



Pike Place Market Preservation and Development Authority (PDA)

COUNCIL MEETING MINUTES – JUNE 2010

Thursday June 24th, 2010
4:00 p.m. to 6:00 p.m.
PDA Conference Room

Council Members: James Savitt, Ann Magnano, Gloria Skouge, Patrick Kerr, Jackson Schmidt, David Ghoddousi, Matt Hanna, Gerry Kumata, Bruce Lorig

Staff Present: Carol Binder, Anita Neill, John Turnbull, Brittney Farrow, Ryan Hostetler, Tyler Jamison

Others Present: Dale Wittner, Gerry Johnsen, Bo Novak, Jonathan Butcher, Greg Papciak, Kevin Lee, Ellen Greene, Marlys Erickson, Karen Swanson, Vivian West

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

I. Administration

A. Adoption of Agenda

Jim noted that proposed resolution 10-43 would be added under item III and proposed resolution 10-38 would be added under item IX which was a vote to continue today's meeting to re-convene on July 29th at 3:45 p.m.

The agenda was approved, as amended, by acclamation.

B. Review and Approval of Minutes of May 27th, 2010

The Minutes were approved by acclamation.

II. Public Comment Including the Market Community

Bo Novak had complaints about the noise and dust from the Sanitary roof deck construction test and wanted to know what to expect over the next few weeks.

Karen of Old Duffers Stuff noted several concerns; the collection of grease that was stored below her store was filthy, smelled up her shop and should be cleaned up regularly. The construction to the Sanitary deck was loud and disruptive, although she was not there to experience it, she heard about it. She requested protection from the dust by having plastic installed on the ceiling to catch falling dust and that the work not be conducted during business hours.

Bruce Lorig joined at 4:09 p.m.

Greg Papciak from the Leland apartments noted several concerns; tenants of the Sanitary did not receive notice 90 days ahead that the deck was going to be closed for a month during the summer and residents should be compensated for the inconvenience. He continued to express the importance of the deck to residents particularly in the summer months. Greg continued to note his concern regarding the Leland elevator 6th floor entrance being closed at 6:30 p.m. nightly and residents only had elevator access from

Western Avenue. The Leland trash and recycling program was out of compliance, he felt that there should be a recycling center within the building so residents would not have to take their trash outside through the busy Market.

Dale requested an update on the Executive Director search and wanted to know when the public could give their input. He also asked if residential rents were lowered, and noted his concern of the lack of security with the Leland elevator and the general public having access to the residential areas.

III. **NMTC Financing: Report, Discussion, Resolution**

Action Item: Proposed Resolution **10-43**: Providing for PMPDA Council Approval for the Incorporation of the Pike Place Market QB2; Election or Removal of Board Members of the Pike Place Market QB2 by Resolution of the PMPDA Council; and Approval of Its Initial Board.

Jim described the informational and draft documents that were distributed to Council members. The documents included; a memorandum summary of proposed Phase II NMTC financing and Q & A from Shaun Gill, draft QALICB documents including Articles of incorporation, consent in lieu of organizational meeting of board of directors, and Bylaws. Gerry gave a brief explanation and reviewed the documentation noting that next month the final documents would be updated but be very similar. Jim noted that today the Council would vote on the formation of the QALICB and next month would be on the transaction. It was necessary for the QALICB to be in place before the transaction could be completed. Gerry noted that the board members would be appointed annually by the full Council. The board members of the QB2 would be the same as the Leland / Fairley QALICB with the exception that Matt Hanna replaced John Finke. Gerry continued to describe the duties of the board. Matt noted his concern that the documents were not specific enough to address a potential conflict between the QALICB and PDA and who the board would be loyal to. Gerry noted that the PDA was already given as much control allowable without jeopardizing the fundamentals of the documents. Gerry further noted that Council was in control of the board members and could replace any and all members if they felt it necessary, additionally board members were annually appointed through resolution by Council which further constrained the actions of the QALICB. After being unable to imagine a situation where this type of conflict would arise the resolution was moved for a vote.

Jackson Schmidt moved and Gerry Kumata seconded.

David asked what would happen if there was a natural disaster and rents were not collected. Carol responded that it would be covered by insurance and / or reserves. There was some discussion on this topic and how the property was not encumbered but the rents were.

For: James Savitt, Ann Magnano, Gloria Skouge, Patrick Kerr, Jackson Schmidt, David Ghoddousi, Matt Hanna, Gerry Kumata, Bruce Lorig

Against:

Abstain:

Proposed resolution **10-43** passed unanimously.

Gerry Johnsen described proposed resolution 10-38. He noted that there were not any problems with the transaction but additional time was needed to put the deal together.

Jim amended proposed resolution **10-38** to include adjourned and continued. Additionally the start time of the continued meeting would be at what had already been publicly noticed at 4:00 p.m.

Jim made a motion to table proposed resolution **10-38** to item IX on the agenda. Patrick Kerr moved and Gerry Kumata seconded. It was approved unanimously.

IV. **Preschool Update and Discussion**

Ellen handed out a review of the preschool EMF Issue Timeline. Ellen went over the timeline and reviewed the Preschool's efforts regarding their renovation project and their evaluation of the EMF fields from the electrical vault. Kevin continued to report on the preschools board concerns and their decision

to not accept the newly built playground located on the Hillclimb. Kevin further noted that the preschool was seeking the support of the Council in locating a new playground. Carol noted there were no spaces large enough in the PDA's properties to accommodate the requirements of the preschool. There were some possibilities in surrounding areas if the preschool could be somewhat flexible in their requirements. There was some discussion about possible alternate spaces including Steinbruck Park and PCI North, and possibly further mitigating the emissions on the Hillclimb playground space. Jackson noted that mitigation inside the vault would not be allowed by City Light. Jim instructed staff to pursue ideas for further mitigation efforts and other possible locations, including associated costs, and report back at next months meeting.

V. Reports and Information Items

A. Council Chair Report

i. Executive Director Hiring Process

Jim reported that 127 resumes had been collected by the June 15th closing date. The EDHC met earlier in the week and narrowed it down to 15 finalists. Jim noted that confidentiality of all applicants was of the utmost importance until the finalists were narrowed down to four which would be announced at a public meet and greet. Candidates were local and national with diverse qualifications and varied employment backgrounds of private and public sector. Jim further outlined the process and timeline; on 7/27 the EDHC would meet to further review applications, finalist would meet with staff, tour the Market and meet with the public on 8/19, Council would interview each finalist on 8/20 on 8/24 at 3:00 p.m. a special PDA meeting would be held to allow public comment and the final candidates would be discussed in closed session, A new ED would be selected and voted on at the August 26th full Council meeting. October 1st was the target start date.

B. Executive Director Report / Questions from Councilmembers

i. Phase I and Phase II Update

Carol addressed the concerns noted under public comment; it was discovered during Phase I of the renovations that the Leland deck was leaking water and there was extensive damage to the building which was now in dire need of repair and replacement. She noted that now was the best time to complete the project before Turner begun the heavy construction of Phase II and while they were still mobilized in the Leland/Fairley. She continued to explain the extensive damage and the process of the renovations to the deck and that it was necessary to completely remove the old deck, replace the roof and build it back up.

The PDA was aware of the access and safety issues around the Leland elevator and was working to resolving them.

Many units in the Livingston Baker were recently renovated and when they became rent ready the rental market was soft and it was necessary to reduce the asking rental price from our original estimated rent on some of the less desirable units. No rents in any other building had been reduced. The LB building was now completely leased out.

Jim asked if the PDA was required to comply with a 90 day notification for the closure of the Leland deck and the relocation of the garbage receptacles. Carol replied that she would check into the requirements and report back to Council at next months meeting, but she did not think the PDA was out of compliance with any notifications or housing requirements.

Dale spoke out of order; Jim noted that it was not appropriate to debate issues while the Council was in the middle of their agenda. He also recommended that Dale address his concerns to staff before coming to Council.

Greg noted that he attempted to speak with staff but that staff missed the appointment. He additionally noted that tenants were not noticed that the elevator was open and recommended that the Leland deck be repaired in September or October when the weather still allowed the work to be completed and tenants could enjoy the deck during the summer months.

Dale asked Ellen if the preschool was required to have the playground outside and suggested that the Atrium be used. Ellen noted that she believed it was required to be outside but would check into it.

Vivian West noted that the Leland elevator was used heavily at night and suggested that the entrance by Rotary Grocery be left open later at night. There was some discussion on the possibility, but this is a security issue with undesirable people gathering in this out of the way hidden lobby area in the night. It is also a risk the adjacent businesses.

John T further noted that the noise and dust created by the renovations to the Sanitary deck was a trial run. The major work would be completed during off business hours. Carol further noted that tenants were offered the option to relocate and that that option was still available.

Carol reported that last Friday the Hillclimb was opened and Phase I was completed with the exception of a few remaining issues with the elevator. Phase II begun with renovations to the Sanitary deck. The more disruptive and heavier work would begin in the early fall after the busy summer season.

C. Other Committee Reports

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

A. Consent Agenda

Gloria Skouge moved and Gerry Kumata seconded.

The consent agenda was passed by acclamation.

B. Action Items

i. Nominating Committee

Action Item: Proposed Resolution **10-39:** PDA Committee Member Nominations.

Jackson reported that the nominating committee had met and discussed the possibility of restructuring of committees. After much deliberation it was decided that the process would be extensive and the committees would remain as is and intact with a more extensive evaluation of committees at a later date. There were only two changes to the current chairs and officers.

Bruce Burger replaced Jackson Schmidt as an Officer at Large and Ann Magnano replaced Bruce Lorig as the Vice Chair of the Finance and Asset Management committee.

Jackson Schmidt moved Gerry Kumata seconded.

For: James Savitt, Ann Magnano, Gloria Skouge, Patrick Kerr, Jackson Schmidt, David Ghoddousi, Matt Hanna, Gerry Kumata, Bruce Lorig

Against:

Abstain:

Proposed resolution **10-39** passed unanimously.

C. Other New Business

Jim noted that he would meet and talk with each Councilmember over the next few weeks to get input on agenda items and issues for the next year.

VII. Further Public Comment

VIII. Concerns of Councilmembers

IX. Adjournment

Action Item: Proposed Resolution **10-38:** Regarding a Possible Federal New Markets Tax Credit Financing in Connection with Phase 2 of the Market Infrastructure Program and Adjourning Meetings.

For: James Savitt, Ann Magnano, Gloria Skouge, Patrick Kerr, Jackson Schmidt, David Ghoddousi, Matt Hanna, Gerry Kumata, Bruce Lorig
Against:
Abstain:

Proposed resolution **10-38** passed unanimously.

The meeting was continued and adjourned until July 29th at 4:00 p.m. by James Savitt, Chair.

Meeting minutes submitted by:
Anita Neill, Executive Assistant