



Pike Place Market Preservation and Development Authority (PDA)

---

**COUNCIL MEETING MINUTES – FEBRUARY 2009**

---

Thursday, February 26<sup>th</sup>, 2009  
4:00 p.m. to 6:00 p.m.  
PDA Conference Room

**Council Members:** Jackson Schmidt, Ann Magnano, Gloria Skouge, Patrick Kerr, John Finke, Bruce Burger, David Ghoddousi, Matt Hanna, Gerry Kumata, Bruce Lorig

**Staff Present:** Carol Binder, Anita Neill, Bill Stalder, Matt Holland, Scott Davies, Teri Wheeler, John Turnbull, Noa O'Hare, Cecilia Hall

**Others Present:** Ernie Sherman, Marlys Erickson, Tom Graham, Mark Barbieri, Ellen von Wandruszka, Beau Ellis, Dana Warren, Mike Brandeberry

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

**I. Administration**

- A. Adoption of Agenda  
The agenda was approved by acclamation.
- B. Review and Approval of Minutes of January 29<sup>th</sup>, 2009  
The Minutes were approved by acclamation.

**II. Comments of the Market Community**

- A. Pike Place Market Merchants Association
- B. Constituency  
Tom Graham noted that the Constituency re-vote for the concurrence of the PDA auditor would be held on March 3<sup>rd</sup>, 12:05-1:05 at the end of Flower Row
- C. Daystall Tenants Association
- D. United Farmers Coalition
- E. Market Area Merchants Association
- F. Pike Market Performers Guild
- G. Other Public Comment

**III. Consent Agenda**

Jackson moved the items on the consent agenda, John seconded. The consent agenda passed unanimously.

#### IV. **PDA Special Obligation Bond Refinancing**

**Action Item:** Proposed Resolution **09-14:** Approving a Loan Agreement Between the PMPDA and the City of Seattle, Washington, to Provide for the Loan of Funds from the City to Refund Certain Outstanding Obligations of the PMPDA and the Execution of Certain Documents Related Thereto.

Carol reviewed the PDA Special Obligation Bond Refunding draft agreement report and the proposed resolution 09-14 that went with it. She noted that the City, as part of their annual bond review, suggested the PDA refund their bonds. The City would redeem the bonds as part of their total City bond issue and the PDA would enter a loan agreement with the City. In doing so, this could save the PDA over \$700,000 over the life of the bonds. The PDA indicated that they would be interested in this action if the business terms and covenants remained the same as in the current bonds. Most of the terms of the agreement had been replicated in the agreement but there were still a couple of issues remaining. Carol asked Council to vote on the draft and resolution as presented and talked about today, or reconvene for a special meeting to further discuss before the March 13<sup>th</sup> closing deadline. It was decided that Council would vote on the proposed resolution as is today and Carol would send out the final draft agreement once it was updated.

Jackson noted that the proposed resolution would be voted on as drafted and discussed in Council but if any terms came up that were outside the scope of the proposed resolution then Carol would not be authorized and a new proposed resolution would need to be brought forward to Council.

Jackson moved and Gerry seconded.

John further noted that as Secretary if Gloria approved of the final agreement she would sign off on the resolution on behalf of Council.

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

Against:

Abstain:

Proposed resolution 09-14 passed unanimously.

#### V. **Farm & Food – Bruce Burger**

Bruce reviewed the Food and Farm Strategy. He noted that there was still a lot of work to do on the strategy including market research, but the draft gave a good consensus from the committee of what the Food and Farm Strategy direction should be. Four mission points were pointed out and was noted that the idea of being the sole provider of perishable and non perishable groceries to the downtown community could be added to the mission as discussed in prior meetings. Additionally the idea of improving the Market customer experience could be added to the plan. There was some further discussion by Council regarding these points and the strategy in general.

Bruce then reviewed the strengths, weaknesses, opportunities and threats. He noted that the Market's major weakness was the availability of parking. Other opportunities that could be included were to increase downtown partnerships with other stores and the creation of satellite markets at City Hall and South Lake Union. John noted that there could be opportunities to partnership with the larger downtown condos and offer a delivery service or develop a chef program. Jackson noted logistical challenges could be added under weaknesses and the need to consider the threads of supermarkets tailoring to be like farmers markets.

Bruce reviewed the six strategic initiatives for Council and the Market to meet the mission. Carol noted part of that strategy was to include the planning of the Pike Place Market Express at City Hall and South Lake Union. Bruce L questioned if there was a business plan for the express locations. Carol responded that the business plan was in the works. It was decided that this would be further discussed at the March OPSCOM and full Council meetings.

There was a discussion about the proposed six strategic initiatives, Ann noted that not only high quality items but regular, average, products should be offered to the customer. John noted that other partnerships should be sought after carefully so as not to give the impression to customers that they are

supporting the Market by shopping at their grocery stores where the product did not come from the Market.

## VI. **Preschool Renovation & Relocation Discussion**

Carol noted that part of the greater renovations plan included assisting the Preschool with their temporary relocation during the renovations. Marlys Erickson was present and spoke about the PDA's history of commitment to social services and the PPM Preschool. She noted that the renovations and the impacts to the PPM preschool made it necessary to move during the renovations. Alternate locations during this period of transition were researched but none met the required licensing regulations or the needs of the preschool. The best alternative chosen was to place the preschool on the third floor of the Downunder and the playground on the LaSalle roof deck. The drawback was the high cost of this move and the preschool did not have enough funds for this unforeseen expense. Representatives of the Preschool were present to plea their case for funds from the New Market Tax Credits. This was in addition to the rent abatement requested and granted at the OPSCOM meeting last month which only covered the amount lost due to a forced cut in enrollment due to the renovations.

Matt left at 5:02 p.m.

In addition to the funds requested from the NMTC the Preschool also requested a bridge loan from the PDA which would be paid back once they raised the funds. The purpose of this was to accelerate the renovation process and decrease the amount of time the Preschool had to be relocated in their temporary location.

There was a lengthy discussion about the Preschool and the importance of their presence at the Market.

Patrick questioned if the expenses to the Preschool were mainly due to the renovations of the elevator. Carol responded that that was difficult to answer because previous elevator design was not taken to this level of design and constructability. There was some discussion about the elevator. Some Council members felt the elevator was unnecessary and wanted to see it removed from the renovation plans all together. Bruce L. noted that at this point in the renovation planning it was too late to go back to the design phase.

Bruce L. moved that the Council authorize \$450,000 to go to the Preschool for the renovation of their temporary relocation on the 3<sup>rd</sup> floor of the Downunder, Jackson seconded. John T. noted that this was the maximum amount that would be spent and every effort was being made to reduce this amount significantly.

After further discussion it was decided that the motion could not be brought forward today and Bruce L. withdrew his motion and Jackson withdrew his second. It was further decided that the Capital Renovation committee would discuss and work out the details of the plan then bring forward to full Council in March.

## VII. **Staff and Committee Reports**

### A. Capital Renovation Committee

**Action Item:** Proposed Resolution **09-09:** Authorization for Contract Authority – Commissioning. Bruce L. explained that this resolution came from the Capital Renovation committee but due to one opposing vote, it was not placed on the consent agenda. Carol reviewed the proposed resolution and the process involved. She noted that the Commissioning Agent was needed in order to verify that all of the new mechanical and electrical systems functions as designed, proper Requests for Proposals were solicited and negotiations were successfully completed with Dewpew Inc.

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

Against:

Abstain:

Proposed resolution 09-09 passed unanimously.

Bruce L talked about the elevator and reviewed the decision making process on it and how the final design was decided on. He noted that the elevator was a necessary long term investment for the Market and the plan was to move forward with the construction.

John T. gave his perspective of the elevator and noted the necessity for easy and highly visible access to people with double strollers, disabilities and the elderly. John F. requested that John T. discuss the elevator impacts and review the drawings at the next Capital Renovation meeting.

Patrick and Gloria both noted their dislike of the elevator.  
Patrick made a motion to eliminate the present design of the elevator, Gloria seconded.

There was further discussion about the elevator; the necessity especially with the viaduct coming down it would become a major thoroughfare from the waterfront to the Market and what would happen if this motion passes. Bruce Burger noted that while he was not happy about the impacts of the elevator location, he felt if this passed the project would be delayed probably a year.

For: Gloria Skouge, Patrick Kerr, David Ghoddousi  
Against: Jackson Schmidt, Bruce Burger, Gerry Kumata, Bruce Lorig  
Abstain: Ann Magnano, John Finke

The motion failed.

#### **VIII. Public Comment**

Ernie noted that even though Council was criticized for the NMTC process he felt Council did an adequate job and Council should not get caught up in the City's habit of excessive due process. He felt the process was fine.

Tom Graham requested to reserve the end of Flower Row for the Constituency meeting on March 3<sup>rd</sup>.

#### **IX. Concerns of Committee Members**

Jackson noted that it had been busy month and he thanked Council and staff for their hard work.

#### **X. Adjournment**

The meeting was adjourned at 6:08 p.m. by Jackson Schmidt, chair.

Meeting minutes submitted by:  
Anita Neill, Executive Assistant