



Pike Place Market Preservation and Development Authority (PDA)

OPERATIONS & COMMUNICATIONS COMMITTEE
Meeting Minutes

Thursday, September 18th, 2008
4:00 p.m. to 6:00 p.m.
PDA Conference Room

Committee Members Present: Patrick Kerr, Jackson Schmidt, Ann Magnano, Jim Savitt

Other Council Members Present: Gloria Skouge

Staff Present: Carol Binder, James Haydu, Anita Neill, Scott Davies, Noa O'Hare, Cecilia Hall, Erin Struck, Sabina Proto, Coyle Jefferson, Matt Holland, Kateesha Atterberry, Brittney Farrow

Others Present: Dale Wittner

The meeting was called to order at 4:00 p.m. by Patrick Kerr, Chair.

I. Administration

- A. Approval of agenda
The agenda was approved
- B. Approval of August 14th, 2008 Minutes
The minutes were approved.
- C. Announcements and Community Comments

II. Marketing

- A. Staff Reports
James reported that the Market Foundation Home Tour was this Sunday from 1-5 p.m. and tickets could be purchased at the tent by Rachael the Pig.

Jackson joined at 4:01 p.m.

Preparations for the holiday season have begun. The tree and other decorations would be hung the week of November 24th. James was working with the Pacific Northwest Ballet to perform a shortened version of the Nutcracker in the Market. A gift guide would be included in the December issue of the Pike Place Palate and IGA Kress has agreed to help with distribution by placing them at their check out counters. The website has been brought up to date with the latest renovation news. Planning for advertising in 2009 has begun with HL2. The annual B.B.Q. competition event has been scheduled for Sunday April 5th, and the Cheese Festival was scheduled for May 16th and 17th. Ladies from the artist collective have planned a "Deck the Downunder" opening for November 29th.

James noted various publicity and marketing opportunities for the Market including, Nancy Leason from the Seattle Times would be writing the forward on the December issue of the Pike Place Palate. The PI would be writing a piece on the renovations to be published in October. The Seattle Channel was interested in documenting the renovations and the possibility of a reality show was mentioned. KCTS would be airing a 15 second commercial about supporting "Your Market" from October 6th through November 3rd.

The Market would be hosting the Produce Market Managers Conference on March 26th-30th, 2009. James requested that Council be there for opening ceremonies.

Scott gave a brief overview of the School Program. The program involves visiting schools and giving talks about the Market, providing teachers with a curriculum kits and children visiting the Market for a tour. Tours would be starting on September 30th on Tuesday's and Thursday's. Dates are already filling up fast after only two weeks of school being in session.

III. Farm Program

A. Staff Reports

James noted that he would not have the report on the revenue totals until next month.

Noa gave the Farm report; he reported that there was a late start to the season but things picked up. The event dates were doing well particularly on Saturdays and Sundays. Many coupons have been redeemed and there would be a report at the end of October. The Daystall Farm rules were being reviewed for possible amendments and would be reviewed with Council at a later date. In general it has been a very successful year.

IV. Property Management

A. Residential Property Management Report

Carol passed out and reviewed the monthly vacancy report. She noted that the vacancy rate had been staying in the 4-5% range. A rent comparability study was completed for the 1st and Pine building. This study gave a market comparison for the reimbursement rate from HUD. All of the section 8 contract renewals have been completed and about a 3.3% inflation increase was applied. The Steward House SRO hot water heater broke last week. The 800 gallon tank was replaced with four 125 gallon tanks so if one went out the building would not be without hot water.

Studies have been completed on the Livingston Baker for alternative financing and ownership. The goal was to provide stability for current tenants, increase the rental subsidy, and provide more flexibility for current and new tenants. Ann questioned if purchasing the building was an option. Carol noted that this was the most viable possibility and it was a good time to borrow money with the low interest rates or to purchase outright with our capital reserves.

Coyle reported that the Comprehensive Needs Assessment, CNA, was completed on the LaSalle and was waiting for the report. The current cable contract for tenants would end in February and would not be renewed due to HUD policy. A new agreement was made with Stripe Cable and tenants would now be paying the cable company directly.

Coyle noted that he was working on a multi family water conversion program with HUD which would offer rebates for the installation of low flow toilets. He was also working with Seattle Light on replacing bulbs with energy efficient bulbs provided at no charge. Additionally he was working on a rent increase in the Sanitary to bring it up to market rate. A new manager has been hired for the Market House, so the department is now fully staffed.

Patrick questioned if the vacancy rate was still at 3%. Coyle responded this fluctuates often but the rate was still in the goal range of 3-5%.

B. Closed Session Closed Session (RCW 41.30.110 [c])

The meeting went into closed session at 4:32 pm

- i. Review of Lease Proposals
- ii. Review of Delinquency Report
- iii. Vacancy Report
- iv. Current Lease Negotiations

Closed session ended at 5:03 p.m.

Jim Savitt joined during closed session at 4:50 p.m.

- C. **ACTION ITEM:** Approval of Lease Proposals
Patrick moved the lease proposals and Jackson seconded.
For: Kerr, Schmidt, Magnano, Savitt
Opposed:
Abstained:
The lease proposals were passed unanimously.

D. Staff Reports

V. Items for Consent Agenda

Patrick moved that the leases be added to the consent agenda.
Patrick moved and Jim seconded.
For: Kerr, Schmidt, Magnano, Savitt
Opposed:
Abstained:
The lease proposals were passed unanimously.

VI. Public Comments

VII. Concerns of Committee Members

Patrick asked about the rental of the two vacant spaces on the third level down under. Cecilia responded that the applicant for Lefty's space was on hold as she does not want to invest in a new business if major construction will happen in the area. Carol also noted that we have decided to leave this and the former Charlotte's web space open for tenant and/or construction use during the project. It does not make sense to improve the space and rent them only for the new tenants to be disrupted in their first year in business.

VIII. Adjournment

The meeting was adjourned at 5:05 p.m. by Patrick Kerr, Chair.

Meeting minutes submitted by:
Anita Neill, Executive Assistant