Date: Thursday, June 29th, 2017  
Time: 4:00 p.m. – 6:00 p.m.  
Location: The Classroom  
Committee Members: Matt Hanna (Chair), Rico Quirindongo (Vice-Chair), Gloria Skouge, David Ghoddousi, James Savitt, John Finke, Ann Magnano, Betty Halfon, Patrice Barrentine, Ray Ishii, Patrick Kerr and Colleen Bowman  

4:00pm  I. Administrative:  
A. Approval of Agenda  
B. Approval of the PDA Council Meeting Minutes for May 25th, 2017  

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

4:15pm  III. Programs and Information Items  
A. Council Chair Report  
   i. **Action Item:** Proposed Resolution 17-34: Election of PDA Officers, Committee Chairs and Vice Chairs, and Council-selected Councilmember  
B. Executive Director’s Report  
C. Committee Chair Report  
D. Other Reports  

4:25pm  IV. Key Issues Presentation and Discussion Items  

4:50pm  V. Resolutions and Other Action Items (Old and New Business)  
A. Consent Agenda  
   iii. Proposed Resolution 17-29: Approval of 2016 PDA Audited Financial Statements  
   vi. Proposed Resolution 17-33: Lease Proposals – June 2017  
A. New Business  
   i. Proposed Resolution 17-28: MOA with SDOT for Removal of the Pike Street Hillclimb Skybridge
<table>
<thead>
<tr>
<th>Time</th>
<th>Item</th>
<th>Chair</th>
</tr>
</thead>
<tbody>
<tr>
<td>5:50pm</td>
<td>VI. Further Public Comment</td>
<td>Chair</td>
</tr>
<tr>
<td>5:55pm</td>
<td>VII. Concerns of Committee Members</td>
<td>Chair</td>
</tr>
<tr>
<td>6:00pm</td>
<td>VIII. Adjournment</td>
<td>Chair</td>
</tr>
</tbody>
</table>
Thursday, May 25th, 2017
4:00 p.m. to 6:00 p.m.
The Classroom

Committee Members Present: Matt Hanna, Rico Quirindongo, Gloria Skouge, David Ghoddousi, Colleen Bowman, Ray Ishii, Jim Savitt, John Finke, Betty Halfon, Patrice Barrentine

Staff/Consultants Present: Aliya Lewis, Ben Franz-Knight, Emily Crawford, Dianna Goodsell

Others Present: Chris Scott, Howard Aller, Bob Messina, Joe Read, Joan Paulson

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

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

   B. Approval of the April 27th, 2017 PDA Council Meeting Minutes
      The April 27th, 2017 PDA Council Meeting Minutes were approved by Acclamation

II. Public Comment Including the Market Community

Rico Quirindongo entered into the meeting at 4:02 p.m.

Matt Hanna asked Ben Franz-Knight if the council could expect an updated presentation from One Center City.

Ben Franz-Knight stated that it was his understanding that One Center City would come back to council in early fall.

III. Programs and Information Items
   A. Council Chair Report
      Matt Hanna gave his council chair report noting the MarketFront grand opening on June 29th and his discussion with Ben Franz-Knight on who the council is expected to invite to the ceremony. Hanna stated that daystallers are now selling on the MarketFront.
      Conversations are continuing around Overlook walk and Building B regarding the PDA’s (Preservation and Development Authority) potential investment and a development agreement with the City. He discussed the progress the nomination committee is making in reviewing and interviewing candidates for the two seats that will open on July 1st. He touched on an agenda item regarding the connection between Steinbrueck/Native Park and the MarketFront. There is progress being made with the Foundation and that a finalized draft of a services agreement will be presentation and discussion to the council in August.
      John Finke asked what the plan for the council meeting on June 29th as it is the same day as the MarketFront grand opening.
Matt Hanna noted that the council meeting date is an issue that he is aware of and that he and Ben Franz-Knight are working out the details of what that meeting will entail.

B. Executive Director’s Report
Ben Franz-Knight gave his executive director’s report noting that the MarketFront plaza and pavilion are now open. Franz-Knight stated that next Wednesday is the Evening Farmers Marker kick-off and that the season will have a slow start due to winter weather. He highlighted ongoing efforts with SDOT (Seattle Department of Transportation) on streetcar planning. Work is advancing for that streetcar project but there is a lot of work to be done on final design on stations between Pike and Pine and delivery access. He expressed his hope that in the next month or so that council will have an updated presentation on the streetcar. Lastly, he noted staffing changes.

Betty Halfon asked if the streetcar is fully funded.

Ben Franz-Knight stated that the federal commitment has been secured.

Betty Halfon stated that she noticed sales were flat from last month.

Ben Franz-Knight noted that some sales report are lagging and that there are some partial sales reports for the month.

C. Committee Chair Report
None

D. Other Reports
None

IV. Key Issues Presentations and Discussion Items
A. Inside Pike Place Market: Building a Model Public Market into the 21st Century
Ben Franz-Knight gave a history of the project and touched on the goals of the project.

Emily Crawford gave a presentation on Inside Pike Place Market: Building a Model Public Market into the 21st Century, a Digital Book. A summary of the presentation is included below.

Inside Pike Place Market: Building a Model Public Market into the 21st Century
- A visually rich interactive book that explores, explains and celebrates the unique character of Pike Place Market

Project Overview
- An e-book that offers a visual and multisensory lens into PPM
- Includes historic documents, architectural plans, newly created text, images and video and first-person narratives
- Designed for national and international audiences interested in studying/exploring the Market as a model for public markets
- Useful for historians, educators, students, PDA staff and PPM community
**Project Relevance**
- Increased demand from public market managers, preservationists and city officials from around the nations and the world
- Unique character of the Market defies simple explanations
- Opportunity to engage with varied audiences in the digital realm
- Timing as the MarketFront expansion opens and the 110th anniversary is celebrated – looking to the future and honoring the past

**Project Components**
- Interactive narrative showcasing rarely seen documents
- High-resolution images allow readers to zoom in to explore details
- Embedded video and audio files, and annotated maps explain key points
- A complete bibliography includes links to online sources
- Links between chapters to allow readers to choose their path through the material
- Materials can be updated; the book is a living document

**Central Themes**
- The Founding of the Market – mission, values, framework for ensuing decades
- Urban Design – a public space that grew organically and has been the focus of historic preservation
- Citizen Activism and Public Engagement
- Public Market Management Today
- Meet the Producers – the Diverse Market Family
- Looking Forward – MarketFront, future waterfront connection, model for public markets and preservation

**Practical Use**
- Free, downloadable public resource offered on iTunes and PPM website
- E-book can be repurposed as a presentation. Chapters can be downloaded separately, for use in the classroom or lectures
- Can be used in the P&M Education program as a teaching tool
- Utilized at talks and presentations given by PDA Council and staff at conferences and meetings
- Communications tool for stakeholders, community groups, marketing, farm and commercial staff

David Ghoddousi stated that the eBook looks great and will be a good tool for people who want to know more about the Market.

Matt Hanna stated that the project is a great idea and asked for clarification on what’s left to do.

Emily Crawford noted that there are six stages of the process and that she believes they will reach the end of step two by September.
Rico Quirindongo suggested packaging a part of the eBook that could be available for purchase and the money could be used to fund maintenance of the project.

Matt Hanna asked if there is a possibility of a hard copy being made.

Emily Crawford stated that the project was designed for a digital medium but could be designed as a book.

There was a discussion on the details of the book that followed.

Patrice Barrentine noted how exciting it could be to build out the eBook further and the different ways to print for different audiences.

There was a discussion on the printing options that followed.

B. Temporary Connection to Steinbrueck/Native Park

Ben Franz-Knight gave a presentation regarding a temporary connection between Steinbrueck/Native Park and the MarketFront. A summary of the presentation is included below.

**Steinbrueck/Native Park Connections**
- Current Condition – wall in place
- Partial wall removal

**Y Gate/Day**

**RY Gate/Night**

**Steinbrueck/Native Park 2017**
- Next Steps:
  - PDA Council Approval of Temporary fence purchase and installation
  - Finalize agreement with Seattle Parks Department for installation and share of costs incurred for modifications on parks property
  - MHC approval

Ben Franz-Knight noted that this was a topic discussed during last fall’s retreat
- David Graves
- Simple gate
- Marshall Foster asked for an opportunity to review the temporary connection pending council’s decision this evening
- MHC approval
- Cultural sensitivities
- Peter Steinbrueck’s testimony
Proposed Resolution 17-25: Temporary Gate Connection to Steinbrueck/Native Park

Ben Franz-Knight introduced proposed resolution 17-25 which states that:

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 a temporary connection between Steinbrueck/Native Park and the new MarketFront building is necessary; and,

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director to enter into an agreement with Seattle Parks to authorize the PDA to open and close the gate on ours to be determined appropriate by the PDA in support of MarketFront operations and share costs of modifications made to the south wall of Steinbrueck Park/Native Park to allow for the connection.

The funds for this project will be drawn from the **Capital Projects GL 165013-00**.

Betty Halfon moved the proposed resolution and Rico Quirindongo seconded the motion.

Matt Hanna noted that in about 14 months that the park will be closed for renovations and during that time the council can develop a better connection that what will be in place temporarily.

Betty Halfon asked how the connection will impact security.

Ben Franz-Knight noted that security will have the additional responsibility of opening and closing the gate as well as a high level of coordination with Seattle Police Department and park rangers. Security will keep a log of incidents that will help determine future conversations on the connection. The PDA has the authority to determine the hours the connection is open as stated in the proposed resolution.

Betty Halfon asked where the money is coming from.

Ben Franz-Knight stated that the money is coming from a capital projects account that was specifically created for this project.

There was a discussion on the details of the connecting gate and security that followed.
For: Matt Hanna, Rico Quirindongo, Colleen Bowman, Ray Ishii, Jim Savitt, John Finke, Betty Halfon, Patrice Barrentine
Against: David Ghoddousi, Gloria Skouge
Abstain: 0

Proposed Resolution 17-25: Temporary Gate Connection to Steinbrueck/Native Park passed by a vote of 8-2-0.

V. Resolutions and Other Action Items (Old and New Business)
   A. Consent Agenda
      Proposed Resolution 17-15: Sibbett Studio


      Proposed Resolution 17-23: Lease Proposals – May 2017

      All proposed resolutions were approved by acclamation.

   C. New Business

VI. Closed Session
   The Committee Chair stated that the committee would go into closed session at 5:00 p.m. to discuss the property management report and return into open session at approximately 5:45 p.m.

   The committee entered into closed session at 5:01 p.m.

   I. Property Management Report – Closed Session (RCW 42.30.110[c])
   II. Review of Lease Proposals
       New License – Chief Seattle Club

   The committee entered into open session at 6:10 p.m.

   The committee discussed the property management report which included review of lease proposals during closed session.

 VII. Open Session
      Proposed Resolution 17-24: Chief Seattle Club License Agreement was not moved.

 VIII. Further Public Comment
        None.

 IX. Concerns of Committee Members
      None.

 X. Adjournment
    The meeting was adjourned at 6:10 p.m. by Matt Hanna, Chair.
Meeting minutes submitted by:
Aliya Lewis, Executive Administrator
Section II:

Executive Director’s Report
SUMMARY

We are prepared for the busy summer season as well as the Grand Opening of MarketFront which will take place on June 29th.

Following the streetcar trip to Portland the first week of June we continue to have productive conversations with SDOT regarding the design and operating plan for the streetcar on 1st between Pine and Pike Streets. We will continue to work with SDOT until we have ensured preservation of flexibility for loading and unloading activity on 1st Avenue.

After a very cold and wet spring fresh produce is finally emerging with the first summer harvests coinciding with start of the our Farm to Go CSA and the second week of Express Markets at City Hall, South Lake Union, Denny Regrade and First Hill.

The MarketFront plaza is quickly becoming a favorite spot for folks to enjoy the views and peruse daystall tables with a steady flow from the Desimone Bridge out to the Pavilion. Tenant improvements in the Producers Hall are progressing well and directional signage was installed last week in advance of Thursdays Grand Opening Celebration which will take place from 2-7pm.

Finally, we continue to closely track parking revenue along with other income projections through the first two quarters of the year and will report back to the Finance and Asset Management Committee and full Council in July with recommended adjustments and expense reductions.

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 (March 2017):</td>
</tr>
<tr>
<td>Restaurants:</td>
</tr>
<tr>
<td>Food:</td>
</tr>
<tr>
<td>Mercantile:</td>
</tr>
</tbody>
</table>
Several charts are also attached highlighting year-over-year sales trends through April with partial sales reports for May.

** Actual performance is $244,040 over budget as reflected in preliminary year end statement.

### Operating Income After Required Reserves and Debt Service

<table>
<thead>
<tr>
<th></th>
<th>Annual Goal</th>
<th>Year to Date: May 31, 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Income</strong></td>
<td>$2,359,388</td>
<td>$405,355**</td>
</tr>
</tbody>
</table>

### Farm and Daystall Attendance

<table>
<thead>
<tr>
<th>Change from May 2016 to May 2017</th>
<th>Craft</th>
<th>Farm</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>-5.6%</td>
<td>-12.3%</td>
</tr>
</tbody>
</table>

*Several charts are also attached highlighting year-over-year sales trends through April with partial sales reports for May.

** Actual performance is $244,040 over budget as reflected in preliminary year end statement.

### Operating Income after Required Reserves and Debt Service

Overall commercial activity during the month of May was good with the exception of parking revenue. Garage revenue for the year is still down from 2016. Trends continued to improve in May and early June, however, mid-year budget adjustments will likely be required. Overall revenue to date is consistent with budget projections with the exception of lower garage revenue, expenses are trending lower through the end of May.

### Farm and Craft Attendance

Daystall attendance was down with seven turn-aways due to weather. Farm attendance was down from the year prior largely due to weather and the late arrival of most summer crops. Total active farm permits, including artisan food vendors, was at 96 for the month of May. Hosted over 40 permit holders in Pavilion for Table Lay-Out Advancing Craft Forum.

### MARKET PROGRAMS

#### Marketing

- Promoted market businesses and activities via the website and social media, with a total of 269,704 Facebook likes with a total monthly reach of 1,619,043. Twitter followers increased to 76,567. In addition we have 54,143 Instagram followers, 90,030 website views and 44,144 mobile website visitors
- Conducted 13 school tours and 7 presentations at schools in May reaching 323 students
- Completed planning for MarketFront Grand Opening and Farm Season
- Coordinating ongoing MarketFront updates and tours with local media

#### Farm and Daystall

- Launched the 2017 Farm season with Wednesday Evening Farmers Market on Pike Place and Farm to Go CSA
• Started all Express Markets
• Started use of the MarketFront Pavilion, testing two different table layouts
• Assisted with Pavilion strike and reset for Laird Norton event
• Assisted with planning and programing for Grand Opening

**Market Programs Committee - Key Actions and Discussions**
• Reviewed marketing and promotion efforts
• Received final review of Grand Opening plans
• Received update on Market Foundation Cut the Pie Grant Awards
• Reviewed Education Program Annual Report
• Received recap of Wednesday Evening Farmers Market opening night

**FINANCE AND ASSET MANAGEMENT**

**Finance and Accounting Department**
• Processed all payables and receivables
• Ongoing coordination of draws and reporting for LIHTC financing for the MarketFront
• Ongoing review of all MarketFront pay applications and review of final project costs
• Continued preparing for MarketFront Project Final Allocations
• Conducted detailed review of garage revenue and expenses and began identifying possible expense reductions
• Completed annual audit with Peterson Sullivan

**Residential**
• Continue to lease available units, Market-wide vacancy rate average at 4% through May
• Focused effort to turn vacancies to reduce overall vacancy rate
• Maintained compliance with HUD contracts and submitted forms for annual rate increases
• Assisting with coordination of ongoing maintenance and repairs in all buildings
• WASH and LaSalle Funder audits underway

**Commercial**
• Processed pending new leases, lease renewals and options including a near-record seven leases in November
• Continued successful booking of events in Economy Building and Atrium Kitchen
• Continued active lease administration work to ensure compliance and consistent operations
• Continued construction coordination with MarketFront commercial tenants
• Coordinating high volume of compliance requests from MHC

**Capital Projects**
• Prepared bid recommendation for Emergency Responder System in the Fairley/LaSalle Buildings
• Prepared bid recommendation for MarketFront elevator security upgrades
• Prepared bid recommendation for MarketFront Window Anti-Graffiti film
• Prepared bid recommendation for Office Space division
• Coordinated initial review of RFQ’s for Term Architect
Parking
- Garage revenue for May improved over prior months but was still down compared to 2016
- Revenue from the surface parking lots was up in May and consistent with YTD projections
- Opened new garage with all levels except level six which is still being used by Commercial tenants for misc. laydown space
- Conducting interviews for new Parking Manager

Maintenance and Facilities
- Continued coordination of bringing the MarketFront building fully on-line
- Stepped up vacant apartment turn rate to bring units back on the market
- Managing ongoing need for minor repairs, plumbing and electrical in the Market
- Continued ongoing FOG abatement efforts
- Processed 164 tons of garbage, 527 yds of mixed recycling, 225 yds of compost and 40 tons of fish ice melted in May

Security
- Conducted routine patrols and provided support for filming and events
- Responded to calls for service in the Market, fire alarms and requests for assistance (e.g. commercial tenant after hours building access)
- Provided support for events
- Integrated patrol of MarketFront residential and Western Ave
- Conducted department wide annual training

Finance and Asset Management Committee - Key Actions and Discussion
- Reviewed Financial Statements for May 2017
- Heard Annual Audit Presentation from Peterson Sullivan
- Heard update on Commercial and Residential property activity
- Received detailed review of parking garage revenue and possible expense reductions
- Approved Proposed Resolution 17-29: Approval of 2016 PDA Audited Financial Statements
- Approved Proposed Resolution 17-33: Lease Proposals June 2017 – New Lease: Osara Commissary; Lease Renewals: Ghost Alley Espresso, Lamplight Books, Maggie’s Shoes, Umai Sushi and Teriyaki

MARKETFRONT
- Completed negotiations with Sellen for project close-out
- Conducted multiple punch walks including final
- Identified outstanding warranty and or material work needing completion
- Reviewing final CO’s
Western Tapestry art work installation nearly completed
Working with SDOT on Street Improvement Plan modifications

MarketFront - Key Actions and Discussion

- Received update on schedule and budget
- Approved Proposed Resolution 17-28: Skybridge Removal MOA

PDA Employee June 2017 Anniversaries:

<table>
<thead>
<tr>
<th>Years</th>
<th>Name</th>
<th>Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>32yrs</td>
<td>Jeff</td>
<td>Jarvis</td>
</tr>
<tr>
<td>16yrs</td>
<td>Lakesha</td>
<td>Brown</td>
</tr>
<tr>
<td>16yrs</td>
<td>Ronald</td>
<td>Taulung</td>
</tr>
<tr>
<td>15yrs</td>
<td>Lorne</td>
<td>Hancheroff</td>
</tr>
<tr>
<td>8yrs</td>
<td>Chad</td>
<td>Blake</td>
</tr>
<tr>
<td>7yrs</td>
<td>James</td>
<td>Cornell</td>
</tr>
<tr>
<td>7yrs</td>
<td>David</td>
<td>Hinz</td>
</tr>
<tr>
<td>7yrs</td>
<td>Jennifer</td>
<td>Maietta</td>
</tr>
<tr>
<td>1yr</td>
<td>Crystal</td>
<td>Dixon</td>
</tr>
<tr>
<td>1yr</td>
<td>Malachi</td>
<td>Dunbar</td>
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<tr>
<td>1yr</td>
<td>Megan</td>
<td>Johnson</td>
</tr>
<tr>
<td>1yr</td>
<td>Aliya</td>
<td>Lewis</td>
</tr>
<tr>
<td>1yr</td>
<td>Katie</td>
<td>Rottman</td>
</tr>
</tbody>
</table>
Commercial Sales Comparison (thru April 2017)

### FOOD

- **Current Year**
- **Previous Year**

### MERCANTILE

- **2014**
- **2015**
- **2016**
- **2017**
Section III:

Key Presentations & Supporting Documents
Section IV:

Consent Agenda Items
Authorization for Contract Authority – Emergency Responder System – Fairley Building & LaSalle Hotel
June 2017

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 been directed by the Seattle Fire Department (SFD) to comply with Section 1103.2 of the Seattle Fire Code requirement and upgrade all buildings over 50,000sf with an emergency responder system. This system is designed to ensure continuous communication on the “Public Safety” 800 MHz bandwidth during a disaster; and,

WHEREAS, two buildings have been found out of compliance by SFD: The Fairley Building and the LaSalle Hotel; and,

WHEREAS, the PPMPDA has executed a competitive bid process to meet Seattle Fire Code Section 1103.2 requirement. A total of six vendors were solicited, three responded, two submitted and three remain unresponsive; and,

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Skyline Communication in an amount not to exceed $133,971 for work to be compliant.

The funds for this project will be drawn from the Capital Projects Budget, 2017 COMMULTI Emergency Responder System - GL 163824-00

Gloria Skouge, Secretary/Treasurer
Date

Date Approved by Council:
For:
Against:
Abstained:
Proposed Resolution 17-26
Authorization for Contract Authority – Emergency Responder System – Fairley Building & LaSalle Hotel
June 2017

Proposed Resolution Costs: $133,971

Project: 2017 COMMULTI 163824 Emergency Responder System

Account: Capital Projects

Accounting Code: 163824-00

Project Description: Execution of all preparatory tasks, supervisory coordination of, as well as, procurement, fabrication and installation of an Emergency Responder System to meet Seattle Fire Code requirement 1103.2.

Scope: Scope includes installation of 2 Bidirectional Amplifiers, 14 roof antenna, 13 Directional Couplers, 3x backup battery packs, 42 connectors, Lighting Arrestor, 1400 lf of cable and conduit, permits & testing for compliance, and As-buils.

Bid Process: The PPMPDA has contracted two consultants to independently validate the extent and applicability of the requirements and how best to meet this Seattle fire code section. Both consultants performed tests that confirmed the failure status. These consultants also researched other possible exclusionary conditions like “Grandfathering” or “Historic” status that were rejected by the SFD as not applicable to this particular fire life-safety requirement.

Bid process: Solicited six bids. Received two responsive, qualified bids:

- Skyline Communications $133,971 ($110,720 w/ Taxes and 10% Contingency)
- Day Wireless $212,150
- Teknon Responsive - but did not submit
- Puget Sound Instruments Unresponsive
- Bearcom Unresponsive
- DAS Simplified Unresponsive
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, and;

WHEREAS, the PDA Council adopted Resolution 13-56 approving PPMPDA selection of Sellen as the GC/CM Contractor, Resolutions 14-54 and 14-73 to enter into a contract with Sellen for Pre-Construction Services and Resolution 15-30 to enter into a mini-MACC contract with Sellen for early work construction packages, and;

WHEREAS, the PDA Council adopted Resolution 15-36 to enter into a MACC contract with Sellen to execute the base building of the MarketFront project, and;

WHEREAS, the PDA Council adopted Resolution 16-07 to enter into a MACC amendment with Sellen to execute the housing component of the MarketFront project, and;

WHEREAS, the PDA Council adopted Resolution 16-39 to enter into a MACC amendment with Sellen to execute the Desimone Bridge Seismic Upgrade component of the MarketFront project, and;

WHEREAS, the PDA Council adopted Resolution 16-68 approving the addition of HVAC and Common Area Lighting to the base building commercial component of the MarketFront Project as well as additional contingencies for change orders, and;

WHEREAS, the PPMPDA has successfully negotiated a contract close-out for an additional amount of $859,448.31 including WSST which includes unforeseen impacts to the schedule due to weather, changes orders required to support timely completion of complex project components and coordination with sub-contractors to meet deadlines for two critical TCO dates and final project CO, and;

WHEREAS, through cost savings and prudent management of multiple MarketFront budget components this additional amount is within the Final Completion Budget approved with the adoption of Resolution 16-68 in December of 2016 and reserves of $111,045 in remaining contingency to address miscellaneous remaining project costs, and;

BE IT RESOLVED that the PPMPDA Council PPMPDA Executive Director or his designee to close out the MACC contract with Sellen for a total amount including previously approved MACC amendments for the housing, Desimone Bridge and commercial HVAC and Lighting components and $859,448.31 for a total final contract amount of $60,018,800.76 including WSST.

The funds for this project will be drawn from MarketFront Project Funds Account 110635-00.

____________________________  ______________________________
Gloria Skouge, Secretary/Treasurer  Date

Date Approved by Council:

For:
Against:
Abstained:
Approval of 2016 PDA Audited Financial Statements
June 2017

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council hereby approves the 2016 PDA financial statements, audited by Peterson Sullivan LLP, Certified Public Accountants, covering the period beginning January 1, 2016 through December 31, 2016.

Gloria Skouge, Secretary/Treasurer

Date

Date Approved by Council:
For:
Against:
Abstained:
Authorization for Contract Authority – MarketFront Elevator Security Upgrade
June 2017

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 and security of the Pike Place Market buildings, the PPMPDA has determined that elevator hoist cars of the Waterfront building need a security upgrade to restrict after-hours operations to residents and authorized personnel only; and,

WHEREAS, the PPMPDA has reached out to the proprietary network installer and elevator company for the installation of FOB card readers inside the elevator hoist cars and on each respective floor landings; and,

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Reliable Security Inc. in an amount not to exceed $16,377 for work to upgrade elevator security.

The funds for this project will be drawn from the Capital Projects Budget, 2016 Market Front GL for Post construction, GL 165014-00, utilizing bond proceeds as available.

____________________________________ ______________________________
Gloria Skouge, Secretary/Treasurer                            Date

Date Approved by Council:
For:
Against:
Abstained:
Proposed Resolution 17-30
Authorization for Contract Authority – MarketFront Elevator Security Upgrade
June 2017

Proposed Resolution Costs: $16,377


Account: MarketFront Post construction

Accounting Code: 165014-00

Project Description: Execution of all preparatory tasks, supervisory coordination of, as well as, procurement and installation of elevator security features to restrict operation during non-business hours.

Scope: Scope includes expansion of controller panel, installation of wall and elevator car switch readers, labor and programing of elevator cars to new security protocols for residents, commercial and special events tenants.

Bid Process: Proprietary vendor: Reliable Security: $16,377 ($14,241 w/ Taxes and 15% Contingency)
Authorization for Contract Authority – Installation of Anti-Graffiti Film on MarketFront Windows
June 2017

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 exterior commercial space windows in MarketFront need protection from graffiti and acid etching; and,

WHEREAS, the PPMPDA has executed a bid process to install anti-graffiti film on glass; and,

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with ABC Sun Control in an amount not to exceed $24,914.75 for installation of anti-graffiti film.

The funds for this project will be drawn from the Capital Inventory GL 165014-00, utilizing bond proceeds as available.

____________________________________ ______________________________
Gloria Skouge, Secretary/Treasurer                            Date

Date Approved by Council:
For:
Against:
Abstained:
# Lease Proposals
## JUNE 2017

<table>
<thead>
<tr>
<th>Tenant</th>
<th>Term</th>
<th>Start Date</th>
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<tbody>
<tr>
<td>Osara Commissary</td>
<td>One (1) Year</td>
<td>August 1, 2017</td>
</tr>
<tr>
<td>David Allison &amp; Mikako Hamaguchi</td>
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<tr>
<td>Ghost Alley Espresso</td>
<td>Five (5) Years</td>
<td>July 1, 2017</td>
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<tr>
<td>Mercedes Carrabba</td>
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<td></td>
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<tr>
<td>Lamplight Books</td>
<td>Three (3) Years</td>
<td>June 1, 2017</td>
</tr>
<tr>
<td>Joseph Fridlund</td>
<td></td>
<td></td>
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<tr>
<td>Maggie’s Shoes</td>
<td>Two (2) Years</td>
<td>July 1, 2017</td>
</tr>
<tr>
<td>Maggie Tsann &amp; Tak Tsang</td>
<td></td>
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</tr>
<tr>
<td>Umai Sushi and Teriyaki</td>
<td>Three (3) Years</td>
<td>July 1, 2017</td>
</tr>
<tr>
<td>Roh Family, LLC (Roh Kyung &amp; Lee Keoung)</td>
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__Gloria Skouge, Secretary/Treasurer__

__Date Approved by Council:__

For:  
Against:  
Abstained:
### Lease Summary

<table>
<thead>
<tr>
<th>Business Name/Owner:</th>
<th>Osara Commissary / David Allison &amp; Mikako Hamaguchi</th>
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</tr>
<tr>
<td>Primary Term:</td>
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<tr>
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<td>Options:</td>
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<tr>
<td>Use Description:</td>
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<tr>
<td>Business Name/Owner:</td>
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<tr>
<td>Use Description:</td>
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<tr>
<td>Business Name/Owner:</td>
<td>Umai Sushi and Teriyaki / Roh Family, LLC Roh Kyung and Lee Keoung</td>
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<tr>
<td>Address/Building/Square feet:</td>
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<tr>
<td>Use Description:</td>
<td>Japanese teriyaki and sushi rolls</td>
</tr>
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Section V:

New Business Items
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 construction of the MarketFront and improvements to the Western Avenue streetscape that may directly affect the future of the Market, and;

WHEREAS, the PPMPDA made significant improvements to the Pike Street Hillclimb during levy funded major renovation in 2009 and 2010 including adding new stops for the Leland Elevator and constructing new stairs leading up to the Market from Western Avenue, and;

WHEREAS, the levy funded improvements significantly diminished the usefulness of the skybridge for access to the market and the elevator on the west side of the skybridge has been closed for 4 years, and;

WHEREAS, SDOT has agreed that the skybridge should be removed and, in conjunction with improvements the PPMPDA has made to Western Avenue related to the MarketFront project has agreed to credit MarketFront Project street use fees in exchange for the PDA assuming responsibly for removal of the Pike Street Hillclimb Skybridge, and;

WHEREAS, in the course of reviewing skybridge permits, easements and aerial vacations it was discovered that the Desimone Bridge had never been granted an aerial vacation over the street despite an over 80 year record of constant use by the public, accordingly SDOT has agreed to support an aerial vacation petition for the bridge, and;

BE IT RESOLVED that the PPMPDA Council authorize the PPMPDA Executive Director or his designee to enter into an MOA substantially similar to the draft MOA attached to this resolution, proceed with planning and procurement for the Pike Street Hillclimb Skybridge removal including seeking approval from the Market Historic Commission and prepare the aerial vacation petition for the Desimone Bridge.

_____________________________  ______________________________
Gloria Skouge, Secretary/Treasurer                                Date

Date Approved by Council:

For:  
Against:  
Abstained:
Election of PDA Officers, Committee Chairs and Vice Chairs, and Council-selected Councilmember
June 2017

WHEREAS, the PDA Council annually elects its officers and approves the appointment of PDA Council Committee Chairs and Vice Chairs for one year terms, and each year the PDA Council selects a member of the Council to serve a four year term subject to approval by the Seattle City Council of such selection; and,

WHEREAS, the PDA Council approved Resolution 13-62 in October 2013 restructuring council committees; and,

WHEREAS, the Nominating Committee has unanimously recommended the following Councilpersons to serve as Officers and as Chairs and Vice Chairs of PDA Council Committees for a one year term beginning on July 1, 2017 through June 30, 2018, and as a Council-selected Councilmember for a four year term beginning July 1, 2017 to June 30, 2021; and,

NOW, THEREFORE, BE IT RESOLVED that the PDA Council elects the following officers for a one year term from July 1, 2017 to June 30, 2018:

Chair Matt Hanna
Vice Chair Rico Quirindongo
Secretary/Treasurer Gloria Skouge

AND, BE IT FURTHER RESOLVED that the PDA Council appoints the following chairs and vice-chairs of its standing committees for a one year term beginning from July 1, 2017 to June 30, 2018:

<table>
<thead>
<tr>
<th>Committee</th>
<th>Chair</th>
<th>Vice Chair</th>
</tr>
</thead>
<tbody>
<tr>
<td>Finance &amp; Asset Management</td>
<td>Ray Ishii</td>
<td>Gloria Skouge</td>
</tr>
<tr>
<td>Market Programs</td>
<td>Betty Halfon</td>
<td>Patrice Barrentine</td>
</tr>
<tr>
<td>MarketFront</td>
<td>Rico Quirindongo</td>
<td>Colleen Bowman</td>
</tr>
</tbody>
</table>

AND, BE IT FURTHER RESOLVED that the PDA Council elects David Ghoddousi and Gloria Skouge as the two at-large members of the Executive Committee for a one year term beginning July 1, 2017 to June 30, 2018.

AND, BE IT FURTHER RESOLVED that the PDA Council selects Paul Neal as a Council-selected councilmember for a four year term beginning July 1, 2017 to June 30, 2021 and recommends the Mayor consider Devin McComb for the Mayoral Appointee.

__________________________  _______________________________
Gloria Skouge, Secretary/Treasurer  Date

Date Approved by Council:
For: 
Against: 
Abstained:
Section VI:

PDA Committee Minutes
MarketFront Committee Meeting Minutes

Monday, June 12th, 2017
4:00 p.m. to 6:00 p.m.
The Classroom

Committee Members Present: David Ghoddousi, Gloria Skouge, John Finke, Colleen Bowman, Rico Quirindongo

Other Council Members Present:

Staff/Consultants Present: Justine Kim, Ben Franz-Knight, Aliya Lewis, Crystal Dixon, Lilian Sherman, Karin Moughamer

Others Present: Joan Paulson, Chris Scott, Howard Aller, Carrie Holmes, Bob Messina

The meeting was called to order at 4:08 p.m. by, Rico Quirindongo, Chair.

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

   B. Approval of the May 8th, 2017 MarketFront Committee meeting minutes
      The May 8th, 2017 meeting minutes were approved by acclamation.

II. Announcements and Community Comments

Joan Paulson recommended a Marketing program to help promote small businesses on the lower level. She noted that Pike Place is the safest place to walk due to high levels of traffic, but that the lower levels have far less people. The Hillclimb is a major corridor and portal to accessing those businesses and has far fewer people making it more accessible.

Paulson continued by discussing Resolution 17-28, which names the bridge that connects the MarketFront to the main Market as the Desimone Bridge. Joan stated that the Desimone Bridge was a foot bridge and not the same bridge that is currently there. She continued by sharing a 1979 conversation with John Newell who stated that ownership transfer would not happen between the City and the Market PDA on the Municipal Bridge, not the Desimone Bridge. If the Council approves this Resolution, they will be committing fraud and misrepresenting what bridge it is and whether or not the PDA has ownership. She does not recommend the passage of this Resolution and suggests additional research be conducted in order to identify the bridge.

III. Key Issues and Discussion Items
   A. MarketFront Construction, Schedule & Budget Update
      Justine Kim handed out two documents: 1.) Total Budget Summary with Sellen Closeout Budget Report and, 2.) Project Schedule of Planned and Earned Values Measured Against the Flow of Funds.
Justine noted on the Summary Sheet the construction contract was successfully negotiated for a final amount of $54,750,000 with a contingency amount of $111,045, the closest she’s ever come to the projected budget. Due to negotiations $400,000 in change orders was saved.

Ben Franz-Knight stated that due to Justine’s excellent project management, Resolution 17-27 does not require additional funds. Franz-Knight said there will still be a final allocation exercise and to expect the numbers will shift towards the end of July, specifically the majority of the bond proceeds into the project. He continued by highlighting several adjustments to the funding sources.

A meeting has been scheduled for June 21st to discuss final allocations which will be presented at the July Committee meeting.

Rico Quirindongo complimented everyone on a nice job.

Justine Kim noted that any charges moving forward will be post-occupancy and that she anticipates miscellaneous costs.

Franz-Knight highlighted additional allocation tenant improvement costs associated with Jarr & Co. for the HVAC work that they are doing on their behalf, and the additional $80,000 for the longer utility runs they are accommodating.

IV. Action Items and Reports
      Ben Franz-Knight introduced proposed resolution 17-27 which states that:

      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; and,

      WHEREAS, the PDA Council adopted Resolution 13-56 approving PPMPDA selection of Sellen as the GC/CM Contractor, Resolutions 14-54 and 14-73 to enter into a contract with Sellen for Pre-Construction Services and Resolution 15-30 to enter into a mini-MACC contract with Sellen for early work construction packages; and,

      WHEREAS, the PDA Council adopted Resolution 15-36 to enter into a MACC contract with Sellen to execute the base building of the MarketFront project, and;

      WHEREAS, the PDA Council adopted Resolution 16-07 to enter into a MACC amendment with Sellen to execute the housing component of the MarketFront project, and;
WHEREAS, the PDA Council adopted Resolution 16-39 to enter into a MACC amendment with Sellen to execute the Desimone Bridge Seismic Upgrade component of the MarketFront project, and;

WHEREAS, the PDA Council adopted Resolution 16-68 approving the addition of HVAC and Common Area Lighting to the base building commercial component of the MarketFront Project as well as additional contingences for change orders, and;

WHEREAS, the PPMPDA has successfully negotiated a contract close-out for an additional amount of $859,448.31 including WSST which includes unforeseen impacts to the schedule due to weather, changes orders required to support timely completion of complex project components and coordination with sub-contractors to meet deadlines for two critical TCO dates and final project CO, and;

WHEREAS, through cost savings and prudent management of multiple MarketFront budget components this additional amount is within the Final Completion Budget approved with the adoption of Resolution 16-68 in December of 2016 and reserves of $111,045 in remaining contingency to address miscellaneous remaining project costs, and;

BE IT RESOLVED that the PPMPDA Council PPMPDA Executive Director or his designee to close out the MACC contract with Sellen for a total amount including previously approved MACC amendments for the housing, Desimone Bridge and commercial HVAC and Lighting components and $859,448.31 for a total final contract amount of $60,018,800.76 including WSST.

The funds for this project will be drawn from MarketFront Project Funds Account 110635-00.

Ben Franz-Knight discussed the recent walk through with Sellen to identify the final punch list. The PDA has assumed responsibility for a number of items, not voiding warranties. Sellen has moved their office off-site. Franz-Knight noted several finishing projects for which the PDA will now manage since the building and garages are now being actively used. The $111k contingency will most likely be allocated to various finishing projects and any charges over that will come out of Capital Operating Budget.

Justine Kim noted there may be a little more money released depending on final permitting costs.

John Finke moved the proposed resolution and Colleen Bowman seconded the motion.

Colleen Bowman asked if the finishing costs will fall under the $10,000 threshold.

Ben Franz-Knight answered that if anything is more than $10,000 it will be brought to the Council.

John Finke asked how the water proofing was going and Franz-Knight believes it is going well with a few concerns that are being watched. The water proofing consultant is working with Miller Hull to spaces affected by water seepage.
Justine Kim discussed what has been done to address the seepage on the steps. The waterproofing membrane has been inspected and is under warranty.

For: David Ghoddousi, Gloria Skouge, John Finke, Colleen Bowman, Rico Quirindongo
Against: 0
Abstain: 0

Proposed Resolution 17-27 passed with a vote of 5-0-0.

B. **Proposed Resolution 17-28**: MOA with SDOT for Removal of the Pike Street Hillclimb Skybridge

John Finke moved the proposed resolution and Gloria Skouge seconded the motion.

Ben Franz-Knight introduced proposed resolution 17-28 which states that:

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 construction of the MarketFront and improvements to the Western Avenue streetscape that may directly affect the future of the Market, and;

WHEREAS, the PPMPDA made significant improvements to the Pike Street Hillclimb during levy funded major renovation in 2009 and 2010 including adding new stops for the Leland Elevator and constructing new stairs leading up to the Market from Western Avenue, and;

WHEREAS, the levy funded improvements significantly diminished the usefulness of the skybridge for access to the market and the elevator on the west side of the skybridge has been closed for 4 years, and;

WHEREAS, SDOT has agreed that the skybridge should be removed and, in conjunction with improvements the PPMPDA has made to Western Avenue related to the MarketFront project has agreed to credit MarketFront Project street use fees in exchange for the PDA assuming responsibly for removal of the Pike Street Hillclimb Skybridge, and;

WHEREAS, in the course of reviewing skybridge permits, easements and aerial vacations it was discovered that the Desimone Bridge had never been granted an aerial vacation over the street despite an over 80 year record of constant use by the public, accordingly SDOT has agreed to support an aerial vacation petition for the bridge, and;

BE IT RESOLVED that the PPMPDA Council authorize the PPMPDA Executive Director or his designee to enter into an MOA substantially similar to the draft MOA attached to this resolution, proceed with planning and procurement for the Pike Street Hillclimb Skybridge
removal including seeking approval from the Market Historic Commission and prepare the aerial vacation petition for the Desimone Bridge.

Ben Franz-Knight provided a project overview noting the increased street fees associated with MarketFront construction and identifying ways to reduce costs. A historical summary of ownership and maintenance was discussed and it was noted that the elevator on the west side of the skybridge has been closed for 4.5 years. This agreement grants the PDA a credit for street use fees, the contracting and demolition of the skybridge, and making improvements to the crosswalk on Western Avenue. SDOT is acknowledging support for petition to secure an aerial vacation for the Desimone Bridge, for which one does not exist. He noted there is a risk the City could ask the PDA to deliver additional public benefit, but believes that risk to be minimal.

Franz-Knight noted the name of the bridge is not as important as making sure all parties are referencing the same structure.

David Ghoddousi asked for clarification of the name Desimone vs Municipal Bridge.

Ben Franz-Knight stated that it is currently known as the Desimone Bridge and doesn’t believe there are any misunderstandings of what physical structure is being referred to.

David Ghoddousi asked for clarification on what aspects of the skybridge were being demolished and whether the elevator on the west side would be removed to provide a better sightlines of the waterfront.

Ben Franz-Knight responded by stating the elevator is not the PDA’s obligation and the property owner on the west side of the bridge will maintain access via a gate.

David Ghoddousi does not believe this Resolution is reflective of the original plan, which included removal of the elevator. He continued that since this proposal doesn’t increase the view, he’s not sure he can support the resolution.

John Finke added the elevator and stairs are the only entrance for tenants in the adjacent building.

Colleen Bowman asked what the estimated costs would be, including attorney’s fees and permits that would be included in the negotiations.

Ben Franz-Knight estimates removal to be $212,000 with additional costs associated with pedestrian upgrades. The current Resolution includes all relevant components.

David Ghoddousi asked if there has ever been a pedestrian count across the skybridge. Franz-Knight stated a formal pedestrian counts has not been done recently, but the anecdotal information indicates most people are trying to find their way to Western Avenue.

For: Gloria Skouge, John Finke, Colleen Bowman, Rico Quirindongo
Against: David Ghoddousi
Abstain: 0
Proposed Resolution 17-28 passed with a vote of 4-1-0 but will not be moved to consent agenda.

V. Items for the Consent Agenda
Proposed Resolution 17-27: Pike Place MarketFront (PCN1) Sellen Construction Contract Amendment Project Close-Out

VI. Public Comment
Bob Messina commented that the original plan for anti-skateboarding and sleeping was not working and appreciates that public comments were recognized and are being addressed. Messina also commented that the flat, raised portion of the deck was treated with temporary handrail fencing that needs to include toddler protection that goes all the way to the floor. Appreciates that those concerns were also being addressed.

Joan Paulson clarified original statements by stating the Municipal Market Building was built in 1928 and that included what you see today. The Desimone Footbridge was built in 1933 and paid for by Desimone. Moving the sign from the Desimone Bridge and putting it on the Municipal Market Bridge does not make it the Desimone Bridge. The existing Municipal Bridge, which you call Desimone, there was no transfer of ownership, which means the PDA does not own it, and it’s a lost piece of property. The PDA would be spending money on property it does not own, claiming it to be the footbridge that did go through due process, resulting in fraud and misrepresentation.

VII. Concerns of Committee Members
John Finke asked if there is a concern about the name of the bridge mentioned in Resolution 17-28, can the bridge be surveyed. Ben Franz-Knight said yes.

Colleen Bowman noted a typo on the Agenda noting the use of MOU vs MOA.

Rico Quirindongo asked how parking revenue was doing now that MarketFront is open.

Ben Franz-Knight noted revenue is getting closer to 2016 numbers and continues to head in the right direction.

Rico Quirindongo is under the assumption that the connection between MarketFront and Victor Steinbrueck Park will not happen in time for opening on June 29th.

Ben Franz-Knight has an application to the Historic Commission and hopes to have it on the agenda to full commission at the end of the month. The work should be done by the end of July. It will not be done in time for Grand Opening. Bids are in and the contractor has been selected. The project will start upon Historic Commission approval.

Quirindongo asked for copies of the new exhibit, which Franz-Knight will provide.

Colleen Bowman asked if there would be a Council meeting on the 29th at 4 pm. Franz-Knight said yes.
It was noted that it was Justine Kim’s last Committee meeting. Kim expressed her thanks and stated that it has been the most significant and meaningful project she’s worked on. She also thanked her PM Carrie Holmes.

David Ghoddousi asked if the parking garages have been close to capacity since opening and if there was a way to make adjustments for merchants to have early bird parking rates during the week.

Ben Franz-Knight said that the past weekend it was close to capacity, but that it hasn’t reached full capacity yet.

VIII. **Adjournment**

The meeting was adjourned at 4:59 p.m. by Rico Quirindongo, Chair.

Meeting minutes submitted by:
Karin Moughamer, Executive Administrator
Market Programs Committee Meeting Minutes

Pike Place Market Preservation and Development Authority (PDA)
Tuesday, June 13th, 2017
4:00 p.m. to 6:00 p.m.
The Classroom

Committee Members Present: Betty Halfon, Patrice Barrentine, Gloria Skouge, Ann Magnano, David Ghoddousi, Colleen Bowman

Other Council Members Present:

Staff Present: Ben Franz-Knight, Lillian Sherman, Emily Crawford, Scott Davies, Kayln Kinomoto, Justin Huguet, Dianna Goodsell, Debra Benn, Karin Moughamer

Others Present: Joan Paulson, Chris Scott, Howard Aller

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

I. Administration
   A. Approval of the Agenda
      The agenda was approved by acclamation.
   
   B. Approval of the May 9th, 2017 Market Programs Committee Meeting Minutes
      The May 9th, 2017 Minutes were approved by acclamation.

II. Announcements and Community Comments
Howard Aller was astounded and amazed that PDA staff are reaching so many kids in so many different ways through education programming. He thanked the staff for doing a stunning job.

Joan referenced the question for John Turnbull asked during the May 9th Market Programs Committee meeting with regards to the effort of providing buskers for the pavilion area. She suggested placing several signs throughout the pavilion that feature silhouettes of the musical sign with removable numbers and see how they work or don't work over time.

Betty Halfon welcomed the new PDA Executive Administrator, Karin Moughamer.

III. Programs and Marketing Director’s Report
Emily Crawford shared a Seattle tour guide printed in Japanese, featuring a Pike Place Market ad directing people to shops on lower levels. She noted this is an easy way to reach visitors and has shown to be a successful advertising opportunity.
Emily Crawford shared the Passport activity that will be used during the MarketFront Grand Opening, noting that it was designed by Justin Huguet. The goals are to help visitors explore the site by collecting stamps at a variety of stops. Completed passports can be turned in for a chance to win one of three prizes: A Market Charm, $100 gift basket full of items from the Market, and the Grand Prize featuring an overnight stay, a show, and a meal (locations TBD).

Emily Crawford introduced the new Communications and Marketing Associate, Kalyn Kinomoto and provided an overview of her responsibilities.

Three Richmond Public Relations Reports are included in the packet, including:
- Evening Farmers Market coverage
- Flower Festival coverage
- MarketFront coverage April – June 12, 2017

A separate Richmond report will be released after the MarketFront Grand Opening Ceremony.

Emily Crawford stated that the first annual cabbage smash was a success. The MarketFront has received a lot of good press. It was noted the The ParentMap article “Pike Place Market: Your Age-By-Age Guide to This Seattle Destination” is the best article on the MarketFront or Market that Emily has read to date. Special thanks to Scott Davies for guiding the reporter around the Market. Lastly, the Seattle Metropolitan article did a good job of encapsulating a complicated project in one-page.

Emily Crawford reminded Council of the MarketFront opening on June 29th, ceremony is from 2-2:30 pm.

Ann Magnano asked who Kalyn replaced and Emily Crawford responded Sue Gillbert Mooers, noting that the job titles and description are slightly different.

IV. Reports and Discussion Items
A. Market Foundation Cut the Pie Report was presented by Lillian Sherman of the Market Foundation.

Lillian Sherman reported on the following grants, stating that the Market Foundation has allocated a record $926K this year, with nearly $9M invested in community since 1984.

- Heritage House, $26,000 grant helped with call system and a new stove.
- Pike Market Senior Center, $205,000 grant helped with programs focused on physical activity including a partnership with the YMCA.
- Food Access Program, $25,000 grant.
- Pike Place Market Food Bank, $85,000 in grants. Lily Glover is their new manager and they are upgrading their no-cook bags, collected 324,000 pounds of produce donated by Market vendors, and are expanding access to Asian communities.
- Community Safety Net awarded 60 grants, up to $1,500, totaling $40,502. 15% increase in previous years went to aid individuals with housing, farmers dealing with crop challenges, and farmers with medical needs.
- Chief Seattle Fund, $25,000 to support their efforts with membership.
• Neighborcare Health received $315,000 to focus on new programs, including a 60% increase in HUD outreach visits to help chronically homeless individuals transition to housing.
• Pike Market Childcare and Preschool received $205,000 to subsidize care.
• Market Commons is under construction. Outreach will occur July – September in order to ensure this is a welcoming place for all. This project caused the Market Foundation to evaluate how to handle emerging needs from the community. To address this, the Community Impact Fund will allow the Foundation to hear about emerging needs, space to test and try things at a small level, evaluate, and identify where the program should be managed. Launch date is set for Fall 2017.

Betty Halfon asked for clarification on how the Market Commons will partner with organizations to present community programs.

Colleen Bowman asked to hear more about the Community Impact Hub, specifically on recording, tracking, and how to manage success.

Lillian Sherman responded by stating the Market Foundation expects to launch a revision of their granting system and the criteria used to assign grants focusing on honoring legacy grantors, how to handle big projects, and identifying emerging needs.

Patrice Barrentine stated that this work is impressive and that $1M in funding is amazing.

B. Education Program Report was presented by Scott Davies and included a PowerPoint presentation

Scott Davies highlighted the work of the Bertschi School. The year-long program started in September with an in-class presentation and included a visit to Full Circle Farm, the creation of the “Evergreen Market,” raising $1,548.65 for the Market Foundation, use of the International Touch Kit, Field Trip Zoom live streamed to educators in the U.S. and Australia, and readings at the Market Preschool.

A variety of programs were discussed including Saturday Jazz during the holiday season, One Market for All, Family Farmers Market Nights (a partnership with PCC and Solid Ground, along with Seattle Public Utilities), Seattle Country Day School’s market that collected $760.23 for the Pike Market Food Bank and the Bush School Third-Grade Market.

Food Drives for Pike Market Food Bank, 15 schools participated collecting 4,792 pounds of food with a value of $8,800 (based on 2016 Feed America study.)

Educational programs reached:
1. 108 classes served (101) tours = 2,351 students
2. 76 in-class presentations
3. 26 public schools (9 north of ship canal, 17 south)
4. 20 private schools (8 north of ship canal, 12 south)
5. Grade levels = K-2 (1 class), multi-age 8-12 (1), one-two split (1), two (44), two-three split (3), three (43), three-four (2), four (13)
Scott Davies ended by saying how thankful he was for volunteers, Market merchants and buskers.

C. Justin Huguet presented on Farmers Market Opening Night on May 31, 2017, noting that due to weather, it was the wettest winter in Seattle ever, farmers were there but many value added farm products were a big hit, including cherries from eastern Washington.

About a dozen farmers were present on opening night, which included a band, an opening ceremony, and presentation of the Legacy Farmer Award to Martin Family Orchards for selling produce at the Market for 30 years.

The first annual “Cabbage Smash” was a blast, which was captured by KOMO news and played on air. The ceremony remarks were broadcast on Instagram Live, which was viewed by a few thousand people. Huguet suggested bringing back the batter from the previous year to throw out the pitch the following year.

Marketing partnered with Audra Mulkern (@rootedinthevalley) for an Instagram and social media takeover. The campaign reached over 116,000 people online throughout the day and Audra posted videos and pictures of farmers and producers.

Marketing experimented with a flower giveaway, in which, through social media, a secret password (female farmers rock) was provided and the five winners used that to claim free flowers within 30 minutes.

Justin Huguet provided a quick update on behalf of the Farm team, which included:

- Denny Regrade Market is set to open June 20th but may be delayed due to Amazon biodome construction
- CSA subscriptions are at their highest levels with 170. Emily Crawford noted there is a strong set of subscriptions from WIC and low-income shoppers thanks to the outreach position in the Farm office, a new program. More details will be shared in July.
- Outreach increased for evening market, sharing materials with residential concierge’s within a six-block radius of the Market.
- Weekly farm emails are sent to site managers for each of the five downtown Markets with updates on what is fresh that week and which producers will be there.
- A direct mail piece was sent to 30,000 downtown residents (dropped the week prior to the first market) within the three zip codes surrounding the Market.
- New signage will be created to encourage visitors attending Evening Market to take in the views at MarketFront.
- Advertising for farm program will run July 23 – September 16th on King County buses.

V. Action Items
None

VI. Resolutions to be added to Consent Agenda
None
VII. **Public Comment**
Chris Scott thanked all the presenters on their work and is astounded by the work being done.

Howard Aller noted that today’s presentations are a good reminder that it isn’t just about cruise ships, throwing fish, and the gum, which are wonderful, but that’s not what Pike Place Market is about. Thank you.

VIII. **Concerns of Committee Members**
Colleen Bowman recommended these presentations go to full Council would like the PDA and Market Foundation to think creatively about how to let the public know all the work that’s being done through education, programs, and the Foundation. Betty Halfon agreed and encouraged the Marketing team to think about how to get more publicity for this work.

Betty Halfon suggested Emily Crawford condense the presentations and present at July 27 PDA Council meeting.

Chris Scott suggested a special edition of Market Insider that focuses on MarketFront Grand Opening and 110th Anniversary.

IX. **Adjournment**
The meeting was adjourned at 5:10 p.m. by Betty Halfon, Chair

Meeting minutes submitted by:
Karin Moughamer, Executive Administrator
Tuesday, June 20th, 2017
4:00 p.m. to 6:00 p.m.
Classroom

Committee Members Present: Gloria Skouge, John Finke, David Ghoddousi, Ray Ishii

Other Council Members Present:

Staff/ Consultants Present: Matt Smith, Ray Holmdahl, Ben Franz-Knight, Jennifer Maietta, Sabina Proto, John Turnbull, Brady Morrison, Andre Zita, Karin Moughamer

Others Present: Chris Scott, Jerry Baroh, Joan Paulson, Howard Aller

The meeting was called to order at 4:01 pm 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 May 16th, 2017 Minutes
      The May 16th, 2017 meeting minutes were approved by acclamation.

II. Announcements and Community Comments

Chris Scott asked the committee to consider subdividing the Cedar River office space for use by the Constituency.

III. Reports & Discussion Items

Jim Savitt entered into the meeting at 4:05 pm
Ann Magnano entered into the meeting at 4:08 pm

A. 2016 Audit Presentation

Ray Holmdahl and Matt Smith from Peterson Sullivan passed out a Presentation of the 12/31/2016, Audited Financial Statements, which is a simplified version of the full document included in the packet.

The presentation started by outlining their clients, services, and experience, highlighting the work they have done with governmental agencies, real estate companies, and tax credit projects.

Ray Holmdahl stated the audit was clean but the PDA is a very complex organization.
Holmdahl continued by providing a synopsis of required communications, including significant accounting policies, management’s judgements and accounting estimates, audit adjustments (three totaling about $1 million), passed adjustments (none), disagreements with management (none), independence, and management responsibilities.

Deliverables were presented and Financial Statement Audit is a “clean” opinion. There is no need for a formal Management Letter. Tax return preparations for LaSalle, WASH, PPMQB2 and PPMQB3 were outlined.

Matt Sullivan noted the current capitalization policy is $500, which is low compared to industry and PPM’s asset base.

Ray Holmdahl continued by reviewing several spreadsheets that described the Comparative Statements of Net Position of Assets, Liabilities, Revenues and Expenses.

Holmdahl concluded by stating the Market is an extremely complex organization, but a “clean” audit report, and did not need to write a Management Letter. PPM staff were very supportive, cooperative and prepared.

Ray Ishii referenced page 37 of the full financial report in which the PDA elected not to use the 10% de minimus indirect cost rate and asked what percentage was used.

Ray Holmdahl responded saying the Market elected to use all dollars for programmatic type operations and did not use any for indirect costs.

Ray Ishii asked how many items were tested for internal controls.

Matt Sullivan stated they selected 1-2 in each system for internal controls, totaling under 50. Other tests are run throughout the audit process.

Ray Ishii asked if QB2 projections are on target.

Sabina Proto stated that QB2 has over performed and plans are in place for QB2 moving forward.

There was a conversation on the significant amount due on the bonds payable in 2020 and how that would be paid. It will be included during the discussion of final allocation of the MarketFront project.

Ann Magnano asked how long Peterson Sullivan has been reviewing PDA statements. A discussion followed with regards to the past and future relationship with Peterson Sullivan.

   Sabina Proto introduced proposed resolution 17-29:

   NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council hereby approves the 2016 PDA financial statements, audited by Peterson Sullivan LLP, Certified Public Accountants, covering the period beginning January 1, 2016 through December 31, 2016.
Sabina discussed in more detail the three adjustments mentioned in the audit, including WSDOT deferred revenue and developer fees for PPMQB3 and WASH LLC.

John Finke moved the proposed resolution and Ann Magnano seconded the motion.

Ray Ishii commended Sabina Proto and PDA staff for all their hard work.

For: Ray Ishii, David Ghoddousi, Ann Magnano, Gloria Skouge, John Finke, Jim Savitt
Against: 0
Abstain: 0

Proposed Resolution 17-29 passed by a vote of 6-0-0.

B. Review of the Financial Statements for May 2017
Sabina Proto reviewed the balance sheet, noting the funds being spend on MarketFront will be increasing as the project nears completion. Revenue is under budget by $209,630, the majority of that is due to a deficit in parking garage revenue. Expenses are under budget by nearly $500,000, but with the busy season coming, it will be hard to sustain that level of savings. It was noted that Daystall revenue was down and Ben Franz-Knight stated this was due to bad weather affecting farmers. Events, miscellaneous and filming revenue was discussed. Commercial Revenue is over budget by $102,000, and taking into consideration that Pink Door and Michou were closed for a period of 2017, the Market is doing very well.

The Capital Projects Report and the CRRF Capital Reserve Balance, which is $8.6 million, were presented.

Ann Magnano asked what specifically is doing better to result in increased revenue.

Ben Franz-Knight and John Turnbull discussed that generally revenue is up and the Market has not seen the same dip in revenue as 2016. Not everyone is up, noting commercial revenue is flat compared to last year due to some percentage rent businesses not in operation (Michou and Pink Door).

Ben Franz-Knight noted that compared to the last five years the Market is not seeing the month-over-month increase in revenue.

Ann Magnano commented that position is outstanding given the way things are with the economy.

i. Checking Account Activity Report
Sabina Proto handed the Checking Account Activity Report to Karin Moughamer.

C. Parking Garage Revenue Projections and Potential Budget Impacts
Ben Franz-Knight started by stating the parking garage revenue for 2017 is a modest increase of 2.6% and an additional $800,000 in revenue from the new garage and the assumption that the new garage would open in January 2017 and incorporate an hourly increase in the rate of $1.
First and second quarter budget impacts included the loss of the state subsidy in January and didn’t make a correction until March; record wet weather; a homeless encampment on west side of the garage for most of January; significant weekend protests; new garage opened later than expected on May 12th; Alaskan Way reconfigured for final piece of Seawall construction; parking industry as a whole down in the region.

Year to Year revenue comparisons indicate that parking garage revenue is somewhere in the window of 2014-2015 revenue to date, which does not include 5/12 of $800,000 projected revenue.

June 2017 YTD, daily parking is down 3% and monthly parking is up 26%. Weekend revenue was reviewed, noting that 2017 parking revenue is getting close to 2016.

There was a discussion on the fact there are more parking spots available but revenue is still down.

Year to Year Surface Lot Comparisons chart was discussed noting the flexibility of those lots to aggressively increase monthly parking when daily parking numbers decrease.

Proactive marketing and promotion will be important, including two new neon signs for installation along Western Avenue; adding garage ambassadors to encourage people to park; enhanced parking messages in all promotions; dedicated marking dollars to affordable/accessible parking; Early Bird; monthly parking, currently about 30-40 still available; reduce 4-10 hour rate.

Budget realities, if YTD holds it will require a reduction in projected revenue and corresponding adjustment in expense; continue to see ongoing national and regional economic uncertainty; period of economic growth from 2012 to 2016 appears to be reaching a peak; PDA coming off of two large scale projects over the last eight years funded with significant external resources.

If garage revenue trends do not improve materially by mid-July the following budget cuts may be necessary. This is assuming a worst case scenario which could be the first stage in a cooling of the economy:

- 3% cut in all departments
- Defer major equipment purchases and upgrades
- Reduce marketing programs post 110th anniversary
- Reduce projected CRRF year-end contribution, not the first option, but may want to consider.
- Streamline Front Office management. Combining the cashier and the front desk position is already underway to improve efficiencies.
- Eliminate community transit subsidy program
- Other ideas?

Ben Franz-Knight concluded by stating he plans to return to the Committee in July with decisions unless there is a dramatic turn in the performance of the garage.
John Finke asked if nothing is done, where is parking revenue at the end of the year.

Ben Franz-Knight believes there will be a $400-500,000 loss.

Finke continued by saying he doesn’t see strong signs of the economy cooling and would not be surprised that people find it impossible to drive downtown given the construction and congestion. He suggested a marketing campaign that highlights the fact that you can access it without going through downtown.

Ann Magnano agreed with John and added people might not know where the Pike Place Market parking is. The lot further north is catching people who think it is Market parking. Magnano does not believe Seattle is in a downturn and the Market is in a good space. Parking is still necessary for people who cannot take transit or ride bikes. The Market should consider acquiring the referenced parking garage.

Ann Magnano stated she does not believe there should be cuts in front desk staffing as this is the face of the Market. Instead, other positions should be considered for cuts.

David Ghoddousi noted that having one person be the cashier and front desk greeter is too complicated. Ghoddousi suggested eliminating the term architect listed under Capital Projects. He continued by stating that the Community Transit Subsidy should not be eliminated and thinks we’ve hit a bump in the road and that parking opportunities will become fruitful again.

Jim Savitt requested the PDA present the Council with a break-even budget if the trend remains the same. He is opposed to operating at a deficit and that cuts will be necessary. In presenting budget cut recommendations, include alternatives for the Council to consider and requested data showing this is an industry wide parking issue rather than a Market parking issue.

John Finke was not surprised that parking is down and suggested this is the beginning of a long-term decline in parking revenue.

Ray Ishii agreed with Jim Savitt the Market should not operate in a deficit. He questioned if there are other financial metrics that could be looked at to provide a better picture and are there other revenue sources to offset this loss in the short term.

John Finke asked if there are partnerships that could be initiated, such as with the aquarium, to increase parking.

Ann Magnano ended the conversation by stating that providing parking is necessary and offering monthly parking is important. She agreed that the Market should not run in a deficit and believes there is more revenue to be found.

IV. Action Items
      Andre Zita introduced proposed resolution 17-26 which states that:
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 been directed by the Seattle Fire Department (SFD) to comply with Section 1103.2 of the Seattle Fire Code requirement and upgrade all buildings over 50,000sf with an emergency responder system. This system is designed to ensure continuous communication on the “Public Safety” 800 MHz bandwidth during a disaster; and,

WHEREAS, two buildings have been found out of compliance by SFD: The Fairley Building and the LaSalle Hotel; and,

WHEREAS, the PPMPDA has executed a competitive bid process to meet Seattle Fire Code Section 1103.2 requirement. A total of six vendors were solicited, three responded, two submitted and three remain unresponsive; and,

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Skyline Communication in an amount not to exceed $133,971 for work to be compliant.

The funds for this project will be drawn from the Capital Projects Budget, 2017 COMMULTI Emergency Responder System - GL 163824-00

Ann Magnano moved the proposed resolution and John Finke seconded the motion.

No discussion.

For: Ray Ishii, David Ghoddousi, Ann Magnano, Gloria Skouge, John Finke
Against: 0
Abstain: Jim Savitt

Proposed Resolution 17-26 passed by a vote of 5-0-1.

Andre Zita introduced proposed resolution 17-30 which states that:

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 and security of the Pike Place Market buildings, the PPMPDA has determined that elevator hoist cars of the Waterfront building need a security upgrade to restrict after-hours operations to residents and authorized personnel only; and,

WHEREAS, the PPMPDA has reached out to the proprietary network installer and elevator company for the installation of FOB card readers inside the elevator hoist cars and on each respective floor landings; and,

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Reliable Security Inc. in an amount not to exceed $16,377 for work to upgrade elevator security.

The funds for this project will be drawn from the Capital Projects Budget, 2016 Market Front GL for Post construction - GL 165014-00.

Ann Magnano moved the proposed resolution and John Finke seconded the motion.

David Ghoddousi asked why this wasn’t completed during construction.

Ben Franz-Knight discussed the challenge of arranging access via FOBs for the variety of MarketFront needs, including residential, parking, Daystall tenants, and public visitors is very complex. This programming and hardware allows the PDA to micromanage access to spaces depending on the time of day.

John Finke asked if it would be beneficial to include this cost under the MarketFront project.

Ben Franz-Knight will look at the MarketFront contingency funds and will include this in the discussion of final project allocation.

John Finke amended the resolution to direct staff to find the most effective funding source.

For: Ray Ishii, David Ghoddousi, Ann Magnano, Gloria Skouge, John Finke, Jim Savitt
Against: 0
Abstain: 0

Proposed Resolution 17-30 passed by a vote of 6-0-0.

C. Proposed Resolution 17-31: Request for Approval to Subdivide Office Space

Jennifer Maietta proposed resolution 17-31 which states that:

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, the office space known as 93 Pike Street, #315 consisting of approximately 1,520 square feet is currently leased to Cedar River Group, who wishes to downsize its business and requirements for office space. The Landlord and Tenant have agreed to downsize the Lease Premises to allow for two smaller office spaces with one approximate 920 square feet space leased by Cedar River Group and one approximate 600 square foot additional office space with the tenant yet to be determined; and,

WHEREAS, the PPMPDA has executed a competitive bid process to subdivide the office into two leasable office spaces to include, but not limited to, the addition of a demising wall and doorway and related finish work.

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Experienced Construction in an amount not to exceed $21,000.00 for work to subdivide office space in the Economy Market building with the funds for this project coming from the Commercial Tenant Improvement Budget GL 160280-00.

David Ghoddousi moved the proposed resolution and John Finke seconded the motion.

Jim Savitt asked what the size of the new space will be and how much the PDA can anticipate charging in rent?

Jennifer Maietta responded that the new space is 600 square feet and office spaces are renting at $25-30 per square foot.

A discussion followed debating the cost of construction relative to rental income and the possibility of renting this space upon completion versus waiting until a need for additional office space is requested.

Jennifer Maietta noted that this option allows a tenant to remain in the market and the leasing of available office space has in the past been done quickly.

Ann Magnano noted that it is not the Market’s responsibility to accommodate a tenant that wants to downsize their business.

For: 0
Against: Ann Magnano
Abstain: Ray Ishii, David Ghoddousi, Gloria Skouge, John Finke, Jim Savitt

Jim Savitt asked Jennifer if this is the best thing the Market could do for the tenant and a discussion followed about how to accommodate tenant needs while maintaining a balanced budget.

Ben Franz-Knight stated that this was the strangest vote ever by the Council or Committee.

Gloria Skouge clarified the vote.
D. **Proposed Resolution 17-32: Authorization for Contract Authority – Installation of Anti-Graffiti Film on MarketFront Windows.**

Brady Morrison proposed resolution 17-32 which states that:

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 exterior commercial space windows in MarketFront need protection from graffiti and acid etching; and,

WHEREAS, the PPMPDA has executed a bid process to install anti-graffiti film on glass; and,

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with ABC Sun Control in an amount not to exceed $24,914.75 for installation of anti-graffiti film.

The funds for this project will be drawn from the Capital Inventory GL 165014-00.

John Finke moved the proposed resolution and Ann Magnano seconded the motion.

Ann Magnano asked what kind of glass was put in and how the anti-graffiti product works?

Ben Franz-Knight discussed that the double-pane windows, of which there are a lot, can be damaged if not protected.

Brady Morrison identified acid, rocks, and sharp objects being the most common ways to damage and scratch windows. The anti-graffiti film can go as high as eight feet and can be removed and replaced for $150.

David Ghoddousi asked if the film is transparent to which Ben Franz-Knight replied yes.

Ray Ishii asked if the $25,000 would be an annual cost?

Ben Franz-Knight stated the Market would have to have a huge graffiti issue requiring the contractor to come back and replace windows so it’s a one-time charge. The upkeep is a fraction of the cost for the initial contract.

Ray Ishii asked for clarification on responsibility of storefront tenants to install anti-graffiti on windows. Jennifer Maietta responded that these windows are part of a building and not a storefront.

Ann Magnano asked for clarification on anti-graffiti protection on other aspects of the building, including wood and concrete.
Ben Franz-Knight stated there is anti-graffiti coatings on the wood and concrete, which were included on the original project.

A discussion followed on how certain types of damage would be repaired and the importance of having anti-graffiti protection in place.

Ann Magnano asked why this film wasn’t installed during construction.

Ben Franz-Knight responded the extent of windows on the project was not fully realized during planning.

David Ghoddousi asked the square footage of the windows and Brady Morrison responded that there are 148 panes of glass.

John Finke asked that the Resolution be amended to find the most effective funding source.

For: Ray Ishii, David Ghoddousi, Ann Magnano, Gloria Skouge, John Finke, Jim Savitt
Against: 0
Abstain: 0

Proposed Resolution 17-32 passed by a vote of 6-0-0.

V. Property Management
   A. Residential Property Management Report
      John Turnbull provided a brief report, noting that residential had high vacancies over the last two months, but are catching up and are now on budget. Revenue is low for events but he will initiate a department meeting at the end of June to assess.

      Ann Magnano asked what was taking place outside of the Stewart House today.

      John Turnbull described the pest abatement process being utilized in the residential unit.

VI. Public Comment
    Chris Scott restated his earlier statement asking the Council to consider making a portion of the Cedar River office space available to the Constituency. He continued by saying the Constituency office is in poor condition and invited Council members to visit the office. Scott is currently running the Constituency office out of his house and it’s not working efficiently. He will request this topic be added to the agenda at the full council meeting.

    Joan Paulson agrees with Council members to not reduce staffing of front office. Paulson suggested cost savings could be realized with water and sewage by fixing the continually running sinks and toilets. She would like the Market to be more proactive with cost savings noting that in 2019 when the viaduct comes down there will be litigation around cost overruns. She cannot recommend the Community Transit Subsidy Removal, as it would affect those working in Market and asked the Market to find ways to make it work better.
Howard Aller believes it’s early to panic over the failure of the garage since it just opened. Just look outside and one can see that Seattle’s economy is doing well.

VII. Closed Session

The Committee Chair stated that the committee would go into closed session at 6:06 p.m. to discuss the property management report and return into open session at approximately 6:20 p.m.

The committee entered into closed session at 6:08 p.m.

A. Property Management Report - Closed Session (RCW 42.30.110[c])

B. Review of Lease Proposals
   i. New Lease – Osara Commissary, 1501 Pike Place #321
   ii. Lease Renewal – Ghost Alley Espresso, 1499 Post Alley
   iii. Lease Renewal – Lamplight Books, 1514 Pike Place
   iv. Lease Renewal – Maggie’s Shoes, 1927 First Avenue
   v. Lease Renewal – Umai Sushi and Teriyaki, 91 Pike Street

C. Review of Delinquency Report
   i. Vacancy Report
   ii. Current Lease Negotiations

The committee entered into open session at 6:19 p.m.

The committee discussed the property management report which included the delinquency and vacancy report along with the current commercial lease negotiations during the closed session.

VIII. Open Session

A. Proposed Resolution 17-33: Lease Proposals – June 2017

Jennifer Maietta introduced the lease proposals which included the following businesses:

<table>
<thead>
<tr>
<th>Tenant</th>
<th>Term</th>
<th>Start Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Osara Commissary</td>
<td>One (1) Year</td>
<td>August 1, 2017</td>
</tr>
<tr>
<td>David Allison &amp; Mikako Hamaguchi</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ghost Alley Espresso</td>
<td>Five (5) Years</td>
<td>July 1, 2017</td>
</tr>
<tr>
<td>Mercedes Carrabba</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lamplight Books</td>
<td>Three (3) Years</td>
<td>June 1, 2017</td>
</tr>
<tr>
<td>Joseph Fridlund</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Maggie’s Shoes</td>
<td>Two (2) Years</td>
<td>July 1, 2017</td>
</tr>
</tbody>
</table>
David Ghoddousi moved the proposed resolution and John Finke seconded the motion.

For: Ray Ishii, David Ghoddousi, Ann Magnano, Gloria Skouge, John Finke, Jim Savitt
Against: 0
Abstain: 0

Proposed Resolution 17-33 passed by a vote of 6-0-0.

IX. Resolutions to be added to the Consent Agenda
   • Proposed Resolution 17-29: Approval of 2016 PDA Audited Financial Statements
   • Proposed Resolution 17-32: Authorization for Contract Authority – Installation of Anti-Graffiti Film on MarketFront Windows
   • Proposed Resolution 17-33: Lease Proposals – June 2017

X. Concerns of Committee Members
   None.

XI. Adjournment
   The meeting was adjourned at 6:22 p.m. by Gloria Skouge, Chair

Meeting minutes submitted by:
Karin Moughamer, Executive Administrator
Executive Committee Meeting Minutes

Wednesday, June 21st, 2017
4:30 p.m. to 5:45 p.m.
Goodwin Library

Committee Members Present: Matt Hanna, Ray Ishii, Rico Quirindongo, Gloria Skouge, David Ghoddousi

Other Council Members Present: 

Staff Present: Ben Franz-Knight, Karin Moughamer

Others Present: Howard Aller, Chris Scott, John Paulson

The meeting was called to order at 4:30 p.m. by Matt Hanna, Chair.

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

   B. Approval of the May 17th, 2017 Executive Committee Meeting Minutes
      *The May 17th, 2017 Executive Committee Meeting Minutes were approved by Acclamation.*

II. Announcements and Community Comments
    Chris Scott proposed an agenda item for July or September to discuss a new office for the Constituency. Scott invited Matt Hanna and Ray Ishii to visit the Constituency office to see the current condition. He suggested the Cedar River office as a possibility for new space and noted that the office that has been recommended is too small and cannot accommodate Howard Aller’s chair and a desk.

III. Council Chair’s Report
    Matt Hanna requested to hold an agenda item at the Finance & Asset Management Committee to discuss office space for the Constituency.

    Matt Hanna moved into the council chair report noting discussions are progressing with the Market Foundation for a Services Agreement. Together Ben Franz-Knight, Lillian Sherman and the Ad Hoc Committee will develop an agreement to be vetted by committee and council.

    Hanna reported the Nominating Committee held interviews on June 20th and 21st, interviewing six very qualified candidates for two open seats. Hanna thanked Ben Franz-Knight and staff for the vetting process and requested setting a date for a 1-hour meeting prior to the full Council meeting to discuss candidates, develop consensus on a recommendation to full Council, and recommend committee chairs and officers for next year.
Hanna discussed the MarketFront project included the Grand Opening program on June 29th and the final accounting of the project, which have been discussed and will continue at Finance & Asset Management Committee. The project is ending in a strong position. The opening to Victor Steinbrueck Park will not be ready in time for Grand Opening.

Hanna wrapped up by providing an update on the waterfront and waterfront connections. A revised concept for the Overlook Walk will be presented at MarketFront Grand Opening. Conceptually, it is in alignment with Market and waterfront business needs. Hanna suggested the PDA find a way to be more involved with the City on these plans and recommended the Office of the Waterfront present the revised plans in July or August.

There was a discussion regarding the negotiations with Office of the Waterfront with regards to the existing contract and the plans for a new or revised agreement.

Ray Ishii asked if the cost certification for the lytech piece been done? Ben Franz-Knight responded that he had signed the engagement letter earlier in the week.

IV. Committee Chair’s Report

A. MarketFront

Rico Quirindongo reported that MarketFront project is done, on schedule, on budget and there is no need to reallocate funds due to successful final negotiations. Proposed Resolution 17-27 for contract close-out was passed and put on consent agenda. Proposed Resolution 17-28 for the removal of the skybridge passed but was not put on consent agenda. Quirindongo asked that it be discussed at full council.

There was a discussion to consider renaming the MarketFront Committee to broaden the scope to include waterfront redevelopment, possibly transportation, and the work being done along First Avenue. Matt Hanna proposed Market Integration Committee. Ben Franz-Knight recommended Market Edges and Transportation Committee (MEAT). This topic will be discussed during the council retreat in the fall and asked Rico Quirindongo to provide suggestions for a new title.

Matt Hanna asked to secure a date for the 2017 council retreat in October.

B. Market Programs

None.

C. Finance & Asset Management

Gloria Skouge reported on the details of the Finance & Asset Management Committee. Peterson Sullivan reported on the 2016 audit, which was clean, and they were complimentary of staff. Proposed Resolution 17-29, approval of the audit, passed unanimously, and moved to consent agenda. Sabina Proto presented the financial statements and Skouge summarized the presentation by Ben Franz-Knight on the parking garage revenue projections and potential budget impacts. Proposed Resolution 17-26, emergency responder system, passed and moved to consent agenda. Proposed Resolution 17-30, MarketFront elevator security upgrade, passed unanimously. Proposed Resolution 17-31 to subdivide the Cedar River office space did not pass with a vote of 0-1-5. Matt Hanna clarified the resolution and a discussion followed on the conversation of the committee. Ben Franz-Knight stated that staff will review and present an
V. Executive Director’s Report
Ben Franz-Knight said work is continuing on the 1\textsuperscript{st} Avenue Streetcar and preserving loading on 1\textsuperscript{st} between Pine and Pike. Franz-Knight is meeting with SDOT staff and consultants to discuss design changes. Franz-Knight provided an overview of the trip to Portland to look at their streetcar, noting integration of parking and deliveries along the route.

An overview of the parking presentation was provided, noting there will be cuts as a result of decreased revenue and identified several options to land at a 3% reduction. Franz-Knight will present a proposal in July and will include alternatives for the Finance & Asset Management Committee to consider.

Franz-Knight noted the impacts of viaduct demolition and construction of Alaskan Way and Overlook Walk, which will last roughly 3-5 years, will have significant impacts to garage access. Conversations have started with SDOT to negotiate temporary construction easements and will include funds to modify garage entrance and exit and impacts to revenue.

Victor Steinbrueck Park connections require approval by Historic Commission.

Ben Franz-Knight disclosed the emerging issues with the Historic Commission and current conversations and solutions that apply to ongoing routine maintenance, operational issues to provide safe access within the Market, and special event activity. Franz-Knight noted there are instances in which he would not seek approval before moving forward with operational issues, example being amplified sound for MarketFront Grand Opening. A memo written by John Turnbull in 1982 during his time at the Historic Commission was referenced in which he states the Historic Commission guidelines are to be interpreted liberally and used as a tool to support small business incubation and innovation in the Market in addition to preservation.

Rico Quirindongo requested a copy of the memo and asked if it would be helpful to have a memo to the Historic Commission with regards to the MarketFront that sets the right tone for how to interpret the Historic Commission guidelines.

VI. Tour Group Oversight
Matt Hanna requested that Ben Franz-Knight exercise oversight of the Tour Group Guidelines and shared instances of groups in violation of the policy.

Ben Franz-Knight noted five licenses have been issued and two more are pending. If a group without a license if seen, document the date, time, and location witnessed in the Market.

*Ben Franz-Knight left the meeting at 5:20 pm to attend the Historic Commission meeting.*

VII. Public Comment
Howard Aller requested the Council consider reassigning Finance & Asset Management Committee duties due to repeated instances of running late. The Constituency meets after
Finance & Asset Management and therefore pushes that meeting back. In addition he noted the Economy building is not ADA accessible after 6 pm.

Chris Allen suggested providing signage for the Constituency meeting so people know where to go and he noted that the doors to the Economy Building lock at 6 pm which might have an effect on attendance.

Joan Paulson referenced the Proposed Resolution for the removal of the skybridge and presented two points. 1.) The existing skybridge is helpful for circulation to the lower level and it’s underemphasized. Removing the skybridge is not a good idea and will deteriorate circulation to lower levels and waterfront; 2.) The Joe Desimone bridge was originally built in 1933 by Joe Desimone as a foot bridge next to what is currently in place. In 1922 the City of Seattle never considered air rights for bridges but was in 1933 when the foot bridge was constructed. According to Joan’s discussion with John Newell, the bridge would never be sold to the PDA, so the PDA was never conveyed the existing walkway that is now called the Joe Desimone Bridge. The Proposed Resolution is misrepresenting the existing structure and calling it something that is not historical resulting in misrepresentation and fraud. She stated that Ben Franz-Knight was requested to come up with a memo to address this. Paulson also noted she visited City Hall and did not find reference in the files.

Chris Scott asked if the Market doesn’t own the bridge, who does, and if whoever does own it why is it they never claimed ownership and have they paid taxes on the structures and collected rent from the Daystalls.

Joan Paulson referenced the minutes from May 17th and asked that the word Plaza, which was noted at public comment, not be used to honor the vote from 1971.

VIII. Concerns of Committee Members
David Ghoddousi asked how negotiations were going with the Union.

Ben Franz-Knight responded saying that negotiations have been ongoing for six months and are nearing completion.

Ray Ishii asked if the board has ever had a human resources or personnel committee and Matt Hanna responded no.

IX. Adjournment
The meeting was adjourned at 5:29 p.m. by Matt Hanna, Chair.

Meeting minutes submitted by:
Karin Moughamer, Executive Administrator
Section VII:
Financials & Additional Enclosures
**PIKE PLACE MARKET PDA**

**BALANCE SHEET**

*May 31, 2017*

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Note</th>
<th>Current Month</th>
<th>Prior Month</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Unrestricted Cash</td>
<td>1</td>
<td>1,854,316</td>
<td>3,015,295</td>
</tr>
<tr>
<td>Rental Accounts Receivable</td>
<td></td>
<td>213,061</td>
<td>206,684</td>
</tr>
<tr>
<td>Mise Accounts Receivable</td>
<td></td>
<td>2,940,035</td>
<td>2,614,460</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td></td>
<td>543,915</td>
<td>3,978</td>
</tr>
<tr>
<td><strong>Total Current Assets</strong></td>
<td></td>
<td>5,551,327</td>
<td>5,840,417</td>
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<tr>
<td><strong>Designated Cash &amp; Equivalents</strong></td>
<td></td>
<td>17,667,488</td>
<td>21,789,800</td>
</tr>
<tr>
<td><strong>Restricted Cash &amp; Equivalents</strong></td>
<td></td>
<td>6,492,028</td>
<td>6,367,827</td>
</tr>
<tr>
<td><strong>Fixed Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land</td>
<td></td>
<td>5,268,168</td>
<td>5,268,168</td>
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<tr>
<td>Leasehold Improvements</td>
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<td>85,463,958</td>
<td>85,463,958</td>
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<tr>
<td>Work in Progress</td>
<td></td>
<td>45,196,498</td>
<td>40,351,400</td>
</tr>
<tr>
<td>Parking Garage</td>
<td></td>
<td>10,411,687</td>
<td>10,411,687</td>
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<tr>
<td>Market Buildings</td>
<td></td>
<td>32,740,575</td>
<td>32,740,575</td>
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<tr>
<td>Equipment</td>
<td></td>
<td>1,128,827</td>
<td>1,128,827</td>
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<tr>
<td><strong>Total Fixed Assets</strong></td>
<td></td>
<td>180,209,713</td>
<td>175,364,615</td>
</tr>
<tr>
<td>Less Accumulated Depreciation</td>
<td></td>
<td>(39,805,510)</td>
<td>(39,805,510)</td>
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<tr>
<td><strong>Total Net Fixed Assets</strong></td>
<td></td>
<td>140,404,203</td>
<td>135,559,105</td>
</tr>
<tr>
<td><strong>Long Term Receivable &amp; Investments</strong></td>
<td></td>
<td>32,958,386</td>
<td>32,958,386</td>
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<tr>
<td><strong>Other Assets</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financing Lease</td>
<td></td>
<td>2,814,727</td>
<td>2,814,727</td>
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<tr>
<td>Contributions To LSH LLC and WASH LLC</td>
<td></td>
<td>200</td>
<td>200</td>
</tr>
<tr>
<td><strong>Total Other Assets</strong></td>
<td></td>
<td>2,814,927</td>
<td>2,814,927</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS</strong></td>
<td></td>
<td>205,888,359</td>
<td>205,330,462</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>LIABILITIES &amp; CAPITAL</th>
<th>Note</th>
<th>Current Month</th>
<th>Prior Month</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Current Liabilities</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts Payable</td>
<td></td>
<td>808,107</td>
<td>801,497</td>
</tr>
<tr>
<td>Current Portion - L.T Debt</td>
<td></td>
<td>635,000</td>
<td>635,000</td>
</tr>
<tr>
<td>Interest Payable Accrued</td>
<td></td>
<td>609,354</td>
<td>510,417</td>
</tr>
<tr>
<td>Accrued Payroll, Vacation &amp; Taxes</td>
<td></td>
<td>549,990</td>
<td>436,816</td>
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<tr>
<td>Accrued Business Taxes</td>
<td></td>
<td>51,420</td>
<td>44,030</td>
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<tr>
<td>Security Deposits</td>
<td></td>
<td>414,086</td>
<td>418,241</td>
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<tr>
<td>Parking Agreement Due To City</td>
<td></td>
<td>14,025</td>
<td>12,875</td>
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<tr>
<td>Other Liabilities</td>
<td></td>
<td>2,668,509</td>
<td>2,636,735</td>
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<tr>
<td>Unearned WSDOT revenue</td>
<td></td>
<td>4,459,064</td>
<td>4,459,064</td>
</tr>
<tr>
<td><strong>Total Current Liabilities</strong></td>
<td></td>
<td>10,209,555</td>
<td>9,954,675</td>
</tr>
<tr>
<td><strong>Long Term Debt</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009 PDA Refunding Bonds</td>
<td></td>
<td>1,846,362</td>
<td>1,879,458</td>
</tr>
<tr>
<td>2015 Bond Series A and B</td>
<td></td>
<td>23,745,000</td>
<td>23,745,000</td>
</tr>
<tr>
<td>Premium on 2015 Bond Series</td>
<td></td>
<td>2,206,294</td>
<td>2,206,294</td>
</tr>
<tr>
<td>N/P City of Seattle - Creamery Lot</td>
<td></td>
<td>455,000</td>
<td>455,000</td>
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<tr>
<td>QB2 Deferred Master Lease Payment</td>
<td></td>
<td>22,927,991</td>
<td>22,927,991</td>
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<tr>
<td>QB3 Deferred Master Lease Payment</td>
<td></td>
<td>9,711,325</td>
<td>9,711,325</td>
</tr>
<tr>
<td>Current Portion - Long Term Debt</td>
<td></td>
<td>615,000</td>
<td>615,000</td>
</tr>
<tr>
<td><strong>Total Long Term Debt</strong></td>
<td></td>
<td>60,256,972</td>
<td>60,290,068</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td></td>
<td>70,466,527</td>
<td>70,244,743</td>
</tr>
</tbody>
</table>

**Capital**

- Contributed Capital: 11,818,935
- Prior Years' Results: 122,232,164
- Current Year Result: 1,063,559
- Non-Operating Revenues: 307,174
- Net Operating Capital: 135,421,832

**TOTAL LIABILITIES AND CAPITAL**

- TOTAL: 205,888,359
- PRIOR: 205,330,462
### 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>89,470</td>
<td>1,103,106</td>
<td>1,098,762</td>
<td>93,814</td>
</tr>
<tr>
<td>Daytime Revenue</td>
<td>104,234</td>
<td>94,235</td>
<td>92,637</td>
<td>105,832</td>
</tr>
<tr>
<td>Residential Rent (excluding HUD)</td>
<td>16,236</td>
<td>162,735</td>
<td>164,559</td>
<td>14,414</td>
</tr>
<tr>
<td>HUD Subsidy</td>
<td>(3,258)</td>
<td>89,330</td>
<td>87,071</td>
<td>(999)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>206,684</strong></td>
<td><strong>1,449,406</strong></td>
<td><strong>1,443,029</strong></td>
<td><strong>213,061</strong></td>
</tr>
</tbody>
</table>
### PIKE PLACE MARKET PDA - OPERATING BUDGET COMPARISON STATEMENT

**Period Ending May 31, 2017**

<table>
<thead>
<tr>
<th>Revenue Category</th>
<th>Current Actual</th>
<th>Current YTD</th>
<th>Variance</th>
<th>Variance %</th>
<th>2017 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>4,414,745</td>
<td>4,313,551</td>
<td>101,194</td>
<td>2.3%</td>
<td>11,546,853</td>
</tr>
<tr>
<td>Net Result-PPM QALICB2</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.0%</td>
<td>(12,000)</td>
</tr>
<tr>
<td>Net Result-PPM QALICB3</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.0%</td>
<td>(19,736)</td>
</tr>
<tr>
<td>Residential</td>
<td>1,144,277</td>
<td>1,144,599</td>
<td>(22)</td>
<td>0.0%</td>
<td>2,767,222</td>
</tr>
<tr>
<td>Daystar</td>
<td>338,478</td>
<td>368,515</td>
<td>(30,037)</td>
<td>-2.7%</td>
<td>1,843,300</td>
</tr>
<tr>
<td>Surface Parking</td>
<td>78,516</td>
<td>77,480</td>
<td>1,036</td>
<td>1.3%</td>
<td>185,957</td>
</tr>
<tr>
<td>Garage</td>
<td>1,114,330</td>
<td>1,344,249</td>
<td>(230,919)</td>
<td>-17.0%</td>
<td>3,183,453</td>
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<tr>
<td>Events</td>
<td>93,703</td>
<td>90,971</td>
<td>2,732</td>
<td>3.0%</td>
<td>214,200</td>
</tr>
<tr>
<td>Market Foundation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.0%</td>
<td>25,000</td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>207,411</td>
<td>177,485</td>
<td>29,926</td>
<td>16.9%</td>
<td>371,973</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td><strong>7,077,211</strong></td>
<td><strong>7,286,841</strong></td>
<td>(209,630)</td>
<td><strong>-2.9%</strong></td>
<td><strong>19,447,222</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Current Actual</th>
<th>Current YTD</th>
<th>Variance</th>
<th>Variance %</th>
<th>2017 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Management</td>
<td>557,750</td>
<td>543,921</td>
<td>(13,829)</td>
<td>-2.3%</td>
<td>1,318,217</td>
</tr>
<tr>
<td>Parking</td>
<td>207,048</td>
<td>256,468</td>
<td>49,420</td>
<td>19.3%</td>
<td>618,068</td>
</tr>
<tr>
<td>Operations</td>
<td>1,873,617</td>
<td>2,045,004</td>
<td>171,387</td>
<td>8.4%</td>
<td>4,912,069</td>
</tr>
<tr>
<td>Utilities</td>
<td>1,073,329</td>
<td>1,169,250</td>
<td>95,921</td>
<td>8.2%</td>
<td>3,103,097</td>
</tr>
<tr>
<td>Insurance</td>
<td>184,978</td>
<td>212,300</td>
<td>27,322</td>
<td>12.9%</td>
<td>529,281</td>
</tr>
<tr>
<td>Administration</td>
<td>1,037,910</td>
<td>1,073,128</td>
<td>35,218</td>
<td>3.3%</td>
<td>2,464,175</td>
</tr>
<tr>
<td>Marketing &amp; Programs</td>
<td>589,377</td>
<td>677,615</td>
<td>88,238</td>
<td>13.0%</td>
<td>1,871,597</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td><strong>5,524,009</strong></td>
<td><strong>5,977,686</strong></td>
<td><strong>453,677</strong></td>
<td><strong>7.6%</strong></td>
<td><strong>14,816,004</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Operating Results</th>
<th>Current Actual</th>
<th>Current YTD</th>
<th>Variance</th>
<th>Variance %</th>
<th>2017 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>TOTAL DEBT SERVICE</strong></td>
<td><strong>5,533,202</strong></td>
<td><strong>5,309,155</strong></td>
<td><strong>244,047</strong></td>
<td><strong>18.6%</strong></td>
<td><strong>4,631,218</strong></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Debt Service</th>
<th>Current Actual</th>
<th>Current YTD</th>
<th>Variance</th>
<th>Variance %</th>
<th>2017 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bond Principal and Interest Payment PDA</td>
<td>197,670</td>
<td>197,670</td>
<td>-</td>
<td>0.0%</td>
<td>474,416</td>
</tr>
<tr>
<td>2015 PDA Bond Series A&amp;B</td>
<td>605,105</td>
<td>605,105</td>
<td>-</td>
<td>0.0%</td>
<td>1,452,250</td>
</tr>
<tr>
<td><strong>TOTAL DEBT SERVICE</strong></td>
<td><strong>802,775</strong></td>
<td><strong>802,775</strong></td>
<td>-</td>
<td>0.0%</td>
<td><strong>1,926,666</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Reserves - Designated</th>
<th>Current Actual</th>
<th>Current YTD</th>
<th>Variance</th>
<th>Variance %</th>
<th>2017 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pension Contribution</td>
<td>345,000</td>
<td>345,000</td>
<td>-</td>
<td>0.0%</td>
<td>345,000</td>
</tr>
<tr>
<td>LIH Interest to Reserve</td>
<td>72</td>
<td>65</td>
<td>7</td>
<td>10.8%</td>
<td>164</td>
</tr>
<tr>
<td><strong>TOTAL DESIGNATED RESERVES</strong></td>
<td><strong>345,072</strong></td>
<td><strong>345,065</strong></td>
<td>7</td>
<td>0.0%</td>
<td><strong>345,164</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Net Results after Debt Service &amp; Reserves</th>
<th>Current Actual</th>
<th>Current YTD</th>
<th>Variance</th>
<th>Variance %</th>
<th>2017 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Capital Reserve Contribution</strong></td>
<td><strong>405,355</strong></td>
<td><strong>161,315</strong></td>
<td><strong>244,040</strong></td>
<td><strong>51.3%</strong></td>
<td><strong>2,359,388</strong></td>
</tr>
<tr>
<td>Contribution - Capital Projects/CRRF</td>
<td>319,759</td>
<td>319,759</td>
<td>-</td>
<td>0.0%</td>
<td>79,939</td>
</tr>
<tr>
<td><strong>TOTAL RESERVES &amp; CONTRIBUTIONS</strong></td>
<td><strong>319,759</strong></td>
<td><strong>319,759</strong></td>
<td>-</td>
<td>0.0%</td>
<td><strong>2,359,388</strong></td>
</tr>
</tbody>
</table>
### 2017 Total Budget

<table>
<thead>
<tr>
<th>Note 1</th>
<th>Commercial Revenue</th>
<th>2017 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>% of total CommRev</td>
<td>May (Act)</td>
<td>May (Act)</td>
<td>May (Act)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>% YTD CommRev</td>
<td>% YTD CommRev</td>
<td>% YTD CommRev</td>
</tr>
<tr>
<td></td>
<td>Base Rent - Retail</td>
<td>30.4%</td>
<td>1,460,759</td>
<td>33.1%</td>
<td>1,439,950</td>
</tr>
<tr>
<td></td>
<td>Base Rent - Office</td>
<td>5.0%</td>
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<tr>
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<td>Prep Space</td>
<td>0.5%</td>
<td>25,366</td>
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<tr>
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<td>Common Area</td>
<td>19.3%</td>
<td>879,086</td>
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<td>880,109</td>
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<tr>
<td></td>
<td>Total Rent Revenue</td>
<td></td>
<td>2,602,411</td>
<td></td>
<td>2,581,104</td>
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<tr>
<td></td>
<td>Percentage Rent [1]</td>
<td>35.7%</td>
<td>1,402,764</td>
<td>31.8%</td>
<td>1,300,500</td>
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<tr>
<td></td>
<td>Direct Utilities</td>
<td>7.2%</td>
<td>320,087</td>
<td>7.3%</td>
<td>342,990</td>
</tr>
<tr>
<td></td>
<td>Storage/Cooler</td>
<td>1.6%</td>
<td>73,204</td>
<td>1.7%</td>
<td>74,750</td>
</tr>
<tr>
<td></td>
<td>Tenant Work Reimbursements</td>
<td>0.1%</td>
<td>5,510</td>
<td>0.1%</td>
<td>5,042</td>
</tr>
<tr>
<td></td>
<td>Late Fees</td>
<td>0.2%</td>
<td>10,769</td>
<td>0.2%</td>
<td>9,165</td>
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<tr>
<td></td>
<td>Total Commercial Revenue</td>
<td>100%</td>
<td>4,414,745</td>
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<td>4,313,551</td>
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</tbody>
</table>

(1) See attachment for Percentage Rent revenue data by month.

### 2017 Total Budget

<table>
<thead>
<tr>
<th>Note 2</th>
<th>Residential Revenue</th>
<th>2017 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
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<tbody>
<tr>
<td></td>
<td></td>
<td>% of total ResRev</td>
<td>May (Act)</td>
<td>May (Act)</td>
<td>May (Act)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>% YTD ResRev</td>
<td>% YTD ResRev</td>
<td>% YTD ResRev</td>
</tr>
<tr>
<td></td>
<td>Residential Rents</td>
<td>98.2%</td>
<td>1,126,941</td>
<td>98.3%</td>
<td>1,126,985</td>
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<tr>
<td></td>
<td>Laundry Net of Taxes</td>
<td>0.7%</td>
<td>5,684</td>
<td>0.5%</td>
<td>4,563</td>
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<tr>
<td></td>
<td>Other[1]</td>
<td>1.1%</td>
<td>11,652</td>
<td>1.0%</td>
<td>12,961</td>
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<tr>
<td></td>
<td>Total Residential Revenue</td>
<td>100%</td>
<td>1,144,277</td>
<td>100%</td>
<td>1,144,509</td>
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</table>

(1) Other includes maintenance services, rental, screening, and late fees.

### 2017 Total Budget

<table>
<thead>
<tr>
<th>Note 3</th>
<th>Day Stall Revenue</th>
<th>2017 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>% of total Day Rev</td>
<td>May (Act)</td>
<td>May (Act)</td>
<td>May (Act)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>% YTD Day Rev</td>
<td>% YTD Day Rev</td>
<td>% YTD Day Rev</td>
</tr>
<tr>
<td></td>
<td>Daily Craft</td>
<td>61.7%</td>
<td>224,535</td>
<td>62.6%</td>
<td>224,000</td>
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<tr>
<td></td>
<td>Daily Farmer</td>
<td>20.9%</td>
<td>71,668</td>
<td>20.0%</td>
<td>79,500</td>
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<td></td>
<td>Remote Markets</td>
<td>4.2%</td>
<td>2,580</td>
<td>0.7%</td>
<td>3,500</td>
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<td></td>
<td>Cooler/ Liquor Rent</td>
<td>7.3%</td>
<td>34,365</td>
<td>9.6%</td>
<td>34,190</td>
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<td></td>
<td>Permits, market bags &amp; other</td>
<td>2.1%</td>
<td>15,743</td>
<td>4.4%</td>
<td>17,215</td>
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<td>Late Fees</td>
<td>1.3%</td>
<td>5,750</td>
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<td>5,000</td>
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<td></td>
<td>Specialty Crop Block Grant</td>
<td>2.3%</td>
<td>3,833</td>
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<td>Total Day Stall Revenue</td>
<td>100%</td>
<td>358,478</td>
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<td>368,515</td>
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Pg 65
### Note 5  Surface Revenue

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<thead>
<tr>
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<th>YTD BUDGET</th>
<th>YTD 2017</th>
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<tr>
<td></td>
<td>% of total</td>
<td>% YTD</td>
<td>% of total</td>
<td>% YTD</td>
</tr>
<tr>
<td></td>
<td>Surf Rev</td>
<td>Actual</td>
<td>Sur Rev</td>
<td>May</td>
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<tr>
<td>Surface Revenue Net</td>
<td>153.8%</td>
<td>145,730</td>
<td>185.6%</td>
<td>119,202</td>
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<tr>
<td>of Taxes</td>
<td></td>
<td>(67,214)</td>
<td>-85.6%</td>
<td>(41,722)</td>
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<tr>
<td>City Share of</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Surface Parking Net</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>of Taxes and Net of</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>City Share</td>
<td>100%</td>
<td>78,516</td>
<td>100%</td>
<td>77,480</td>
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### Note 6  Garage Revenue

<table>
<thead>
<tr>
<th></th>
<th>2017 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total</td>
<td>% YTD</td>
<td>% of total</td>
<td>% YTD</td>
</tr>
<tr>
<td></td>
<td>Gar Rev</td>
<td>Actual</td>
<td>Gar Rev</td>
<td>May</td>
</tr>
<tr>
<td>Parking Revenue Net</td>
<td>99.5%</td>
<td>773,321</td>
<td>99.1%</td>
<td>1,107,455</td>
</tr>
<tr>
<td>of Taxes</td>
<td>0.5%</td>
<td>6,760</td>
<td>0.9%</td>
<td>6,875</td>
</tr>
<tr>
<td>Parking Reimbursement</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Garage Revenue</td>
<td>100%</td>
<td>780,081</td>
<td>100%</td>
<td>1,114,330</td>
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</table>

### Note 7  Events Revenue

<table>
<thead>
<tr>
<th></th>
<th>2017 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total</td>
<td>% YTD</td>
<td>% of total</td>
<td>% YTD</td>
</tr>
<tr>
<td></td>
<td>Evt Rev</td>
<td>Actual</td>
<td>Evt Rev</td>
<td>May</td>
</tr>
<tr>
<td>Conference Rooms net</td>
<td>97.2%</td>
<td>92,477</td>
<td>98.7%</td>
<td>88,471</td>
</tr>
<tr>
<td>of tax</td>
<td>2.8%</td>
<td>1,226</td>
<td>1.3%</td>
<td>2,500</td>
</tr>
<tr>
<td>Ticket Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Events Revenue</td>
<td>100%</td>
<td>93,703</td>
<td>100%</td>
<td>90,971</td>
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</table>

### Note 8  Miscellaneous Revenue

<table>
<thead>
<tr>
<th></th>
<th>2017 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total</td>
<td>% YTD</td>
<td>% of total</td>
<td>% YTD</td>
</tr>
<tr>
<td></td>
<td>Gar Rev</td>
<td>Actual</td>
<td>Misc Rev</td>
<td>May</td>
</tr>
<tr>
<td>Security Service</td>
<td>14.0%</td>
<td>26,975</td>
<td>12.9%</td>
<td>21,850</td>
</tr>
<tr>
<td>Contracts</td>
<td></td>
<td>(14,713)</td>
<td>-12.7%</td>
<td>(13,850)</td>
</tr>
<tr>
<td>Management Fees(1)</td>
<td></td>
<td>(9,147)</td>
<td>-42.2%</td>
<td>(8,000)</td>
</tr>
<tr>
<td>Investment Income/</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Firm/License Revenue</td>
<td>6.7%</td>
<td>4,416</td>
<td>6.1%</td>
<td>4,940</td>
</tr>
<tr>
<td>Other Revenues(2)</td>
<td>37.9%</td>
<td>55,708</td>
<td>46.1%</td>
<td>63,515</td>
</tr>
<tr>
<td>Total Miscellaneous Revenue</td>
<td>100%</td>
<td>207,411</td>
<td>100%</td>
<td>177,485</td>
</tr>
</tbody>
</table>

(1) Management fees from LaSalle Senior Housing LLC and Western Avenue Senior Housing
(2) Other Revenues includes Constituency Revenue, Misc taxable & Non-taxable Revenue, Key and Access Cards, Trademark/Royalties, Market Tours and Rummage Hall less sales tax.
### Note 9 Property Management Expenses

<table>
<thead>
<tr>
<th>Expense</th>
<th>YTD ACTUAL Actual</th>
<th>YTD ACTUAL % PM Exp</th>
<th>YTD BUDGET Budget</th>
<th>YTD BUDGET % PM Exp</th>
<th>YTD 2017 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>184,946</td>
<td>24.2%</td>
<td>182,461</td>
<td>22.8%</td>
<td>(2,485) -1.4%</td>
</tr>
<tr>
<td>Residential</td>
<td>273,941</td>
<td>35.6%</td>
<td>254,806</td>
<td>31.8%</td>
<td>(19,135) -7.5%</td>
</tr>
<tr>
<td>Daytime</td>
<td>98,863</td>
<td>12.9%</td>
<td>106,654</td>
<td>13.3%</td>
<td>7,791 7.3%</td>
</tr>
<tr>
<td>Surface Parking</td>
<td>27,395</td>
<td>3.6%</td>
<td>34,725</td>
<td>4.3%</td>
<td>7,330 21.1%</td>
</tr>
<tr>
<td>Garage</td>
<td>179,653</td>
<td>23.5%</td>
<td>221,743</td>
<td>27.7%</td>
<td>42,090 19.0%</td>
</tr>
<tr>
<td><strong>Total Property Management Expenses</strong></td>
<td><strong>764,798</strong></td>
<td><strong>100%</strong></td>
<td><strong>800,389</strong></td>
<td><strong>100%</strong></td>
<td><strong>35,591 4.4%</strong></td>
</tr>
</tbody>
</table>

### Note 10 Operations Expenses

<table>
<thead>
<tr>
<th>Expense</th>
<th>YTD ACTUAL Actual</th>
<th>YTD ACTUAL % Ops Exp</th>
<th>YTD BUDGET Budget</th>
<th>YTD BUDGET % Ops Exp</th>
<th>YTD 2017 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities</td>
<td>726,071</td>
<td>23.2%</td>
<td>816,825</td>
<td>23.8%</td>
<td>90,754 11.1%</td>
</tr>
<tr>
<td>Security</td>
<td>604,336</td>
<td>19.3%</td>
<td>643,746</td>
<td>18.8%</td>
<td>39,410 6.1%</td>
</tr>
<tr>
<td>Maintenance</td>
<td>460,189</td>
<td>14.7%</td>
<td>501,168</td>
<td>14.6%</td>
<td>40,979 8.2%</td>
</tr>
<tr>
<td>Capital Management</td>
<td>83,021</td>
<td>2.7%</td>
<td>83,265</td>
<td>2.4%</td>
<td>244 0.3%</td>
</tr>
<tr>
<td>Utilities</td>
<td>1,073,329</td>
<td>34.3%</td>
<td>1,169,250</td>
<td>34.1%</td>
<td>95,921 8.2%</td>
</tr>
<tr>
<td>Insurance</td>
<td>184,978</td>
<td>5.9%</td>
<td>212,300</td>
<td>6.2%</td>
<td>27,322 12.9%</td>
</tr>
<tr>
<td><strong>Total Operations Expenses</strong></td>
<td><strong>3,131,924</strong></td>
<td><strong>100%</strong></td>
<td><strong>3,426,554</strong></td>
<td><strong>100%</strong></td>
<td><strong>294,630 8.6%</strong></td>
</tr>
</tbody>
</table>

### Note 11 Administration Expenses

<table>
<thead>
<tr>
<th>Expense</th>
<th>YTD ACTUAL Actual</th>
<th>YTD ACTUAL % Adm Exp</th>
<th>YTD BUDGET Budget</th>
<th>YTD BUDGET % Adm Exp</th>
<th>YTD 2017 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Management</td>
<td>374,800</td>
<td>36.1%</td>
<td>384,595</td>
<td>35.8%</td>
<td>9,795 2.5%</td>
</tr>
<tr>
<td>Finance</td>
<td>195,599</td>
<td>18.8%</td>
<td>190,960</td>
<td>17.8%</td>
<td>(4,639) -2.4%</td>
</tr>
<tr>
<td>Office Administration</td>
<td>192,133</td>
<td>18.5%</td>
<td>220,893</td>
<td>20.6%</td>
<td>28,760 13.0%</td>
</tr>
<tr>
<td>Human Resources</td>
<td>122,535</td>
<td>11.8%</td>
<td>120,815</td>
<td>11.3%</td>
<td>(1,720) -1.4%</td>
</tr>
<tr>
<td>Information Services</td>
<td>152,843</td>
<td>14.7%</td>
<td>155,865</td>
<td>14.5%</td>
<td>3,022 1.9%</td>
</tr>
<tr>
<td><strong>Total Administration Expenses</strong></td>
<td><strong>1,037,910</strong></td>
<td><strong>100%</strong></td>
<td><strong>1,073,288</strong></td>
<td><strong>100%</strong></td>
<td><strong>35,378 3.3%</strong></td>
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</table>

### Note 12 Program Expenses

<table>
<thead>
<tr>
<th>Expense</th>
<th>YTD ACTUAL Actual</th>
<th>YTD ACTUAL % Prg Exp</th>
<th>YTD BUDGET Budget</th>
<th>YTD BUDGET % Prg Exp</th>
<th>YTD 2017 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Marketing</td>
<td>245,526</td>
<td>41.5%</td>
<td>279,985</td>
<td>41.3%</td>
<td>34,459 12.3%</td>
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<tr>
<td>Farm Program</td>
<td>112,340</td>
<td>19.1%</td>
<td>116,890</td>
<td>17.3%</td>
<td>4,550 3.9%</td>
</tr>
<tr>
<td>Community Events &amp; Programs</td>
<td>106,897</td>
<td>18.1%</td>
<td>117,430</td>
<td>17.3%</td>
<td>10,533 9.0%</td>
</tr>
<tr>
<td>Market Foundation</td>
<td>124,614</td>
<td>21.1%</td>
<td>163,310</td>
<td>24.1%</td>
<td>38,696 23.7%</td>
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<tr>
<td><strong>Total Program Expenses</strong></td>
<td><strong>589,377</strong></td>
<td><strong>100%</strong></td>
<td><strong>677,615</strong></td>
<td><strong>100%</strong></td>
<td><strong>88,238 13.0%</strong></td>
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### 2017 Calendar Year

<table>
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<tr>
<th>Month of Collection</th>
<th>2016</th>
<th>2017</th>
<th>Total</th>
<th>Approved Budget</th>
<th>Variance</th>
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<tbody>
<tr>
<td>Jan</td>
<td>387,815</td>
<td>387,815</td>
<td>340,000</td>
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<td>Feb</td>
<td>5,314</td>
<td>180,152</td>
<td>169,500</td>
<td>15,966</td>
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</tr>
<tr>
<td>Mar</td>
<td>4,049</td>
<td>3,844</td>
<td>191,982</td>
<td>215,000</td>
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<tr>
<td>Apr</td>
<td>1,768</td>
<td>2,384</td>
<td>2,920</td>
<td>288,369</td>
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<td>May</td>
<td>1,832</td>
<td>13,231</td>
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<td>June</td>
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<td>July</td>
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<td>Dec</td>
<td>0</td>
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</tr>
<tr>
<td><strong>TOTAL</strong></td>
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<td>0</td>
<td>0</td>
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### 2016 Calendar Year

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<th>2016</th>
<th>YTD May 2016</th>
<th>1,366,562</th>
<th>Total</th>
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<tbody>
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<td>Jan</td>
<td>347,723</td>
<td>353</td>
<td>348,076</td>
<td>340,000</td>
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<tr>
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<td>4,679</td>
<td>176,715</td>
<td>167,500</td>
<td>13,949</td>
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<tr>
<td>Mar</td>
<td>3,259</td>
<td>12,150</td>
<td>213,304</td>
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<td>(16,877)</td>
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<tr>
<td>Apr</td>
<td>3,945</td>
<td>277,548</td>
<td>235</td>
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<td>21,728</td>
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<td>May</td>
<td>26,420</td>
<td>300,141</td>
<td>90</td>
<td>300,000</td>
<td>26,651</td>
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<td>June</td>
<td>1,995</td>
<td>5,006</td>
<td>11,703</td>
<td>336,411</td>
<td>337,000</td>
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<td>3,958</td>
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<td>421,145</td>
<td>437,000</td>
<td>11,918</td>
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<tr>
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<td>1,133</td>
<td>11,588</td>
<td>518,707</td>
<td>448,918</td>
<td>78,733</td>
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<tr>
<td>Sept</td>
<td>5,031</td>
<td>28,544</td>
<td>506,787</td>
<td>538,256</td>
<td>528,560</td>
<td>7,756</td>
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<tr>
<td>Oct</td>
<td>2,401</td>
<td>24,309</td>
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<td>396,189</td>
<td>341,000</td>
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<td>Nov</td>
<td>1,820</td>
<td>913</td>
<td>3,133</td>
<td>17,430</td>
<td>341,507</td>
<td>13,507</td>
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<tr>
<td>Dec</td>
<td>(176)</td>
<td>(218)</td>
<td>(209)</td>
<td>(189)</td>
<td>(4,078)</td>
<td>(4,972)</td>
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<td><strong>TOTAL</strong></td>
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### 2015 Calendar Year

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<th>2015</th>
<th>YTD May 2015</th>
<th>1,277,328</th>
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<th>Variance</th>
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<tr>
<td>Jan</td>
<td>187</td>
<td>313,570</td>
<td>322,942</td>
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<td>Feb</td>
<td>285</td>
<td>15,266</td>
<td>161,839</td>
<td>165,000</td>
<td>56,161</td>
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<tr>
<td>Mar</td>
<td>8,147</td>
<td>24,167</td>
<td>19,229</td>
<td>180,059</td>
<td>238,531</td>
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<td>910</td>
<td>251,186</td>
<td>252,720</td>
<td>212,000</td>
<td>40,720</td>
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<td>429</td>
<td>5,661</td>
<td>9,680</td>
<td>23,675</td>
<td>251,881</td>
<td>291,326</td>
<td>39,326</td>
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<td>(158)</td>
<td>723</td>
<td>6,968</td>
<td>319,417</td>
<td>326,950</td>
<td>296,000</td>
<td>30,950</td>
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<td>2,501</td>
<td>16,363</td>
<td>24,683</td>
<td>380,515</td>
<td>424,072</td>
<td>390,000</td>
<td>34,072</td>
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<td>Aug</td>
<td>1,079</td>
<td>13,157</td>
<td>425,799</td>
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<td>411,000</td>
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<tr>
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<td>42,400</td>
<td>454,051</td>
<td>520,987</td>
<td>431,500</td>
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<td>1,682</td>
<td>26,807</td>
<td>128,024</td>
<td>360,127</td>
<td>322,000</td>
<td>38,127</td>
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<td>Nov</td>
<td>1,301</td>
<td>416</td>
<td>6,439</td>
<td>282,341</td>
<td>290,497</td>
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<td>222</td>
<td>345</td>
<td>5,711</td>
<td>595</td>
<td>6,991</td>
<td>567</td>
<td>17,677</td>
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<td><strong>TOTAL</strong></td>
<td>0</td>
<td>187</td>
<td>0</td>
<td>0</td>
<td>(158)</td>
<td>0</td>
<td>285</td>
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Capital Replace Reserve Fund Balance

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<tr>
<th></th>
<th>Anticipated Year end Balance</th>
<th>Current YTD Balance</th>
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<tr>
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<td>12/31/2017</td>
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<tr>
<td>Balance 12/31/2016</td>
<td>8,401,068</td>
<td>8,401,068</td>
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</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Balance as of 1/1/17</td>
<td>9,314,712</td>
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<tr>
<td><strong>Budget 2017 Contribution:</strong></td>
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<td></td>
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<tr>
<td>Capital Reserve - PDA and Gar</td>
<td>2,359,388</td>
<td>319,759</td>
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<td><strong>Capital Projects Spending:</strong></td>
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<tr>
<td>2016 projects carried over to 2017</td>
<td>(386,092)</td>
<td>(250,174)</td>
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<td>2017 capital projects</td>
<td>(2,000,000)</td>
<td>(777,617)</td>
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<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>(2,386,092)</td>
<td>(1,027,791)</td>
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<tr>
<td>CRRF Capital Reserve Balance</td>
<td>9,288,008</td>
<td>8,606,680</td>
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## CAPITAL PROJECTS REPORT

<table>
<thead>
<tr>
<th>BLDG</th>
<th>Code</th>
<th>Project Name</th>
<th>2016 Budget Crossover</th>
<th>2017 Budget Allocation</th>
<th>2017 Total Budget</th>
<th>LTD Expenses</th>
<th>Status for Financial Reporting</th>
<th>Resolution</th>
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</thead>
<tbody>
<tr>
<td>Soa</td>
<td>163778-00</td>
<td>Commercial Restrooms</td>
<td>82,903</td>
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<td>82,903</td>
<td>54,998</td>
<td>In progress</td>
<td>16-32</td>
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<tr>
<td>Vary</td>
<td>163786-00</td>
<td>Western Ave Enhancement Project</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4,921</td>
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</tr>
<tr>
<td>Pin</td>
<td>163806-00</td>
<td>Pine Deck</td>
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<td>2,398</td>
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<td></td>
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<tr>
<td>Las</td>
<td>163807-00</td>
<td>Comclas - Windows</td>
<td>36,348</td>
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<td>36,348</td>
<td>33,254</td>
<td>In Progress</td>
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<td>Car</td>
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<td>Comcor - Stairs</td>
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<td>39,757</td>
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<td>163810-00</td>
<td>HVAC RTU</td>
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<td>195,219</td>
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<tr>
<td>Lai</td>
<td>163813-00</td>
<td>Paint Windows &amp; Walls</td>
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<td>73,234</td>
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<td>Tel</td>
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<td>9,413</td>
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<td>Soa</td>
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<tr>
<td>Las</td>
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<td>Lockers</td>
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<td>0</td>
<td>7,063</td>
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<tr>
<td>Soa</td>
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<td>Seismic Retrofit Pink Door</td>
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<td>18,618</td>
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</tr>
<tr>
<td>Pda</td>
<td>163823-00</td>
<td>Term Architect</td>
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<td>136</td>
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<tr>
<td>Pda</td>
<td>163824-00</td>
<td>ERS antenna</td>
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<td>3,964</td>
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<td>Fai</td>
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<td>Lower Roof</td>
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<td>Neighborhood Comm Center</td>
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<td>0</td>
<td>176</td>
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<td>Budget</td>
<td></td>
<td>Capital Projects 2017</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
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<td>Sub-Total</td>
<td>386,092</td>
<td>1,600,000</td>
<td>1,986,092</td>
<td>807,999</td>
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### MISCELLANEOUS (Tenant Compensations and Commercial Tenant Improvements)

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<th>Code</th>
<th>Project Name</th>
<th>2016 Budget Crossover</th>
<th>2017 Budget Allocation</th>
<th>2017 Total Budget</th>
<th>LTD Expenses</th>
<th>Status for Financial Reporting</th>
</tr>
</thead>
<tbody>
<tr>
<td>160260-00</td>
<td>Commercial Tenant Compensation</td>
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<td>160290-00</td>
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### CONTINGENCY

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<th>2017 Total Budget</th>
<th>LTD Expenses</th>
<th>Status for Financial Reporting</th>
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<td>160960-00</td>
<td>Contingency for Known Projects</td>
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<td>160970-00</td>
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<tr>
<td>Sub-Total</td>
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### A&E - ARCHITECTURAL, ENGINEERING, DESIGN & APPLICATION CONTRACTING - OUTSOURCED

### CAPITAL INVENTORY

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<th>Project Name (see page 10)</th>
<th>2016 Budget Crossover</th>
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<th>2017 Total Budget</th>
<th>LTD Expenses</th>
<th>Status for Financial Reporting</th>
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<tr>
<td>160XXX-00</td>
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<td>400,000</td>
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<tr>
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<td>2,000,000</td>
<td>2,386,092</td>
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Pike Up! Campaign Fundraising Report
June 22, 2017

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<th></th>
<th>Raised as of 6.8.2017</th>
<th>Raised as of 6.22.2017</th>
<th>Goal by 7/1/2017</th>
<th>Percent to Goal</th>
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<tr>
<td>CHARMS</td>
<td>6,251</td>
<td>6,330</td>
<td>7,000</td>
<td>90%</td>
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<td>HOOFPRINTS</td>
<td>394</td>
<td>398</td>
<td>420</td>
<td>95%</td>
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<tr>
<td>MAJOR GIFTS</td>
<td>$5,195,665</td>
<td>$5,245,943</td>
<td>$5.2M</td>
<td>101%</td>
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<tr>
<td>TOTAL RAISED:</td>
<td>$8,189,093 (+$546,401)</td>
<td>$8,296,199 (+$107,106)</td>
<td>$8.5M</td>
<td>98%</td>
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</tbody>
</table>

The Market Commons
- The Market Commons construction is scheduled to be complete in August

Art & Donor Recognition Updates:

- John Fleming, Western Tapestry installation underway; scheduled to be complete by Grand Opening

- Charm Fence installation is underway and on-schedule to be complete by Grand Opening; Charm Map and Finder tool will be published on June 27th at www.MarketFront.org/FindMyCharm
Residential Property Update Report
June, 2017

Higher than normal vacancies reflect 4 transfers to Western Avenue Senior Housing, 3 evictions, internal transfers and move outs for other causes. Vacancy rate for April and May about double what projected in budget. Economic vacancy at 4%. 
1. Property Update
   - Overall Occupancy (by unit count): 97% (3 move-ins early June)

<table>
<thead>
<tr>
<th>Location</th>
<th>Occupancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>La Salle</td>
<td>100%</td>
</tr>
<tr>
<td>Leland</td>
<td>100%</td>
</tr>
<tr>
<td>Sanitary vacancy:</td>
<td>95%</td>
</tr>
<tr>
<td>Triangle</td>
<td>100%</td>
</tr>
<tr>
<td>Market House</td>
<td>100%</td>
</tr>
<tr>
<td>Stewart House</td>
<td>100%</td>
</tr>
<tr>
<td>Livingstone Baker</td>
<td>92%</td>
</tr>
<tr>
<td>Western Ave.</td>
<td>100%</td>
</tr>
</tbody>
</table>

2. Compliance
   - HOTMA – HUD update effective 8/1/2017
   - HUD Income limit change – AR corrections
   - VAWA requirements in place effective June 14
   - Lasalle Funders’ audit – on going; WSHFC 6/9
   - Western Ave (WASH) Funders’ audit – on going; Seattle Office of Housing 6/15

3. Tenant issues
   - Compliance action in progress with about 10 tenants.

4. Fair Housing/Reasonable Accommodation/Special Request or Issues
   - 2 in process

5. Residential Staffing
   - Some staff vacations, one manager to be on family leave.
   - Met with residential assistants on 4/4 (FH, Safety, Team & Open); Tool Kit; follow up meeting in June

6. Staff Training
   - AHMA Conference - April 18-19 in Seatac - Done
   - Earthquake Preparedness Learning Session – 05/04 – Done
   - Fair Housing workshop in Seattle – All managers, 9/20 – whole day
7. Building Maintenance and Unit Turn-over
   o Area of focus to get units occupied
   o Expect to file for special claims for HUD reimbursement on vacancy for 6 units (Lasalle, Stewart House and Market House) due to extensive repairs needed for turnover.
   o Close to selection of term architect - priority project will include Lasalle unit modernizations (40 years old), ADA audits.
   o Courtyards pressure washed.
   o Special cleaning completed of Lasalle north wall (old ivy stains)

8. Pest Control
   o Stewart House 1st and 2nd quarter cost and contract review – still have recurring issues in Stewart House, some new issues in Livingston Baker

9. Thoughts/Ideas/In the Works/On Radar
   o Joe working on getting our market rate lease in Yardi - autofill
   o Reviewing website residential info
   o Complete residential handbook – 07/31/2017
   o Fire Drill schedule
   o Review of emergency procedures

Western Avenue Senior Housing
   • Fully leased – some late move in on 100 level (one tenant declined unit and was replaced)
   • Several inspections by funders with no significant issues.
   • Continue to work with maintenance on “breaking-in” routines as we get used to building operation systems.
   • Composting systems in place.
   • Continue to work with tenants on building rules and regulations
   • Working with Foundation to purchase furnishings for the building rooms and common areas with Boeing Employees Foundation grant. Initial list includes pest resistant furnishings (beds/tables/chairs), outside patio furnishings, wi-fi service for lobby, etc.
EVENTS SPACES REPORT

Highlights below for month of May.

**Kitchen**

- May’s Market Meal served over 200 plates and saw a significant increase in the number of seniors served, as well as our more mentally and economically challenged neighbors. $160 in cash donations were collected, which Succulent Catering matched and turned around as a donation to GiveBIG for a larger matching donation to benefit the Pike Market Senior Center and Food Bank. Total donation to equal $637.
- (15) Private Chef Cooking Classes were held
- (2) Pop Up Dinners held

**Weddings**

- (120) person wedding & reception that utilized all of our upstairs event spaces & Atrium Kitchen - hosted Memorial Day Weekend, generous amounts of 1930’s era furniture used in space

**Corporate Meetings**

- (14) Board Meeting/Staff Retreat/Offsite events — clients included Olson Kundig, Nordstrom, Starbucks, Sound Transit, Precept Wine and Oceania Cruises.

**Other**

i:\executive directors\017 ed & admin\committees\finance and asset management\06\asset management june 2017.docx
• Market Community Events
  • Foundation – Cut the Pie Event
• Seattle Yacht Club – Canadian Women’s Luncheon
• High Road Communications – Photography workshop

PDA Sponsored Community Events

• Daystall Workshop for Market Vendors: "How to price your product"

ACTIVITY SUMMARY
MarketFront Expansion Makes Public Debut

After nearly two years of construction, the Pike Place MarketFront expansion opened to the public for the first time on Tuesday, May 24. Market-goers can now access the new Pavilion and public plaza through the Desimone Bridge, two breezeways and a staircase along Western Avenue, and from elevators in the new parking garage.

Four levels of underground parking, located at 1901 Western Ave, are now open with 300 additional parking spaces, charging stations for electric cars and covered bicycle racks. The parking connects to the existing Public Market Garage.

MarketFront Grand Opening Celebration on June 29th

On June 29 from 2-7 p.m. the Market community and public are invited to celebrate MarketFront's official grand opening. A grand opening ceremony will kick off at 2 p.m., followed by performances by local bands The Pacific, The Dip and Grace Love throughout the afternoon and into the evening. Attendees will have the opportunity to participate in a MarketFront Passport activity that will help guide them through the new spaces. The Passport will feature interactive stops at MarketFront vendors, public art installations, craft demonstrations on the Pavilion, The Market Commons, and the Market Charm fence that overlooks Elliott Bay. All Market businesses are welcome to remain open late on the evening of the Grand Opening.

MarketFront Grand Opening advertisements are underway and are featured on Sound Transit Light Rail trains and Metro buses, in Puget Sound Business Journal, Northwest Magazine and Seattle Magazine, radio spots on KNKX and KEXP, and paid social and geo-fenced ads.

For more information about the Grand Opening visit MarketFront.org.

Evening Market Wednesdays 3-7 p.m.

Every Wednesday through September 27 from 3-7 p.m., downtown residents and workers have the opportunity to enjoy the long summer evenings while shopping for fresh produce, artisan foods and specialty farm products from more than a dozen local farmers and producers. Pike Place will be closed to traffic between Pine and Stewart from 2-8 p.m. Neighboring businesses are invited to stay open during Evening Farmers Market hours.

Farm to Go CSA: Sign Up by June 7

This summer we invite you to join Pike Place Market PDA’s Farm to Go CSA program to enjoy fresh, local produce each week, all season long.

Every Wednesday, June 21-September 27, pick up your CSA bag at the Evening Farmers Market on Pike Place from 3-7 pm. All fruits and veggies are sourced directly from Market farmers. Plus, you’ll receive recipes, storage tips and preparation ideas.

Choose from two sizes: Regular ($24/week) or Small ($18/week). Learn more about the CSA program and sign up online at pikeplacemarket.org/farmtogo. The enrollment deadline has been extended to Wednesday, June 7.

Farmers Market Schedule at a Glance

City Hall Plaza Market
Tuesdays, 10 a.m.-2 p.m.
600 4th Ave

Denny Regrade Market
Tuesdays, 10 a.m.-2 p.m.
7th & Lenora

Pike Place Evening Market
Wednesdays, 3-7 p.m.
Pike Place & Pine St.

South Lake Union Market
Thursdays, 10 a.m.-2 p.m.
410 Terry Ave. N

First Hill Market
Fridays, 10 a.m.-2 p.m.
9th & University St.
New Rules for Guided Tour Groups in the Market

Beginning this June, new rules will apply to all guided tours in Pike Place Market, on the street and in PDA buildings.

All tour guides must display visible permit badges, similar to performers. Tour guides will have to be sponsored by a company that has a license to conduct tours issued by the PDA. These companies must provide commercial liability insurance, have tour routes described in detail, and list all businesses locations they will visit. Beginning this year, an access fee will be charged for each tour guest as a cost to each of the tour businesses. Group size will be limited to a maximum of 16 persons per guide. Later this year, the PDA will implement a requirement to test tour guide knowledge of basic facts about the history and operation of Pike Place Market. PDA staff will intercept any tours led by guides who do not have permits.

These new regulations were adopted by the PDA Council in April 2017 after a period of thorough review and discussion, involving merchants, tour operators and Visit Seattle. The review concluded with an acknowledgement that locally managed tours are of general benefit to the Market, merchants and visitors. The new licensing procedure should ensure high quality and benefit to the Market from these guided tours. We welcome responsibly managed tour businesses to the Market community.

Tour guide permit requirements and tour company licensing requirements are at pikeplacemarket.org/permits. If you have any questions please contact John Turnbull, Director of Asset Management, at JohnT@pikeplacemarket.org.

PDA Meetings & Events

Meetings are in the top floor of the Economy Building.

- June 12: MarketFront: 4 p.m.
- June 13: Market Programs: 4 p.m.
- June 20: Finance & Asset Management: 4 p.m.
- June 21: Executive: 4:30 p.m.
- June 29: PDA Council: 4 p.m.

Constituency Meetings

Meetings are on the top floor of the Economy Building.

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Downtown Conventions

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Staff Comings & Goings

Welcome Aboard to Eric Beauchamp, Security Officer. Also, Julia Gass and Carter Grant have joined us as Farm Program Assistants.

Farewell and best wishes to Alisha Kissell, Farm Program Coordinator and Lee Nevill, Security Officer on their new careers.

Commercial Tenant News

Japanese Gourmet to Reopen as Urara June 7

Mark Wang purchased the former Japanese Gourmet restaurant and has taken the past several months to improve upon the menu, bring on a new chef and upgrade the space. The restaurant is being rebranded under its new name Urara. Urara, meaning “beautiful,” will feature fresh, traditional Japanese food.

Cintli Bids Farewell to the Market

After 13 years, Beto Yarce, the owner of Cintli has decided to close the store and focus on his role of Executive Director with WA Cash (Ventures). Cintli closed at the end of the May. We are glad Beto will still be involved with Market at some level, and we can continue to use him as a small business resource.

Music is in the Air at Senior Center

Pike Market Senior Center is excited to announce that award-winning Seattle jazz trumpeter Thomas Marriott will join them on Wednesday, June 14 at 1 p.m. to talk about jazz and share some of his musical recordings. The event will be held in “The Extra Space” in the Sanitary Market at 1519 First Ave.

On Thursday, June 22 at 1 p.m., Gus Denhard of Seattle Early Music Guild is coming to the Senior Center. He will present on ancient music and give a live demonstration of various instruments.

Both events are free and open to the public.

At The Table Summer Cooking Series

Pike Place Market’s At The Table cooking classes return to the Atrium Kitchen with an 8-part summer series starting June 7. Popular local chefs will demonstrate how to prepare seasonal summer fare highlighting Market-sourced produce and ingredients. For more information about At The Table and the Atrium Kitchen visit pikeplacemarket.org/atrium-kitchen.

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