public Comment Received: 2 written in support.

Proposal #6: Author - Terra Burton (Craftsperson) Affecting: Craft Attendance
- Reduce or eliminate the attendance requirement and/or the daily table rent fee for weeks in which the weather is extremely cold

Staff Recommendation: Staff do not support this proposal. Any such reduction of the longstanding attendance requirements or of the daily table rent would require much more specific language and criteria. Currently, staff relax the closing time requirement on extremely cold days, and the vacation allowance exists in part to allow vendors to opt out of several weeks of attendance as they wish.

Public Comment Received: 4 written comments in opposition, one written comment in support.

Proposal #7: Author - Kenneth Telesco (Craft Agent) Affecting: Craft Set Up
- Adjust the set up time requirement for craftspeople from 11:00 am to 11:30 am on days that Roll Call is at 9:30 am

Staff Recommendation: Staff do not support this proposal as written, primarily because the rule exists to ensure that a neighbor’s delayed set up will not impinge on a vendor’s ability to sell. Though this proposal received many expressions of support through public comment, staff observation has shown that most permit holders have been able to comply with the 11am set up deadline despite a later roll call and are hesitant to delay opening any later than 11 for the sake of the shopping public. Staff would be more interested in revisiting the option of an earlier Roll Call than further delaying opening for business if the general perception is that more time is needed for set up. Staff experience regular day-to-day complaints from vendors that a neighbors delayed set up, with bins and carts still out, has blocked business and access to tables.

Public Comment Received: 7 written comments in support, 1 written comment opposed, 3 verbal comments in support, 1 verbal comment in opposition.

Proposal #8: Author - Joe Lamano (Craftsperson) Affecting: Craft and Farm businesses of deceased permit holders
- Allow Permit holders' family or agents to remain open for limited time following permit holders death in order to sell remaining inventory

Staff Recommendation: Staff support this proposal. Staff have essentially allowed similar activity at Market Master Discretion, and support inclusion of this concept as a rule. Staff would add the stipulation that verification of existing inventory at the onset of such period would be required to ensure authenticity of work to be sold. Allowance would be for up to 3 months, within the first 4 months following the passing of the permit holder.

Public Comment Received: 5 written comments in support, 2 written comments mixed, 3 verbal comments in support.

Proposal #9: Author - Penny Pruitt (Craftsperson) Affecting: Daystall Rules Terminology
  - Replace the term "Market Master" with "Market Manager"

Staff Recommendation: Staff do not support this rule as written. After much discussion and consideration, staff feel that traditional business of the Daystalls are exceedingly important and deserve carefully chosen terminology. The term Market Master is asserted in the Hildt-Licata Agreement, which supersedes the Daystall rules. In the context of Pike Place Market, the definition of Market Master is akin to terms such as harbormaster or choirmaster. As a way of further establishing its special meaning, the PDA propose alternative proposal 9A, establishing the one-word term Marketmaster.

Public Comment Received: one written comment in support, 2 written comments in opposition, 2 written comment mixed, one verbal comment in support.

Proposal #9A: Author - PDA Staff - Affecting: Daystall Rules Terminology

Staff Recommendation: Staff propose this rule change as an alternative to proposal #9. The term Market Master is asserted in the Hildt-Licata Agreement, which supersedes the Daystall rules. In the context of Pike Place Market, the definition of Market Master is akin to terms such as harbormaster or choirmaster. As a way of further establishing its special meaning, the PDA could similarly use the one-word term Marketmaster.

Proposal #10: Author - Gary Davis (Craftsperson) Affecting: Farm Flower Bouquets
  - Proposes wet paper wraps replace bagged water in Market flower bouquets

Staff Recommendation: Staff do not support this proposal. Staff do not think it is sufficiently justified to regulate flower bouquets to this degree, and that this issue can be adequately addressed by communication with customers.

Public Comment Received: 3 written comments in support, 4 written comments in opposition, one written comment mixed, one verbal comment in support, one verbal comment in opposition, one verbal comment mixed.
Proposal #11: Author - Jon Strongbow (Craftsperson) Affecting: Use of Daystall Tables

- *Proposes special event on New Year’s Day with allowance for non-permitted items to be sold*

Staff Recommendation: Staff do not support this proposal for two reasons. Firstly, the PDA has opened the Daystalls on New Year’s Day in response to vendor interest in taking advantage of existing crowds, and does not deem it feasible to extend further resources on supporting a special event, beyond the current Daystall practice, on this day. Secondly, opening the Daystalls to products that are not supported by the Hildt-Licata Agreement and the Daystall Rules undermines the public perception of our cherished farm-grown and handmade, “Meet the Producer”-driven brand. If staff were to explore a possible special event in the Daystalls, it would be something that promotes artisanal, producer-driven aspects of our traditional businesses. Instead of having a flea market, perhaps have an annual “Artists’s Seconds Sale”. The PDA Rummage Hall is available for rental throughout the year, and individuals can make arrangements with the PDA Events Program to rent spaces to hold their own special events.

Public Comment Received: 7 written comments in opposition, one written mixed comment, one verbal comment mixed, 4 verbal comments in opposition, one verbal comment in support.

Proposal #12: Author - PDA Staff, Affecting: Daystall Table Rent Increase

- *Increase daily table rent fees by 3%*

Staff Recommendation: Staff Supports its own proposal.

Public Comment Received: 1 written comment against, 4 written comments mixed, one verbal comment against.

Proposal #13: Author - PDA Staff, Affecting: Permit Holder Conduct

- *Establish egregious violations of the standards of behavior towards others as grounds for permit revocation*

Staff Recommendation: Staff amends its initial proposal in response to public comment expressing an interest in greater specificity in the language of this rule, added wording shown in bold type:

Egregious instances of behavior toward others that are rough, menacing, vulgar, profane or abusive, including discrimination based on race, ethnicity, gender, sexual orientation, age, disability or national origin, may also result in revocation if they are deemed by the Market Master to be especially malicious, injurious or disruptive to Market functions.

As with any violation in the Daystall Rules, an individual who might be subject to this rule would still have same avenues of appeal that currently exist in the Administrative Guidelines for the Enforcement of Rules of the Daystall Rules and Regulations.
Public Comment Received: 2 written comment in support, 2 written comment in opposition, 4 written comments mixed, 2 verbal comments mixed.

There was a brief discussion that followed.

Action Item: Proposed 15-22: Adoption of Daystall Rules and Regulations

The resolution states that the PDA conducts an annual review of the Daystall Rules and Regulations; and WHEREAS, The PDA solicited and received suggestions from the Daystall community regarding rule changes; and WHEREAS, 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 February 10th, 2015 the Market Programs Committee held an open public meeting that discussed and considered rule changes with opportunity for public comment; NOW, THEREFORE BE IT RESOLVED that the PPMPDA Council hereby approves the following 2015 changes to the Daystall Rules and Regulations as noted in Exhibit A.

Ann Magnano moved, Bruce Burger seconded

There was a discussion that followed

Patrice Barrentine asked about the staffs counter proposals.

For: Betty Halfon, Patrice Barrentine, Gloria Skouge, Ann Magnano, David Ghoddousi, Bruce Burger
Against: 0
Abstained: 0

Resolution 15-22 passed with a vote 6-0-0

Ben noted that one thing will focus on is the appeals procedure process for the future.

B. Seattle Tilth/King County/WSU/PPM Collaboration: Hmong Farmer Outreach and Advocacy project

Kelly Lindsay presented on the Seattle Tilth/King County/WSU/PPM Collaboration: Hmong Farmer Outreach and Advocacy project; a copy of the presentation was included with the PDA Council records.

There was a discussion that followed by the Committee.

V. Action Items
A. Action Item: Proposed Amended Resolution 14-79: Approval of Acceptance of USDA Grant Funding and Contract Approval for Lease of Farm Program Vehicle
Kelly Lindsay introduced the resolution which states that the United States Department of Agriculture Agricultural Marketing Service annually awards competitive grants to expand marketing through the Farmers Market Promotion Program (FMPP). FMPP makes investments in marketing and promotion activities for farmers markets, CSAs and other direct producer-to-consumer outlets for local food, and WHEREAS, the USDA has awarded $43,500 in an FMPP grant to Pike Place Market Preservation and Development Authority (PDA), Seattle, WA. The purpose of the grant is to support the operation of small-scale farmers’ markets (Pike Place Express Markets) in five dense urban neighborhoods with concentrations of low-income residents around downtown Seattle, and; WHEREAS, this grant funding will be used to obtain a large cargo vehicle that will transport items efficiently between the Express Market locations, and; WHEREAS, PDA staff has solicited five bids for the long-term lease of a cargo vehicle capable of transporting all of the equipment necessary to conduct the Express Markets, including a bid from AutoNation Seattle in an amount not to exceed $37,000, and; WHEREAS, the remaining $6,500 in grant funding will be used for supplies, branding, and maintenance of the vehicle. NOW, THEREFORE BE IT RESOLVED, that the PDA accept grant funding from the USDA in the amount of $43,500, and; BE IT FURTHER RESOLVED, that the PDA enter into a two-year lease agreement with AutoNation Seattle for a 2014 Dodge Ram ProMaster for an amount not to exceed $37,000.

For: Betty Halfon, Patrice Barrentine, Gloria Skouge, Ann Magnano, David Ghoddousi, Bruce Burger
Against: 0
Abstained: 0

Amended Resolution 14-79 passed with a vote 6-0-0

VI. Resolutions to be Added to Consent Agenda
Amended Resolution 14-79: Approval of Acceptance of USDA Grant Funding and Contract Approval for Lease of Farm Program Vehicle was added to the Consent Agenda.

VII. Concerns of Committee Members
None

VIII. Public Comment
Joan noted that we need to start thinking about the budget process for next year and the looking at long term efforts.

IX. Adjournment
The meeting was adjourned at 5:11 pm by Betty Halfon, Chair

Meeting minutes submitted by:
Dianna Goodsell, Administrative Services Coordinator
Tuesday, March 20th, 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, John Finke, Betty Halfon

Other Council Members Present: Patrick Kerr, Matt Hanna

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

Others Present: Gerry Johnson, Stacey Crawshaw-Lewis, Fred Eoff, Howard Aller, Chris Scott, Joan Paulson, David Kenagy

The meeting was called to order at 4:01 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 Committee December 9th, 2014 & January 20th, 2015 Meeting Minutes.
      The meeting minutes were approved by acclamation

II. Announcements and Community Comments
    None

III. Reports & Discussion Items

    Jim Savitt entered into the meeting at 4:03 p.m.

    A. Review of the Preliminary Financial Statements for February 2015
    Sabina Proto, PDA Director of Finance presented a review of the Preliminary Financial Statements for February 2015. Sabina Proto discussed the PDA Balance Sheet. She reported that Current Assets had decreased compared to the prior month because of the $1.2 million transfer of the 2014 surplus to the Capital Reserve and the decrease of the Miscellaneous Receivable category. Designated Cash had increased due to the contribution of the $1.2M to the CRRF, as well as the monthly contribution for the current year. Restricted Cash had increased due to monthly contribution to Debt Service Accounts. Fixed Assets increased because of the work performed in different capital projects. Current decreased due to the payments on our long term obligations.
Liabilities decreased mainly in the category of Accounts Payable and Long Term Debt decreased due to the payments on our long term obligations. Our Current Year Operating Result was $763,845. Finally, under the Accounts Receivable Report, the accounts receivable decreased compared to the balance of the prior month.

Under the PDA Operating Statement, the Total Revenue for the end of February 2015 was $2,669,248 or over budget by $116,558. The Total Operating Expense YTD was $1,861,485 or $145,451 under budget. The Net Operating Result YTD for the end of February was $807,763 or $262,000 over budget. The Net Result after Debt Service & Reserves including the following Annual Budget of $2,055,516 resulting in the actual amount of $262,036 over the budgeted amount.

Lastly, Footnotes on the Operating Expenses reported the following: Commercial Revenue was over budget mainly in Base Rent and Percent Rent, Common Area Utilities, Direct Utilities and Late Fees.

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

B. Financing of the MarketFront Project
   Ben Franz-Knight presented on the Financing of the MarketFront project with Gerry Johnson and Fred Eoff. The presentation for the MarketFront Financing and Debt was similar to the presentation at the February 26th, PDA Council meeting.

   Ben separately mentioned that the City did make a change to the Devlopemtn Agreement Covenant which will come back to Full Council in ratifying those changes. He last reported that we did receive unanimous approval from the City for the 34 million in funding for the MarketFront project.

IV. Reports and Action Items
A. Action Item: Proposed Resolution 15-07: Issuance of Special Obligation and Refunding Bonds

   Stacey Crawshaw-Lewis reviewed Proposed Resolution 15-07: Issuance of Special Obligation and Refunding Bonds which is a resolution of the Pike Place Market Preservation and Development Authority providing for the issuance of its Special Obligation and Refunding Bonds in the aggregate principal amount of not to exceed $24,000,000 for the purpose of financing the acquisition, construction and equipping of parking and other market improvements; refunding outstanding obligations; making a deposit to a debt service reserve account; and paying costs of issuance; and delegating the authority to approve the method of sale for and form and terms of the bonds. Ben noted that instead of paying off the bond, we would payoff the first and pine commercial loan to maximize the tax exempt benefits and not payoff the garage bonds.

   John Finke moved, Jim Savitt seconded
Betty Halfon left the meeting at 4:40 p.m.

Resolution **15-07**: Issuance of Special Obligation and Refunding Bonds passed by a vote of 6-0-1.

B. **Action Item**: Proposed Resolution **15-16**: Approval in Upgrading PPM PDA’S Access Control System

Joseph Strong introduced the Proposed Resolution **15-16**: Approval in Upgrading PPM PDA’S Access Control System 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 quality, reliability, and expansion capability of the PPMPDA’s access control system the PPMPDA has determined that the current software and specific portions of the hardware are outdated and not compatible with any future access control components, and; WHEREAS, the PPMPDA has executed a competitive bid review process to upgrade the PPMPDA’s current Maxxess access control software to the latest version and upgrade or replace the access control hardware NOW,

THEREFORE BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA to purchase the software and hardware from Reliable Security in an amount not to exceed $25,700.00, for upgrades to the PPMPDA’s access control system.

The funds for this project will be drawn from Capital Repair and Replacement Reserve, Account number 110630-00

Patrice Barrentine moved, John Finke seconded

For: Gloria Skouge, David Ghoddousi, Jim Savitt, Ann Magnano, Patrice Barrentine, John Finke
Against: 0
Abstained: 0

Resolution **15-16**: Approval in Upgrading PPM PDA’S Access Control System passed by a vote of 6-0-0.

C. **Action Item**: Proposed Resolution **15-17**: Authorization for Contract Authority - Replace Roof and Gutter Section over Pike Place Fish

Betty entered into the meeting at 4:44 pm
Bob Beckstrom introduced the Proposed Resolution 15-17: Authorization for Contract Authority - Replace Roof and Gutter Section over Pike Place Fish 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 that the roof and gutter system over Pike Place Fish will need to be replaced; and, WHEREAS, the PPMPDA has executed a bid process to replace the roof and gutter system over Pike Place Fish; and, NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Cobra in an amount not to exceed $23,784.06 for the replacement of the roof and gutter system over Pike Place Fish.

The funds for this project will be drawn from the Capital Projects Budget, 2015 COMLAS – CC Replace roof and gutter system over Pike Place Fish: 163775-00.

Ann Magnano moved, David Ghoddousi seconded.

There was a friendly amendment made to the Resolution 15-17 updating the source of funding for the project to Levy funds, Account 163227-00.

For: Gloria Skouge, David Ghoddousi, Jim Savitt, Ann Magnano, Patrice Barrentine, John Finke, Betty Halfon
Against: 0
Abstained: 0

Resolution 15-17: Approval in Upgrading PPM PDA’S Access Control System passed by a vote of 7-0-0.


Bob Beckstrom introduced the Proposed Resolution 15-20: Authorization for Contract Authority - Replace Lowell’s and Elevator Penthouse Roofs 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 that the roofs over the Fairley Elevator Penthouse and Lowell’s Restaurant are in need to be replaced; and, WHEREAS, the PPMPDA has executed a bid process to replace the roofs over the Fairley Elevator Penthouse and
Lowell’s Restaurant; and, NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Cobra in an amount not to exceed $63,264.72 for the replacement of both roofs over the Fairley Elevator Penthouse and Lowell’s Restaurant

The funds for this project will be drawn from the Capital Projects Budget, 2015 COMFAI – CC Lowell’s and Elevator Penthouse Roofs: 163772-00.

David Ghoddousi moved, Betty Halfon seconded

There was a friendly amendment made to the Resolution 15-20 updating the source of funding for the project to Levy funds, Account 163228-00.

For: Gloria Skouge, David Ghoddousi, Jim Savitt, Ann Magnano, Patrice Barrentine,
John Finke, Betty Halfon
Against: 0
Abstained: 0

Resolution 15-17: Approval in Upgrading PPM PDA’S Access Control System passed by a vote of 7-0-0.

B. Action Item: Proposed Resolution 15-23: Approval for Rental of Emergency Overflow Shelter for Daystall Vendors

Kelly Lindsay introduced Proposed Resolution 15-23: Approval for Rental of Emergency Overflow Shelter for Daystall Vendors which states that

Patrice Barrentine moved, Betty Halfon seconded

There was a brief discussion that followed.

David Ghoddousi asked where the emergency tents would be placed on the street.

Jim Savitt inquired about the financing for the tents and long term for utilizing the tents.

Kelly Lindsay noted that temporary placement of the tents would benefit the craftspeople and their opportunity to sell at the Market.

Betty Halfon noted that she would want specific measurable results from the testing of the replacement tents. She added that we need to start thinking about the DownUnder and incubating businesses throughout the Market.

John Finke noted that there is a very dubious economic return and he is willing to try it.

Patrice Barrentine asked what the costs would be to purchase the tents.
For: Gloria Skouge, Jim Savitt, John Finke, Betty Halfon
Against: Ann Magnano, David Ghoddousi
Abstained: Patrice Barrentine

Resolution 15-23: Approval for Rental of Emergency Overflow Shelter for Daystall Vendors passed by a vote of 4-2-1.

V. Property Management
A. Residential Property Management Report
John Turnbull presented the Residential Property Management Report for the month of February 2015. The report update included that the Market-wide vacancy rate at 4%. He briefly discussed the outreach to Oxford Apartments tenants since that building has not decided to continue accepting section 8 vouchers.

VI. Public Comment
None

VII. Closed Session

The Committee entered into Closed Session at 5:14 p.m.

I. Property Management Report - Closed Session (RCW 42.30.110[c])

II. Review of Lease Proposals
New Lease - Country Dough - 1916 Pike Place #14
New Lease - Old Stove Brewing, LLC - 1525 1ST Avenue #16 & 1530 Post Alley #19
New Lease - Our Fabric Stash - 93 Pike St #103
New Lease - Shug’s Soda Fountain & Ice Cream Shop - 1525 First Avenue #2A
Lease Renewal - Conscious Wear - 1501 Pike Place #402
Lease Renewal - House of Silver & Gold - 1501 Pike Place #407

III. Review of Delinquency Report
a. Vacancy Report
b. Current Lease Negotiations

The Committee entered into Open Session at 5:57 p.m.

VIII. Open Session

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

<table>
<thead>
<tr>
<th>Tenant</th>
<th>Term</th>
<th>Start Date</th>
</tr>
</thead>
</table>
Country Dough  Two (2) Years  April 1, 2015  The Art Brokeress, LLC
Old Stove Brewing, LLC  Five (5) Years  April 1, 2015  Christopher Moore
Our Fabric Stash  One (1) Year  March 1, 2015  The Art Brokeress, LLC
Shug’s Soda Fountain & Ice Cream Shop  Five (5) Years  April 1, 2015  Colleen Wilkie & Paul Dormann
Conscious Wear  One (1) Year  March 1, 2015  Tashi Dawa
House of Silver & Gold  Three (3) Years  March 1, 2015  Vinod & Pooja Herkishnani

John Finke moved, Patrice Barrentine seconded

For: Gloria Skouge, David Ghoddousi, Jim Savitt, Ann Magnano, Patrice Barrentine, John Finke, Betty Halfon
Against: 0
Abstained: 0

Resolution 15-13: Lease Proposals - March 2015 passed unanimously by the Committee by a vote of 7-0-0.

IX. Resolutions to be added to the Consent Agenda

X. Concerns of Committee Members
Betty Halfon inquired on status of restructuring the Seattle City Light electricity rates for the Market.

Ben Franz-Knight responded to Betty’s comments regarding the Seattle City Light electricity rates for the Market.

XI. Adjournment
The meeting was adjourned at 5:51p.m by Gloria Skouge, Chair
Meeting minutes submitted by:
Dianna Goodsell, Administrative Services Coordinator
Section VII:

Financials & Additional Enclosures
## PIKE PLACE MARKET PDA

### BALANCE SHEET

February 28, 2015

### ASSETS

<table>
<thead>
<tr>
<th>Note</th>
<th>Current Month</th>
<th>Prior Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Assets</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted Cash</td>
<td>656,508</td>
<td>2,263,237</td>
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<tr>
<td>Rental Accounts Receivable</td>
<td>179,578</td>
<td>207,259</td>
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<tr>
<td>Misc Accounts Receivable</td>
<td>1,839,194</td>
<td>2,182,169</td>
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<td>Prepaid Expenses</td>
<td>88,789</td>
<td>116,461</td>
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<td><strong>Total Current Assets</strong></td>
<td>2,764,069</td>
<td>4,769,126</td>
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<tr>
<td>Designated Cash &amp; Equivalents</td>
<td>15,399,825</td>
<td>13,990,292</td>
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<tr>
<td>Restricted Cash &amp; Equivalents</td>
<td>2,481,244</td>
<td>2,422,212</td>
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<td><strong>Fixed Assets</strong></td>
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<tr>
<td>Land</td>
<td>3,698,718</td>
<td>3,698,718</td>
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<tr>
<td>Leasehold Improvements</td>
<td>70,546,718</td>
<td>70,546,718</td>
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<td>Work in Progress</td>
<td>5,184,251</td>
<td>4,930,249</td>
</tr>
<tr>
<td>Parking Garage</td>
<td>9,722,276</td>
<td>9,722,276</td>
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<td>Market Buildings</td>
<td>32,740,575</td>
<td>32,740,575</td>
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<tr>
<td>Equipment</td>
<td>897,022</td>
<td>897,022</td>
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<tr>
<td><strong>Total Fixed Assets</strong></td>
<td>122,789,560</td>
<td>122,535,558</td>
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<tr>
<td>Less Accumulated Depreciation</td>
<td>(32,498,840)</td>
<td>(32,498,840)</td>
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<tr>
<td><strong>Total Net Fixed Assets</strong></td>
<td>90,290,720</td>
<td>90,036,718</td>
</tr>
<tr>
<td>Long Term Receivable &amp; Investments</td>
<td>36,206,043</td>
<td>36,206,043</td>
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<tr>
<td><strong>Other Assets</strong></td>
<td></td>
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</tr>
<tr>
<td>Financing Lease</td>
<td>3,363,124</td>
<td>3,363,124</td>
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<td>Partnership Contribution To LSLLC</td>
<td>100</td>
<td>100</td>
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<td><strong>Total Other Assets</strong></td>
<td>3,363,224</td>
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<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td>150,505,125</td>
<td>150,787,615</td>
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### LIABILITIES & CAPITAL

<table>
<thead>
<tr>
<th>Note</th>
<th>Current Month</th>
<th>Prior Month</th>
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<tbody>
<tr>
<td>Current Liabilities</td>
<td></td>
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</tr>
<tr>
<td>Accounts Payable</td>
<td>785,530</td>
<td>1,349,681</td>
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<tr>
<td>Current Portion - LT Debt</td>
<td>1,992,933</td>
<td>1,992,933</td>
</tr>
<tr>
<td>Accrued Payroll, Vacation &amp; Taxes</td>
<td>425,270</td>
<td>408,966</td>
</tr>
<tr>
<td>Accrued PC-1 Bond Interest</td>
<td>37,380</td>
<td>28,035</td>
</tr>
<tr>
<td>Accrued Business Taxes</td>
<td>47,004</td>
<td>47,599</td>
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<tr>
<td>Security Deposits</td>
<td>404,716</td>
<td>405,042</td>
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<tr>
<td>Parking Agreement Due To City</td>
<td>23,290</td>
<td>20,970</td>
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<tr>
<td>Other Liabilities</td>
<td>599,839</td>
<td>606,890</td>
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<tr>
<td>Unearned WSDOT revenue</td>
<td>2,944,444</td>
<td>2,972,222</td>
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<tr>
<td><strong>Total Current Liabilities</strong></td>
<td>6,460,406</td>
<td>7,032,338</td>
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<tr>
<td>Long Term Debt</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PC-1 Bonds Payable</td>
<td>2,410,000</td>
<td>2,410,000</td>
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<tr>
<td>2009 PDA Refunding Bonds</td>
<td>2,646,549</td>
<td>2,675,595</td>
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<tr>
<td>Payable to City (PC-1 Land)</td>
<td>680,602</td>
<td>680,692</td>
</tr>
<tr>
<td>N/P City of Seattle - Creamery Lot</td>
<td>455,000</td>
<td>455,000</td>
</tr>
<tr>
<td>N/P City of Seattle - Senior Center</td>
<td>180,000</td>
<td>180,000</td>
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<tr>
<td>Pine Building Bond Payable-HSB</td>
<td>2,147,644</td>
<td>2,152,608</td>
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<tr>
<td>Pine Bldg Commercial Mortgage Payable</td>
<td>3,198,484</td>
<td>3,205,398</td>
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<tr>
<td>QB2 Deferred Master Lease Payment</td>
<td>23,860,655</td>
<td>23,860,655</td>
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<tr>
<td>Current Portion - Long Term Debt</td>
<td>(1,192,933)</td>
<td>(1,192,933)</td>
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<tr>
<td><strong>Total Long Term Debt</strong></td>
<td>34,386,091</td>
<td>34,427,015</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td>40,846,497</td>
<td>41,459,353</td>
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### Capital

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<tr>
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<th>Current Year Operating Results</th>
<th>Other Revenues</th>
<th>Net Operating Capital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributed Capital</td>
<td>11,818,935</td>
<td></td>
<td>109,658,628</td>
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<tr>
<td>Prior Years' Results</td>
<td>97,020,292</td>
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<td>109,328,262</td>
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<tr>
<td>Current Year Operating Results</td>
<td>763,845</td>
<td></td>
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<tr>
<td>Other Revenues</td>
<td>55,556</td>
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<td>27,778</td>
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<tr>
<td><strong>Net Operating Capital</strong></td>
<td>109,658,628</td>
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<td>109,328,262</td>
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<tr>
<td><strong>TOTAL LIABILITIES AND CAPITAL</strong></td>
<td>150,505,125</td>
<td>150,787,615</td>
<td></td>
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</tbody>
</table>
Pike Place Market, PDA  
Footnotes to Balance Sheet  
February 28, 2015

**Note 1**  
**Accounts Receivable**

<table>
<thead>
<tr>
<th>Category</th>
<th>Previous Month Balance</th>
<th>Total Current Charges</th>
<th>Total Current Receipts</th>
<th>Current Month Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Revenue</td>
<td>128,009</td>
<td>779,108</td>
<td>794,063</td>
<td>113,054</td>
</tr>
<tr>
<td>Day Pell Revenue</td>
<td>65,474</td>
<td>48,971</td>
<td>56,780</td>
<td>57,665</td>
</tr>
<tr>
<td>Residential Rent (excluding HUD)</td>
<td>14,974</td>
<td>297,745</td>
<td>304,734</td>
<td>7,985</td>
</tr>
<tr>
<td>HUD Subsidy</td>
<td>(1,198)</td>
<td>88,790</td>
<td>86,718</td>
<td>874</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>207,259</strong></td>
<td><strong>1,214,614</strong></td>
<td><strong>1,242,295</strong></td>
<td><strong>179,578</strong></td>
</tr>
</tbody>
</table>

**Note 2**  
**Bond Interest and Principal Payment Schedule**

- **PC1 - 2002 Bond Interest**: May and November
- **PC1 - 2002 Bond Principal**: November

Amounts fluctuate monthly depending on accrual vs. payment schedule.
## Operating Budget Comparison Statement

**Period Ending February 28, 2015**

### Revenue

<table>
<thead>
<tr>
<th>Note</th>
<th>Current YTD ACTUAL</th>
<th>Current YTD BUDGET</th>
<th>Variance</th>
<th>Variance %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>1,638,927</td>
<td>1,579,820</td>
<td>59,107</td>
<td>3.7%</td>
</tr>
<tr>
<td>Net Result - Transactions with PPM QALICB</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Net Result - Transactions with PPM QALICB</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Residential</td>
<td>432,035</td>
<td>437,896</td>
<td>-5,861</td>
<td>-1.3%</td>
</tr>
<tr>
<td>Daycare</td>
<td>100,730</td>
<td>90,126</td>
<td>10,604</td>
<td>11.6%</td>
</tr>
<tr>
<td>Surface Parking</td>
<td>55,718</td>
<td>58,204</td>
<td>-2,486</td>
<td>-4.3%</td>
</tr>
<tr>
<td>Garage</td>
<td>346,228</td>
<td>290,872</td>
<td>55,356</td>
<td>19.0%</td>
</tr>
<tr>
<td>Market Foundation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>95,610</td>
<td>95,772</td>
<td>-12</td>
<td>-0.02%</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td>2,669,248</td>
<td>2,552,690</td>
<td>116,558</td>
<td>4.6%</td>
</tr>
</tbody>
</table>

### Expenses

<table>
<thead>
<tr>
<th>Expense</th>
<th>Current MONTH ACTUAL</th>
<th>Current MONTH BUDGET</th>
<th>Variance</th>
<th>Variance %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Management</td>
<td>180,668</td>
<td>193,341</td>
<td>-12,673</td>
<td>-6.6%</td>
</tr>
<tr>
<td>Parking</td>
<td>154,787</td>
<td>153,571</td>
<td>1,216</td>
<td>0.8%</td>
</tr>
<tr>
<td>Operations</td>
<td>612,131</td>
<td>654,834</td>
<td>-42,703</td>
<td>-6.5%</td>
</tr>
<tr>
<td>Utilities</td>
<td>393,586</td>
<td>398,633</td>
<td>-5,047</td>
<td>-1.3%</td>
</tr>
<tr>
<td>Insurance</td>
<td>72,778</td>
<td>78,264</td>
<td>-5,486</td>
<td>-7.0%</td>
</tr>
<tr>
<td>Administration</td>
<td>314,926</td>
<td>344,910</td>
<td>-29,984</td>
<td>-8.7%</td>
</tr>
<tr>
<td>Marketing &amp; Programs</td>
<td>132,609</td>
<td>183,383</td>
<td>-50,774</td>
<td>-27.7%</td>
</tr>
<tr>
<td><strong>Total Operating Expenses</strong></td>
<td>1,861,485</td>
<td>2,016,936</td>
<td>154,551</td>
<td>7.2%</td>
</tr>
</tbody>
</table>

### Net Operating Results

<table>
<thead>
<tr>
<th>Period</th>
<th>Current MONTH ACTUAL</th>
<th>Current MONTH BUDGET</th>
<th>Prior MONTH ACTUAL</th>
<th>Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Operating Results</td>
<td>807,763</td>
<td>545,754</td>
<td>262,069</td>
<td>48.0%</td>
</tr>
<tr>
<td>293,124</td>
<td>133,177</td>
<td>514,639</td>
<td>4,183,968</td>
<td></td>
</tr>
<tr>
<td><strong>Total Debt Service</strong></td>
<td>148,592</td>
<td>148,592</td>
<td>148,601</td>
<td>1,783,202</td>
</tr>
<tr>
<td><strong>Total Designated Reserves</strong></td>
<td>15</td>
<td>42</td>
<td>(27)</td>
<td>0.0%</td>
</tr>
<tr>
<td><strong>Net Results after Debt Service &amp; Reserves</strong></td>
<td>510,484</td>
<td>248,448</td>
<td>162,036</td>
<td>103.5%</td>
</tr>
<tr>
<td>144,517</td>
<td>(15,436)</td>
<td>366,038</td>
<td>2,055,516</td>
<td></td>
</tr>
<tr>
<td><strong>Capital Reserve Contribution</strong></td>
<td>342,586</td>
<td>342,586</td>
<td>0.0%</td>
<td></td>
</tr>
<tr>
<td>Contribution - Capital Projects/CRRF</td>
<td>171,293</td>
<td>171,293</td>
<td>171,293</td>
<td>2,055,516</td>
</tr>
</tbody>
</table>

### Net Results after Capital Reserves

<table>
<thead>
<tr>
<th>Period</th>
<th>Current MONTH ACTUAL</th>
<th>Current MONTH BUDGET</th>
<th>Prior MONTH ACTUAL</th>
<th>Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>167,898</td>
<td>(94,138)</td>
<td>262,036</td>
<td>(26,776)</td>
<td>(186,729)</td>
</tr>
</tbody>
</table>
### Footnotes to Statement of Revenues and Expenditures

#### Note 1: Commercial Revenue

<table>
<thead>
<tr>
<th>Income Type</th>
<th>2015 Total Budget</th>
<th>2015 Actual</th>
<th>YTD %</th>
<th>2015 Budget</th>
<th>YTD %</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of Total Comm Rev</td>
<td>Feb</td>
<td>Actual</td>
<td>Comm Rev</td>
<td>YTD</td>
<td>Feb</td>
</tr>
<tr>
<td>Base Rent - Retail</td>
<td>31.8%</td>
<td>550,563</td>
<td>33.6%</td>
<td>567,000</td>
<td>35.9%</td>
<td>(16,437)</td>
</tr>
<tr>
<td>Base Rent - Office</td>
<td>4.7%</td>
<td>80,726</td>
<td>4.9%</td>
<td>80,300</td>
<td>5.1%</td>
<td>(426)</td>
</tr>
<tr>
<td>Prep Space</td>
<td>0.5%</td>
<td>8,199</td>
<td>0.5%</td>
<td>9,180</td>
<td>0.6%</td>
<td>(981)</td>
</tr>
<tr>
<td>Additional Rent</td>
<td>0.1%</td>
<td>1,223</td>
<td>0.1%</td>
<td>1,224</td>
<td>0.1%</td>
<td>(1)</td>
</tr>
<tr>
<td>Common Area</td>
<td>18.6%</td>
<td>337,906</td>
<td>20.6%</td>
<td>310,000</td>
<td>19.6%</td>
<td>27,906</td>
</tr>
<tr>
<td>Direct Operating Exp (LB)</td>
<td>0.3%</td>
<td>4,833</td>
<td>0.3%</td>
<td>4,830</td>
<td>0.3%</td>
<td>3</td>
</tr>
<tr>
<td><strong>Total Rent Revenue</strong></td>
<td><strong>983,450</strong></td>
<td><strong>972,534</strong></td>
<td><strong>10.1%</strong></td>
<td><strong>1,579,820</strong></td>
<td><strong>10.0%</strong></td>
<td><strong>99,370</strong></td>
</tr>
<tr>
<td>Percentage Rent (1)</td>
<td>28.3%</td>
<td>492,805</td>
<td>30.1%</td>
<td>447,000</td>
<td>28.3%</td>
<td>50,805</td>
</tr>
<tr>
<td>Direct Utilities</td>
<td>6.6%</td>
<td>128,885</td>
<td>7.9%</td>
<td>127,196</td>
<td>8.1%</td>
<td>1,699</td>
</tr>
<tr>
<td>Storage/Cooler</td>
<td>1.5%</td>
<td>27,209</td>
<td>1.7%</td>
<td>27,912</td>
<td>1.8%</td>
<td>(703)</td>
</tr>
<tr>
<td>Tenant Work Reimbursements</td>
<td>0.2%</td>
<td>1,077</td>
<td>0.1%</td>
<td>1,682</td>
<td>0.1%</td>
<td>(605)</td>
</tr>
<tr>
<td>Late Fees</td>
<td>0.2%</td>
<td>5,501</td>
<td>0.3%</td>
<td>3,496</td>
<td>0.2%</td>
<td>2,005</td>
</tr>
<tr>
<td><strong>Total Commercial Revenue</strong></td>
<td><strong>1,638,927</strong></td>
<td><strong>1,579,820</strong></td>
<td><strong>100%</strong></td>
<td><strong>1,579,820</strong></td>
<td><strong>100%</strong></td>
<td><strong>59,107</strong></td>
</tr>
</tbody>
</table>

(1) See attachment for Percentage Rent revenue data by month.

#### Note 2: Residential Revenue

<table>
<thead>
<tr>
<th>Income Type</th>
<th>2015 Total Budget</th>
<th>2015 Actual</th>
<th>YTD %</th>
<th>2015 Budget</th>
<th>YTD %</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of Total Res Rev</td>
<td>Feb</td>
<td>Actual</td>
<td>Res Rev</td>
<td>YTD</td>
<td>Feb</td>
</tr>
<tr>
<td>Residential Rents</td>
<td>96.2%</td>
<td>426,711</td>
<td>98.8%</td>
<td>430,428</td>
<td>98.3%</td>
<td>(3,717)</td>
</tr>
<tr>
<td>Laundry Net of Taxes</td>
<td>0.6%</td>
<td>1,155</td>
<td>0.3%</td>
<td>3,318</td>
<td>0.8%</td>
<td>(2,163)</td>
</tr>
<tr>
<td>Other(1)</td>
<td>0.6%</td>
<td>4,169</td>
<td>1.0%</td>
<td>4,150</td>
<td>0.9%</td>
<td>19</td>
</tr>
<tr>
<td><strong>Total Residential Revenue</strong></td>
<td><strong>97%</strong></td>
<td><strong>432,035</strong></td>
<td><strong>100%</strong></td>
<td><strong>437,896</strong></td>
<td><strong>100.0%</strong></td>
<td><strong>5,861</strong></td>
</tr>
</tbody>
</table>

(1) Other includes maintenance services, storage, rental screening & late fees

#### Note 3: Day Stall Revenue

<table>
<thead>
<tr>
<th>Income Type</th>
<th>2015 Total Budget</th>
<th>2015 Actual</th>
<th>YTD %</th>
<th>2015 Budget</th>
<th>YTD %</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total Day Rev</td>
<td>Feb</td>
<td>Actual</td>
<td>Day Rev</td>
<td>YTD</td>
<td>Feb</td>
</tr>
<tr>
<td>Daily Craft</td>
<td>66.4%</td>
<td>66,522</td>
<td>65.8%</td>
<td>63,424</td>
<td>70.4%</td>
<td>2,998</td>
</tr>
<tr>
<td>Daily Farmer</td>
<td>18.4%</td>
<td>15,661</td>
<td>15.5%</td>
<td>10,500</td>
<td>11.7%</td>
<td>5,161</td>
</tr>
<tr>
<td>Remote Markets</td>
<td>3.3%</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
</tr>
<tr>
<td>Rummage Hall Net of Taxes</td>
<td>1.3%</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
</tr>
<tr>
<td>Cooler / Locker Rent</td>
<td>6.2%</td>
<td>12,638</td>
<td>12.5%</td>
<td>11,582</td>
<td>12.9%</td>
<td>1,056</td>
</tr>
<tr>
<td>Permits &amp; market bags</td>
<td>2.1%</td>
<td>3,459</td>
<td>3.4%</td>
<td>2,520</td>
<td>2.8%</td>
<td>939</td>
</tr>
<tr>
<td>Late Fees</td>
<td>1.1%</td>
<td>2,650</td>
<td>2.6%</td>
<td>2,100</td>
<td>2.3%</td>
<td>550</td>
</tr>
<tr>
<td><strong>Total Day Stall Revenue</strong></td>
<td><strong>99%</strong></td>
<td><strong>100,730</strong></td>
<td><strong>100%</strong></td>
<td><strong>90,126</strong></td>
<td><strong>100%</strong></td>
<td><strong>10,604</strong></td>
</tr>
</tbody>
</table>
### Surface Revenue

<table>
<thead>
<tr>
<th></th>
<th>2015 Total Budget</th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total Surf Rev</td>
<td>Feb Surf</td>
<td>% YTD Surf Rev</td>
<td>Feb Surf</td>
</tr>
<tr>
<td>Surface Parking Net of Taxes</td>
<td>178.6%</td>
<td>102,297</td>
<td>183.6%</td>
<td>90,700</td>
</tr>
<tr>
<td>Bridge Maintenance Reserve</td>
<td>-1.4%</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
</tr>
<tr>
<td>City Share of Revenues</td>
<td>-71.0%</td>
<td>(46,579)</td>
<td>-83.6%</td>
<td>(32,496)</td>
</tr>
<tr>
<td>Total Surface Revenue</td>
<td>10.6%</td>
<td>55,718</td>
<td>100.0%</td>
<td>58,204</td>
</tr>
</tbody>
</table>

### Garage Revenue

<table>
<thead>
<tr>
<th></th>
<th>2015 Total Budget</th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total Gar Rev</td>
<td>Feb Gar</td>
<td>% YTD Gar Rev</td>
<td>Feb Gar</td>
</tr>
<tr>
<td>Parking Revenue Net of Taxes</td>
<td>81.6%</td>
<td>318,534</td>
<td>92.0%</td>
<td>269,039</td>
</tr>
<tr>
<td>Parking Reimbursement</td>
<td>0.4%</td>
<td>1,575</td>
<td>0.5%</td>
<td>1,637</td>
</tr>
<tr>
<td>Garage Commercial Revenue</td>
<td>2.1%</td>
<td>26,016</td>
<td>7.5%</td>
<td>21,108</td>
</tr>
<tr>
<td>Interest Income</td>
<td>0.0%</td>
<td>103</td>
<td>0.0%</td>
<td>98</td>
</tr>
<tr>
<td>Total Garage Revenue</td>
<td>84.4%</td>
<td>346,228</td>
<td>100.0%</td>
<td>290,872</td>
</tr>
</tbody>
</table>

### Miscellaneous Revenue

<table>
<thead>
<tr>
<th></th>
<th>2015 Total Budget</th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total Gar Rev</td>
<td>Feb Misc</td>
<td>% YTD Misc Rev</td>
<td>Feb Misc</td>
</tr>
<tr>
<td>Security Service Contracts</td>
<td>15.8%</td>
<td>7,792</td>
<td>8.1%</td>
<td>7,712</td>
</tr>
<tr>
<td>SPD Security Contracts</td>
<td>4.8%</td>
<td>2,212</td>
<td>2.3%</td>
<td>2,322</td>
</tr>
<tr>
<td>Management Fees(1)</td>
<td>29.3%</td>
<td>9,746</td>
<td>10.2%</td>
<td>9,800</td>
</tr>
<tr>
<td>Investment Income/Interest</td>
<td>23.4%</td>
<td>3,053</td>
<td>3.2%</td>
<td>3,240</td>
</tr>
<tr>
<td>Film-License Revenue</td>
<td>9.0%</td>
<td>4,605</td>
<td>4.8%</td>
<td>4,100</td>
</tr>
<tr>
<td>Other Revenues(2)</td>
<td>39.7%</td>
<td>68,202</td>
<td>71.3%</td>
<td>68,598</td>
</tr>
<tr>
<td>Total Miscellaneous Revenue</td>
<td>122.9%</td>
<td>95,610</td>
<td>100.0%</td>
<td>95,772</td>
</tr>
</tbody>
</table>

---

(1) Management fees from LaSalle Senior Housing LLC
(2) Other Revenues includes Constituency Revenue, Misc Non-taxable Revenue, Key and Access Cards, Trademark/Royalties and rummage hall less sales tax.
### Note 8  Property Management Expenses

<table>
<thead>
<tr>
<th></th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Feb</td>
<td>% PM Exp</td>
<td>Feb</td>
</tr>
<tr>
<td>Commercial</td>
<td>62,442</td>
<td>18.6%</td>
<td>70,026</td>
</tr>
<tr>
<td>Residential</td>
<td>84,993</td>
<td>25.3%</td>
<td>89,517</td>
</tr>
<tr>
<td>Daystar</td>
<td>33,233</td>
<td>9.7%</td>
<td>33,798</td>
</tr>
<tr>
<td>Surface Parking</td>
<td>19,231</td>
<td>5.7%</td>
<td>14,966</td>
</tr>
<tr>
<td>Garage</td>
<td>135,556</td>
<td>40.4%</td>
<td>138,605</td>
</tr>
<tr>
<td><strong>Total Property Management Expenses</strong></td>
<td>336,555</td>
<td>100%</td>
<td>346,912</td>
</tr>
</tbody>
</table>

### Note 9  Operations Expenses

<table>
<thead>
<tr>
<th></th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Feb</td>
<td>% Ops Exp</td>
<td>Feb</td>
</tr>
<tr>
<td>Facilities</td>
<td>236,333</td>
<td>21.9%</td>
<td>244,120</td>
</tr>
<tr>
<td>Security</td>
<td>195,130</td>
<td>18.1%</td>
<td>210,447</td>
</tr>
<tr>
<td>Maintenance</td>
<td>151,140</td>
<td>14.0%</td>
<td>169,340</td>
</tr>
<tr>
<td>Capital Management</td>
<td>29,528</td>
<td>2.7%</td>
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<td>1,078,495</td>
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### Note 10  Administration Expenses

<table>
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<tr>
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<th>YTD 2015 Variance</th>
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<td></td>
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<td>% Adm Exp</td>
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### Note 11  Programs expenses

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## 2015 Calendar Year
### Percentage Rent Revenue By Month of Sales

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## 2014 Calendar Year
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## 2013 Calendar Year
### Percentage Rent Revenue By Month of Sales

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## 2012 Calendar Year
### Percentage Rent Revenue By Month of Sales

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<th>Nov</th>
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<td>1,412</td>
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Capital Replace Reserve Fund Balance

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### CAPITAL PROJECTS REPORT

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### MISCELLANEOUS (Tenant Compensations and Commercial Tenant Improvements)

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### CONTINGENCY

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### A&E - ARCHITECTURAL ENGINEERING, DESIGN & APPLICATION CONTRACTING - OUTSOURCED

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### CAPITAL INVENTORY

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| Total |                               | 384,749             | 1,715,065          | 2,099,814    | 113,119         |             |
## Project Total Costs

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<th>Paid to Date</th>
<th>Committed but Not Paid</th>
<th>Budgeted but Not Committed</th>
<th>Projected Total</th>
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85% OK
**PIKE PLACE MARKET RENOVATION**

**TOTAL PROJECT SUMMARY**

**Budget Report**

*Life to Date Costs as March 18, 2015 (reconciled w/ acctg thru March, 2015)*

<table>
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<th>Overall Budget 03.20.09</th>
<th>Current Budget</th>
<th>Committed to Date</th>
<th>Paid to Date</th>
<th>Projected Total</th>
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<td><strong>1. A/E Services</strong></td>
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<td>Architectural Planning, Conceptual Design, &amp; SDs</td>
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| **2. Miscellaneous and Other Design Expenses** |                |                   |              |                 |
| Site Survey | $110,000 | $84,423 | $84,423 | $84,423 |
| GeoTechnical Engineering | $10,000 | $80,739 | $80,739 | $80,739 |
| Miscellaneous & Other Design Expenses | $450,000 | $154,428 | $154,428 | $154,428 |
| **Sub-TOTAL** | $570,000 | $319,589 | $319,589 | $319,589 |

| **3. Permits & Fees**      |                |                   |              |                 |
| Building Permit | $550,000 | $335,809 | $335,809 | $335,809 |
| Utility Fees | $700,000 | $757,936 | $757,936 | $757,936 |
| Miscellaneous Fees | $100,000 | $8,297 | $8,297 | $8,297 |
| **Sub-TOTAL** | $1,350,000 | $1,102,042 | $1,102,042 | $1,102,042 |

| **4. Construction**      |                |                   |              |                 |
| Pre-Construction Services | $850,000 | $589,752 | $589,752 | $589,752 |
| Construction Cost | $45,820,000 | $49,759,929 | $48,631,144 | $49,759,929 |
| WSST | $4,433,650 | $4,639,664 | $4,639,664 | $4,639,664 |
| **Sub-TOTAL** | $51,103,650 | $54,989,345 | $53,860,560 | $54,989,345 |

| **5. Construction Support Expenses** |                |                   |              |                 |
| Builders Risk Insur & Increase in GL Premium | $185,000 | $114,018 | $114,018 | $114,018 |
| Investigation | $50,000 | -$ | -$ | -$ |
| HazMat | $300,000 | $220,284 | $220,284 | $220,284 |
| Tenant Impacts & Communication | $1,700,000 | $1,143,188 | $1,143,188 | $1,143,188 |
| Inspections | $230,000 | $367,792 | $367,792 | $367,792 |
| Commissioning | $115,000 | $214,989 | $214,989 | $214,989 |
| Art Program | $105,000 | $102,500 | $102,500 | $102,500 |
| LEED | $20,000 | $2,100 | $2,100 | $2,100 |
| **Sub-TOTAL** | $2,705,000 | $2,164,871 | $2,164,871 | $2,164,871 |

| **6. Project Management** |                |                   |              |                 |
| Consultant Project Management | $519,000 | $410,657 | $410,657 | $393,751 |
| In-House Project Management | $1,240,000 | $1,352,709 | $1,352,709 | $1,291,692 |
| Legal | $300,000 | $171,920 | $171,920 | $171,920 |
| **Sub-TOTAL** | $2,059,000 | $1,935,286 | $1,935,286 | $1,857,362 |

| **7. Owner’s Contingency** |                |                   |              |                 |
| Contingency | $5,031,928 | $1,571,080 | -$ | -$ |
| **Sub-TOTAL** | $5,031,928 | $1,571,080 | -$ | -$ |

**PROJECT TOTAL COSTS**

|                | 68,600,000 | 68,600,000 | 65,900,135 | 65,822,079 | 68,600,000 |

96% PDA Council Packet 3.26.15 - 178
## PIKE PLACE MARKET NON LEVY

### TOTAL PROJECT SUMMARY

Life to Date Costs as of March 18, 2015 (reconciled w/acctg thru March 2015)

<table>
<thead>
<tr>
<th>Overall Budget (March 20, 2009)</th>
<th>Current Budget</th>
<th>Committed to Date</th>
<th>Paid to Date</th>
<th>Projected Changes</th>
<th>Projected Total</th>
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<td><strong>1. A/E Services</strong></td>
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<td>$8,529,712 $</td>
<td>$8,760,567 $</td>
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97%
March 2015

Design/Construction Process

- Design team has completed design documents and is coordinating bid sets. The project will be bid in three discrete packages – early works/foundation/shoring, base project construction and housing. Early works/foundation/shoring bids were received in February. Base project construction will be bid in April with bids due mid-May.
- Early Works and Base Bid + Housing design packages were submitted for permit mid-2014. Review comments from the City have been received and the PDA and design team are finalizing response information.
- Street Improvement Plan (SIP) approval is part of the permitting process. 90% SIP plans were submitted late September 2014. Responding to the 90% SIP comments constitutes completion of the SIP process.
- In December 2013 the project was awarded City of Seattle Office of Housing Grant. In addition, the project received State of Washington housing tax credit funding early January 2014.
- Master Use Permit (MUP) application was submitted September 2013. The public comment period ended with no public comments received. First round of MUP corrections were responded to in March 2014. An updated SEPA plan was completed and submitted to the City. SEPA Determination of Non-Significance decision and the Master use Permit decision was published in December with no appeals.
- The project received Use and Design approval from the Market Historical Commission on January 14, 2015. Included with the design approval were the donor art elements.

Communication/Coordination

- PDA and PDA consultants continue to work collaboratively in the design process with the Market Community, Market Historic Commission and the City’s Central Waterfront Design Team to achieve the goals and outcomes of the project.
- Community input on design has been coordinated with Stakeholders throughout the design process. Community input will continue to be received and coordinated throughout the construction process.
- Construction coordination meetings with the Market tenants and surrounding community will begin in March, with the anticipated construction beginning in May.
Schedule

- Below is a high level schedule, noting key project elements and milestones being tracked through the end of the project. The schedule will continue to be refined as permitting and construction progresses.

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<thead>
<tr>
<th>Pike Place Market Waterfront Entrance</th>
<th>Start</th>
<th>Finish</th>
<th>% Done</th>
<th>2013</th>
<th>2014</th>
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Project Budget

- On the next page is a high level outline of the projected flow of funds for the project through project completion. Flow of funds will continue to be updated as the project progresses.
# MarketFront
## PROJECT FLOW OF FUNDS

### PROJECT SUMMARY SCHEDULE

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<th>Q3 13</th>
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### FLOW OF FUNDS (adjusted for 3/2015 Construction Start)

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### ACTUAL CASH FLOW

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### FUNDS AVAILABLE (Qtr funds available/Qtr funds billed)

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## MarketFront

### PROJECT FLOW OF FUNDS (Construction Start Delayed to March 2015)

**(GL thru February '15)**

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<th>Year</th>
<th>Quarter</th>
<th>Expenditures (Planned vs Actual)</th>
<th>Available Funds (from Sources)</th>
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**EXPENDITURES (Planned vs Actual) AND AVAILABLE FUNDS (from Sources)**

- **FUND SOURCE AVAILABILITY (Original Plan)**
- **FUND SOURCE AVAILABILITY (w/Start 3/2015)**
- **EXPENDITURES (Original Plan)**
- **ACTUAL BILLINGS (as INVOICED)**
- **PROJECTED EXPENDITURES (w/Start 3/2015)**
# Pike Place MarketFront Capital Campaign Total as of 3.5.15

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<td>$9,000,000</td>
<td>$2,133,583</td>
<td>23%</td>
</tr>
</tbody>
</table>

## Lead/Major Gifts Campaign Fundraising Goals

<table>
<thead>
<tr>
<th>Completion Date</th>
<th>Goal</th>
<th>Progress to Goal</th>
<th>% to Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/31/2014</td>
<td>Lead</td>
<td>concluded</td>
<td>concluded</td>
</tr>
<tr>
<td>12/31/2016</td>
<td>Major Gifts (Indv.)</td>
<td>$360,000</td>
<td>$545,000</td>
</tr>
<tr>
<td>12/31/2016</td>
<td>Major Gifts (Corporate)</td>
<td>$385,000</td>
<td>$525,000</td>
</tr>
<tr>
<td>12/31/2016</td>
<td>Grants</td>
<td>$1,155,000</td>
<td>$550,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$1,900,000</td>
<td>$1,620,000</td>
<td>$1,815,890</td>
</tr>
</tbody>
</table>

## Community Campaign Fundraising Goals

<table>
<thead>
<tr>
<th>Completion Date</th>
<th>Action</th>
<th>Goal</th>
<th># of Charms</th>
<th># of Hoofprints</th>
<th>Progress to goal</th>
<th>% to Goal</th>
</tr>
</thead>
<tbody>
<tr>
<td>12/31/2015</td>
<td>Community Gifts</td>
<td>$3,000,000</td>
<td>583</td>
<td>84</td>
<td>$524,940</td>
<td>17.50%</td>
</tr>
<tr>
<td>12/31/2016</td>
<td>Stretch Goal Potential</td>
<td>$8,457,540</td>
<td>13,653</td>
<td>1,200</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

## Outreach & Marketing

<table>
<thead>
<tr>
<th>Q2 Promotions</th>
<th>People Reached @ Events</th>
<th>Website Analytics</th>
<th>New Media Sponsors</th>
<th>KOMO4 Commercials</th>
<th>In the News:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mother's Day &amp; Groundbreaking</td>
<td>14,427</td>
<td>11,033 Users; 14,826 Sessions</td>
<td>The Seattle Times ($100K) Seattle Met ($100K) PSBJ ($75K)</td>
<td>KOMO4: MarketFront &quot;Pikelebrity&quot; Commercials</td>
<td>KIRO TV, PSBJ, Seattle Met</td>
</tr>
</tbody>
</table>

## Sponsorship

<table>
<thead>
<tr>
<th>Inkind Sponsorship to-date</th>
</tr>
</thead>
<tbody>
<tr>
<td>$310,201</td>
</tr>
</tbody>
</table>

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