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Date: Thursday, December 19, 2019
Time: 4:00 p.m. – 6:00 p.m.
Location: Economy Building Classroom, 1433 First Avenue (3rd Floor)
Committee Members: Rico Quirindongo (Chair), Betty Halfon (Vice-Chair), JJ McKay (Secretary/Treasurer), David Ghoddousi, Patrice Barrentine, Ray Ishii, Colleen Bowman, Paul Neal, Devin McComb, Mark Brady, and Ali Mowry

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<th>Time</th>
<th>Session</th>
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<tr>
<td>4:00p</td>
<td>I. Administrative:</td>
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<td>A. Approval of Agenda</td>
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<td>B. Approval of the PDA Council Meeting Minutes for November 21, 2019</td>
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<td>4:05p</td>
<td>II. Public Comment Including the Market Community</td>
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<td>4:10p</td>
<td>III. Executive (Closed) Session</td>
<td>Gerry Johnson</td>
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<td>A. To consult with legal counsel regarding pending or threatened litigation, RCW 42.30.110(i)</td>
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<td>4:30p</td>
<td>IV. Key Issues and Discussion Items</td>
<td>Graig Anderson &amp; David Dickinson, Jonathan Hartung, SHKS</td>
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<td>A. Meet Graig Anderson: Market Holiday Artist</td>
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<td>B. 30-Year Capital Needs Assessment</td>
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<td>C. Evaluating Elevator Service at Heritage House (PC1-S) Garage</td>
<td>Angela Battazzo</td>
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<td>V. Programs and Information Items</td>
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<td>A. Council Chair Report</td>
<td>Mary Bacarella</td>
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<td>C. Committee Chair Reports</td>
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<td>D. Other Reports</td>
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<td>i. Market Foundation Update</td>
<td>Colleen Bowman</td>
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<td>5:45p</td>
<td>VI. Action Items</td>
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<td>A. Consent Agenda</td>
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<td>vi. Proposed Resolution 19-60: Lease Proposals December 2019</td>
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<td>B. New Business</td>
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<td>VII. Further Public Comment</td>
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<td>VIII. Concerns of Committee Members</td>
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<td>6:00p</td>
<td>IX. Adjournment</td>
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Wednesday, October 30, 2019  
11:00 a.m. to 4:00 p.m.  
Economy Building Classroom, 1433 First Avenue

Committee Members Present: Rico Quirindongo, Ray Ishii, Mark Brady, Ali Mowry, Colleen Bowman, JJ McKay, Devin McComb, David Ghoddousi, Patrice Barrentine, Paul Neal

Staff/Consultants Present: Mary Bacarella, Karin Moughamer, Amy Wallsmith, John Turnbull, Erica Bates, Brady Morrison, Sabina Proto, Gerry Johnson, Ted Sive, Sarah Leaptrot

Others Present: Bob Messina, Howard Aller, Joan Paulson, Clint Bennett, Lillian Sherman, Gordon McIntyre, Ann Magnano, Christine Vaughan, David Brewster, Russell Monroe

The meeting was called to order at 11:04 a.m. by Rico Quirindongo, Chair

Administrative
Approval of the Agenda
The agenda as was approved by acclamation.

Public Comment Including the Market Community
Joan Paulson noted the PDA is established in a greater context of time. She made reference to the book written by Goodwin in 1929 speaks about public and private markets. It provides history in the Goodwin family in the development of the Pike Place Market in the context in other Markets. She does not believe this history is held by any board members and needs to be. She worries that the council does not have the proper context and she also worries that if there are proposed changes to the Charter the council members may all be cooked like frogs at the end of today’s process. Council members have taken an oath of office to uphold the PDA Charter and if the council members vote to change the Charter then they are not upholding the Charter and she feels council members would then need to resign. If there are changes to the Charter then the community needs to be allowed to participate in the conversation.

PDA and MHC Charters
Gerry Johnson began by reviewing the regulatory context that governs the work of the council. He encouraged Councilmembers to read Alice Shorett and Murray Morgan’s Soul of the City: The Pike Place Market, which ends with the conclusion of the Urban Group investors and the formation of the Market Foundation. It is not up to date on the PC1 development. The Pike Place Market is a Historical District and it’s listed on the National Register of Historic Places. The concept of the historical district was originated in a citizen initiative in the 1970’s to save it from Urban Renewal. Victor Steinbrueck led the citizen initiative and the group formed the Friends of the Market. The initiative passed in 1971 and created the Historical Commission which was empowered to regulate through broad review and approval process. It also required restoration of the Market rather than move forward with the Urban Renewal plan. In 1974 the City adopted a revised Urban Renewal Plan which created the framework to
implement the Save the Market initiative, restricted demolition and created an overlay zone in the zoning code for the Market. The cost of rehabilitation was more than the original urban renewal plan required, so Warren Magnuson secured federal funds through HUD to increase available funding for the new Urban Renewal Plan. During that time the idea of creating a Public Development Authority to handle the Urban Renewal work. The City Chartered the Pike Place Market PDA and it is reflective of the grassroots effort to preserve the Market. The PDA assumed ownership of the City properties and rehabilitated the Market pursuant to the new Urban Renewal Plan and Historical Commission guidelines. The Charter mandates preservation and restricts sales of PPM PDA property. The Charter is a living document and there have been changes over the years.

John Turnbull asked Gerry Johnson to explain the relationship between the Historic Commission and the PDA.

Gerry Johnson responded that the PDA owns the property and is the landlord and the activities are guided by the Purpose section of the Charter. The PDA is the steward of the Market under the Charter. The Historical Commission is a regulatory body and they have a lot of authority in the District. Their detailed scope of responsibilities is listed in their guidelines, consistent with the Ordinance.

Mark Brady asked how the Constituency was formed. Gerry Johnson responded the City adopted an Ordinance which is codified in the City Code. The City Ordinance allows the formation of a Constituency, which is not mandatory for a PDA. Everyone thought in the 70’s the Market would benefit from a Constituency and is empowered in having a roll in certain decisions and they provide a third of the PDA Council seats. It is meant to enfranchise the Market community. They have a role in the special review process and listed in the Charter are the items the Constituency has to review. The Charter is clear that the Constituency is not a Council. Once a person becomes a member of the PDA Council, their primary obligation is to the PDA, not to how a person got to the Council.

Rico Quirindongo asked Gerry Johnson if he could speak to the Market Foundation’s creation. Gerry Johnson responded the Foundation was created in the early 80’s and was in response to the election of President Regan who implemented an agenda reducing public support for human services. A number of citizens decided to form the Foundation as a non-profit companion to the PDA to raise money to support the original four agencies in the Market. There is a contractual relationship between the Foundation and PDA which was recently updated.

John Turnbull added in the early years there was a lot of cross pollination between the PDA and Foundation.

Colleen Bowman asked, which regards to the Constituency Bylaws, is there a difference between the terms “concurrence” and “approval.” Gerry Johnson responded they mean the same thing.

Ray Ishii asked if the Historic Commission guidelines are self-imposed or imposed by the City. Gerry Johnson responded the Historic Commission doesn’t have a Charter and they are a City appointed body. The guidelines are the equivalent of agency regulations that have been adopted by a unit of the City government. The Historical Commission is not part of the Ordinance.

Rico Quirindongo noted the Historic Commission is within the City’s Department of Neighborhoods. John Turnbull added the Commission is not advisory, their decision is final and cannot be appealed.
Mary Bacarella asked if the Foundation is part of the PDA Charter. Gerry Johnson responded no.

Mary Bacarella asked how who holds the authority to make changes to the Historic District. Gerry Johnson responded the City Council, as the legislative body, can amend the original initiative, which it did to change the boundary of the district. They were not successful in the case of the Showbox.

Ted Sive asked if Gerry Johnson had any thoughts on how the PDA is using the places of the Market to live out the purpose of the Charter into the future. Gerry Johnson responded the Charter can be changed, and has been changed many times. The process is outlined in the Charter and the Mayor has the opportunity to approve it. The City Council does not have to approve it.

Ted Sive asked with regard to the existing Charter, are there areas not receiving as much focus that the Council should consider. Gerry Johnson responded the section people should review is the Purpose and it’s up to the Council to decide how to work within that scope.

Colleen Bowman acknowledged the work of Historical Commission administrator Heather McAuliffe and thanked her for her many years of service and support of the Market.

Rico Quirindongo called for a lunch break from 11:45 a.m. to 12:10 p.m.

Welcome
Rico Quirindongo asked everyone in the room to introduce themselves. Everyone took a moment to introduce themselves.

Ted Sive provided a framework to the retreat in relation to last year’s retreat. Rico Quirindongo, Mary Bacarella, John Turnbull, along with Ted, developed the retreat agenda over the last six weeks. The main theme is Honoring the Past//Sustaining the Future. The retreat is about how to best use the spaces for place making and convening of people and for selling. A secondary question to address is how does the PDA carry forward the PDA and Historic District Charter(s), 50 years in, in a changed City, with changing retail. Ted reviewed the SWOT (strength, weaknesses, opportunities, threats) from last year’s retreat, and that led to a 3-5 year focus for the PDA. Today’s retreat builds on last year and today’s outcome addresses some Big Ideas, which have to do with spaces and places, and how to remove barriers, and create and grow community. Ted noted that if there are barriers keeping the PDA from doing certain things, those should be addressed today.

Devin McComb left the meeting at 12:15 p.m.

Ted Sive reviewed the retreat agenda.

2019 Strategic Plan Priorities Guiding Action
A. Site and Building Assets
   Mary Bacarella began by reviewing the themes of this category which includes:
   - What can the Market do to accommodate tourists and residents, and ease connection to the vendors at the core of our mission?
   - How can the Market increase viability of lesser trafficked areas, and increase the amount of space for “incubation” and business growth?
   - What should the Market do to reduce the impacts of short- and medium-term construction downtown and immediately adjacent to the Market?
• How can the Market strengthen physical and transportation connections to downtown and the waterfront?

The priorities are:
• Wayfinding and access: National Sign Company has been hired to conduct phase 1, which includes three new signature signs. Draft designs will be shared at committee meetings and with the community before approval at council.
• Waterfront and Overlook Walk: In mid-November operational conversations will begin again. Conversations have been happening regarding the main corridor and PPM garage modifications.
• Construction around the Market: roughly 12 projects around the Market have been reported on at Market Connections over the year.

B. Marketing and Communications
Amy Wallsmith provided updates on the following priorities:
• Market activation/events
  o The Marketing team focused on core events, which included Love in the Market in February, Moms Market Day in May, Costumes on the Cobblestones in October, and Magic in the Market. These are shoulder season events. Included in these events was the creation of pop-up murals around the Market.
• Increase Local Business
  o A concierge program was created to provide monthly updates. In addition Meet the Market program was started to provide outreach at downtown condo buildings.
  o A local’s only Facebook group was created to give locals inside tips to the Market.
• New website and mobile app. The new website is scheduled to launch in Q1 or early Q2. The goal is to speak to all audiences. There will be a new directory that is searchable and people can make their own itinerary. The Market will be remapped for the new website.

C. Social Services
Mary Bacarella provided updates on the following priorities:
• School Outreach.
  o Amy Wallsmith noted the school program was evaluated over the year. The goal for next school year is to streamline the process and ways to collect data that will help the Market understand how best to serve schools. In addition, low-income schools will be targeted and dates will be set aside for those schools to reserve.
• Foundation Coordination
  o A new service agreement was implemented in 2017 and coordination continues to improve. Quarterly meetings between the Council and Foundation board have started and will continue.

D. Revenue and Expenses
Updates were provided on the following priorities:
• New business incubation
Amy Wallsmith noted the Marketing team helped to identify classes and to select instructors. It was first offered in fall 2018 and there was a session in spring 2019. It will continue again this fall. The classes are being evaluated each session to improve the offering.

John Turnbull added more attention is being provided to tenants to help understand sales trends and taking a hard look at lease renewals or business sales to help tenants plan for the future. This work will translate into lease language updates and helps plan for capital investments in Market businesses.

- Trademarking
  - Amy Wallsmith noted that this will be a long process but some areas have been identified as requiring immediate attention, including trademark infringement policies, creating form letters when people are not compliant, and reviewing lease language regarding trademarks. Another part of this review is to help educate Market tenants on what is allowed. It’s also a protection of the Market and to protect the tenants and artists who can use the marks.

Amy Wallsmith noted there are 20 different trademark protections and the Market is looking to acquire more in different categories.

Rico Quirindongo would like to see a presentation on trademark and would like to see the list.

E. Governance and Mission

Mary Bacarella provided updates on the priority of Assertiveness (improve outreach, communication and posture in local and City policy, government, business and other communities). Staff are participating on more city, government, special interest, and business boards to participate in a variety of conversations so that everyone around knows how important the Market is to Seattle.

Mary Bacarella reviewed the priorities and work plan that was identified at last year’s retreat:

1. Union Negotiation: Erica Bates noted negotiations begin next Friday and staff are waiting on their requests.
2. Enforcement and Efficiencies: Sabina Proto noted she worked with managers and directors to identify areas the PDA can be more efficient and ways staff can be more efficient.
3. Review Commercial Leases: This conversation will start early 2020.
4. 5-10 Year Cash Flow: Sabina Proto noted by going back 20 years she was able to come up with indexes to be able to forecast into the future. The challenge is to make enough to operate as well as additional money for capital reserves.
5. 30 year Capital Plan: Brady Morrison hopes to be able to present the 30 year capital plan to council soon. This revised study includes new infrastructure not in place 5 years ago.
6. New website and mobile app
7. Night Market
8. Heritage House
9. DownUnder. This comes under activation and wayfinding.
10. Wayfinding
11. Western Avenue Connections. This comes under activation and wayfinding.
12. Pike Street Hillclimb/Elevator. We’re starting that conversation right now.
13. Waterfront and Overlook Walk
14. City Construction (around the Market)
15. Nomination Committee. Rico is moving forward on this topic.

Rico Quirindongo asked when the annual report is completed. Mary Bacarella responded it will be provided at the next council meeting. It is late and she apologized. Rico would like to see the items just discussed included in the 2019 annual report.

Colleen Bowman asked if current signage will be trademarked. Mary Bacarella responded yes.

Ted Sive noted a five minute break.

The Council took a break from 1:03 pm to 1:11 pm.

**Big Ideas: Past**

John Turnbull provided a brief history of the PDA. He began by starting with the 1974 Urban Renewal Plan, the goals of which are:

- Preservation – cultural, economic, and historical qualities
- Work with lease disruption
- Stabilize economic and physical vitality
- Develop a community to sustain the area

The PDA was created in 1974 with these priorities:

- Community preservation plan for buildings, businesses and residents
- Stabilize economic and physical vitality
- Develop and grow a community to sustain the area

John Turnbull shared a map of the Market as it looks today. In 1974 40-50% of the space was vacant, all residential units were closed for code violations and there were no community services. John pointed out the spaces used for daystalls, which were managed by the City and the areas managed by the Desminones.

John Turnbull reviewed the community preservation plan which was in place from 1974-1980.

- PDA created to implement Preservation Plan
- PDA income from management and development fees
- Develop building renovation program and schedule
- Merchants Association advocacy during first renovations
- Programs to relocate and fund return of businesses
- Restore 400 low income apartments in urban renewal area
- Development grants to fund social services
- Market Foundation created to support services

The building preservation took place from 1976-1982 and included:

- 1975: Corner Market
- 1976: Livingston Baker, Soames Dunn and Triangle Building
- 1977-78: LaSalle, Leland, Fairley, North Arcade, Economy Market
- 1978-79: Debate over repair vs replace in Pine/Steward area
- 1979-80: Steward House restoration and addition
• 1981-82: Cliff House, Sanitary Market, Post Alley Market
• 1982: Pike Project Urban Renewal office issues final report
• 1984-86: Replacement of Arcade floor (tile project) and roof for Desimone Bridge

John shared a map of the preservation plan priority from 1974 which highlights buildings to renovate, repair or replace, or new building.

John Turnbull reviewed the consolidation and management plan from 1980-1989, which included:
  • PDA begins management of district
  • Hildt Agreement – transfer of Daystall management to PDA. Secures crafts status with farmers
  • PDA operating income based on rents
  • Operating income supplemented with revenue from tax syndications (Urban Group) on all PDA owned property (Cliff House and parts of Stewart House)
  • Common area charges and percentage rent added to standard lease
  • Tax syndication unwinds amid controversy and lawsuits
  • PDA Charter amended to prevent future sale of core property

A map showing the years that each building was purchased by the PDA was shared. As of 2019 there is 895,000 sq ft. The buildings in blue are managed and owned privately.

John reviewed the expansion and upgrades from 1989 – 2016 which included:
  • 1989: PC1 south (parking), Heritage House, food bank
  • 2005: LaSalle addition – Senior Center and 24 low income apartments
  • 2006-08: PDA acquires title to Post Alley/Market Housing; Livingston Baker clinic expands
  • 2008-08: 100 year anniversary and renovation levy campaign
  • 2009-12: On-site renovation and building system upgrades; childcare and food bank expand
  • 2015-17: MarketFront (parking), Western Avenue Senior Housing, commercial and plaza spaces

John provided a summary of the last 45 years which included:
  • Establishment of preserving businesses
  • Preservation of buildings
  • Restoring a community (housing and services)
  • Setting a sound financial base
  • Growing a management and operations structure
  • Expansion
  • Capital Upgrades

Devin McComb returned to the meeting at 1:25p.m.

JJ McKay asked when the PDA became financially solvent long term. John Turnbull responded around 1986-87 as old leases expired and new leases were signed that allowed for higher rents, common area charges and percent rent.

Paul Neal asked if the PDA would want to buy any of the buildings in the historic district not currently owned by the PDA. John Turnbull responded he would love to see the Champion Building purchased by the PDA but it’s not for sale. The JP Jones Building would also be nice to own, which is behind the Fairmont Apartments.
Rico Quirindongo noted the Western Avenue Housing building was occupied before the commercial space and plaza was open.

Mark Brady asked if the PDA has right of first refusal on any of the non-PDA owned buildings in the historic district. John Turnbull responded no.

**Big Ideas: Present**

Ted Sive introduced the homework that was assigned which was as follows”

To help spur our creativity, we all have some “homework,” a way to help each of us think about the future and our potentials, and come to the retreat with ideas. Spurring us on is the following imaginary, creative potential:

> A longtime resident of Market House recently won the Washington State Lottery. AN outspoken fan of the Market, she’s donating $10,000,000 of her winnings to the Market, with the expectation that the PDA will “keep the Market vital and sustainable, address the challenges of the future, and grow.”

At the retreat, please share your idea on how best to use this money for a specific investment in the spaces and places of the Market. You will have only 2 minutes to present your idea.

Colleen Bowman, in reference to the Charter obligations, would use the money to invest in a third party non-profit incubator to do all the things the PDA cannot do to help incubate business. In theory, whatever money was invested in the tenants would come back to the PDA in the form of more sales, more rent, and more brand recognition and there would be more companies wanting to start their business in the Market.

Ali Mowry would like to see an incentive program to increase wages for Market employees, expansion of the school program to include all over Washington State and the Pacific Northwest to create Market loyalty, getting ahead on Capital Projects, creating a fund for hiring women and minority owned businesses whose bids come in at a higher rate, expanding work force housing in the Market, creating a long term rent plan for low income tenant, increasing program for locals and families, creating an emergency fund for natural disaster relief, increasing safety net and lowering operation costs for farmers, implementing a year round CSA program and creating a fund for weather related crop failure.

Ted Sive asked Ali Mowry if there are one or two ideas from the list that excites her more. Ali Mowry responded she would like to see a wage incentive for not only Market employees but PDA employees as well. She referenced a wage program used by Dr. Bronners. She would also like to focus on the school program.

Ray Ishii would like to address the Capital Needs and cash flow and looking at financial needs. Thinking more outside the box he would like to take a deeper dive into issues facing artists, farmers, and small businesses in the Market and in the region and initiating programs to address those issues. He would like the Market to be a catalyst for change. He also suggested activating spaces, take what’s being done and making it bigger and better (Night Market) and possibly looking to neighboring spaces (Victor Steinbrueck Park and Overlook Walk) and to collaborate with partners to make those events even bigger.
Rico Quirindongo sees the Market as a Third Place for many people and the DownUnder is huge opportunity to be programmed as a Third Place. He sees a lot of underutilized space in the DownUnder that could be programmed in the hallways and open spaces. That would lead people to discover and explore the businesses in that area.

Devin McComb suggested a rent abatement program for businesses and tenants who do business in the Market based on performance and how they reinvest in themselves. The PDA would have oversight but would help businesses to be successful long term and the increased health of the business.

JJ McKay would like to invest money in better understanding where the Market is going, what the public wants, and what is the future of retail. The PDA could find a retail expert to help understand trends. The PDA could partner with partner with UW. JJ also suggested the possibility of buying the Champion building and adding more housing on top of it. JJ believes the Market needs to listen to what the world is telling us. The results would be to increase the financial and retail health of the Market.

Patrice Barrentine would like find some way for the diversification of who is in the Market and how to increase the sales of food and farm product. She suggested the Market could partner with outside food and agriculture organizations to elevate artisanal food options. Patrice is thinking of ways to offer business support and likes the idea of an express craft market, similar to the remote farmers market.

Paul Neal, thinking 50 years in the future, the Market will be placed in a city that is reoriented to downtown and the waterfront and is much more multicultural and diverse. Paul surveyed his friends with young children to get their thoughts on the Market and what he heard was that they feel there is a vibrant culture of multicultural food and food activities in Seattle right now and the Market is not in the lead. They feel the Market should be and he agrees. He also heard there are physical barriers to these people bringing their children to the Market and the suggestion was to have a place where people could drop of their children which could potentially increase the length of stay. Another comment is that there is a perception that Pike Place (the street) is unsafe and there are not places within the Market for people to gather with their family. With the money, are there ways to explore closing Pike Place to cars and what does that look like 50 years from now.

Mark Brady would set up a trust account and use the interest to provide grants managed by a board of Market tenants (daystall and commercial).

David Ghoddousi would put all $10 million into the Capital Replacement and Reserve Fund and the Council would decide how that money was spent. He would also like to find ways to incubate and support craft and farmers, possibly by forming an endowment.

**Market Performance and Impact**

John Turnbull began the presentation with two charts that show the change in use as the Market expanded, pointing out that in 1982 when the urban renewal renovations ended, the number of 2nd hand stores diminished, the retail space doubled and the density of space increased. Those numbers have about doubled from 1982 to 2019 and the historic district has been expanded. Almost a third of PDA managed space is not used for commercial but rather for social services, office space, and housing.

John reviewed a chart of the income by type of use and area leased in 2019. A lot of space is used for parking, but not much is used for dining, however that generated the most money in rent to the PDA. He
then reviewed a chart of average rent by use as dollars per square foot per year. Food businesses are
generating $127 per sq ft, which is really good. PDA apartments have the highest total square feet but it
only brings in an average of $16 per sq ft.

John shared a map of the location of the strong business performers (gross sales) for food which include
Delaurenti, Pike Place Fish, Le Panier to name a few. A map of the strong business performers for dining
and retail were also shared.

John discussed how the Market continues to incubate new business, broken down by the type of
business and the length of tenure. John discussed that reason why there are not along of tenants that
have been at the Market for 30-40 and 25-30 years and that is due to long term tenants retiring not long
after the major renovations that have occurred in the 80’s and early 2000’s. A chart showing the
revenue from Market businesses shows that long term tenants and dining generates the most income
for the PDA. There are new businesses coming in that are making money.

JJ McKay asked if it’s possible to break down the restaurant revenue by the meal type served (breakfast,
lunch and dinner). John Turnbull responded not easily, but you can identify restaurants that don’t offer
breakfast and those that are only open for breakfast and lunch. JJ feels that if that information can be
identified it might provide insight into opportunities to make additional money.

John Turnbull continued by sharing a slide that addresses incubation priorities for daystall, farmers, and
arts & crafts.

John shared images for new businesses that have started in the Market, including Rachel’s Ginger Beer,
Eighth Generation, Sunny Honey, Pasta Casalinga, Robot vs Sloth, Silver + Salt, Wildfish Poke, and Osara.
Also new is a partnership with the Food Innovation Network, a collection of immigrant refugee families
sponsored out of a commissary kitchen in Kent. They are selling food on the MarketFront. All of those
businesses are possible because there was an open space in the Market.

John discussed the next area in the Market, from 2020-2025, which includes:
- Providing new opportunities for business incubation
- Keeping a sound financial footing
- Focus on business development in era of changing retail
- Sustaining a working market
- Creating space for a next generation (both customers and business owners)

New opportunities for incubation include:
- Artisanal food producers who are not farmers
- Local producers with out-sourced productions
- Pop-up shops for short term space rentals (30-60 days)
- Experimental kitchens with retail/commissary functions
- Retail collectives to share staff overhead (such as Ventures, antique mall)
- Guest vendors (seasonal)

Paul Neal asked if there barriers other than Historical Commission approval and available space for the
items just discussed. John Turnbull responded the space also has to be appropriate. He believes the PDA
can get through the Historical Commission with some of his ideas. Another barrier is thinking about
creating more spaces that can close up but that don’t require all of the costs of a traditional storefront, such as those spaces on Flower Row.

JJ McKay thinks it would be beneficial for Mary and John to work with Golden Age Collectibles on a presentation on why they are so successful given their DownUnder location.

There was a discussion on how businesses in the DownUnder are successful and the challenges of having a business down there.

Ray Ishii asked if there is anything preventing the PDA for setting aside space that becomes available and target the right tenant or activity. John Turnbull responded nothing prevents the PDA from doing that and sometimes it does take time to get the right tenant. Space can also be converted to meet the needs of a tenant but not at the expense of the surrounding tenants.

John Turnbull continued by sharing a map of places with potential seasonal/after hours use was shared, and include Atrium, DownUnder common area, Post Alley Courtyard, Soames-Dunn Courtyard, Desimone Bridge, North Pavilion, MarketFront wood deck. John shared some images from Spittlefields Market in London to show flexible rental space.

The council took a break at 2:45 p.m. and reconvened at 2:55 p.m.

**Potentials and Possibilities**

Ted Sive summarized the presentations and discussion discussed up to this point. He identified four categories:

1. Incubation Tactics
2. Changed Space
3. Underutilized Time
4. Underutilized Space

Ted Sive worked with the Council to reorganize the ideas presented by council members into the above four categories as well as expand on those ideas with specific ideas.

There was a discussion on what the outcome of this exercise should be. It was determined that council members would identify a list of ideas for Rico, Ted, Mary, and John and organize them further and present to staff for further working.

The expanded ideas in the four categories include:

**Incubation Tactics**

- Grant program (mini angel investment)
- Program for kids to hang out while caregiver shops
- Study what the Market small businesses need (12 month marketing/PR)
- Security/shop lifting EDVC
- Marketing and event ideas
- Events/happenings tied to specific interests/passions (e.g. meat)
- Meal events especially with small businesses
- Create new pathway for business between daystall and permanent tenants
Focus on future Seattle residents
Focus on farmers
Minority/women owned business
Current year focus on small business with support

**Changed Space**
- Pike Place closure – study
- Capitalize on “busy-ness”/activity of Pike Place
- Increase kid friendly/safe space
- Visitor center
- Increase flex/public space
- Improve/move PDA offices
- More space for Food Bank
- Modular units and roll-outs
- Market as neighborhood definer/shaper
- Reorient with waterfront and being “in the middle”
- Long term outlook (30 years)

**New Space**
- Buy more buildings with creative financing
- Buy Madore

**Underutilized Space**
- Western Avenue street front
- MarketFront Pavilion
- Atrium
- DownUnder common area
- Desimone Bridge
- Cave
- Abandoned parking garage driveway
- New garage for storage
- Self-contained “pop-ups”
- Pop-up space by pergola/info booth
- Map/communicate for public awareness
- Classical music student performances
- Build on top of new buildings

**Underutilized Time**
- Water-facing night market
- Kid-friendly timed events
- Emphasis night actions in PR/Marketing

Paul Neal commented that he hopes this exercise is helpful to staff and he is mindful of the Council’s specific role in this type of exercise. Paul Neal asked is this exercise is setting up the council for making policy changes in the Charter and Rules and Regulations. He also asked how today’s work will turn into Council business.
Ted Sive stated he will address that after Public Comment.

**Public Comment**

David Brewster commented that one take away is that the Market is out of space and suggested looking to add more space on rooftops. He also suggested having a visitor’s center that includes an orientation, museum, history lesson, a place for kids to stay, PDA offices, and place to offer tours. He believes council should think about the Market as an anchor of the neighborhood and questions why shouldn’t the Market organize the neighborhood.

Joan Paulson provided a list of things she believes the Market is missing: a PR and Marketing campaign that goes all 12 months of the year; A Market Historical District boundary does exist and everything that she saw today did not have the boundary listed; The history of the Market is 112 years old and the council needs to be thinking of the Market three generations out; The governmental connections needs to be connected to transportation controls; 5. The PDA needs to walk the talk with regards to the 2020 budget and help small businesses with rent reductions to help them survive and thrive.

Bob Messina commented the remaining elevator shaft at the top of the Pike Street Hillclimb is an eye sore and he recommends including funds in the budget to take that down.

A comment was read on behalf of Nick Setten who could not attend. It stated “As you reflect on the work you’ve done today, and consider the work you have before you, I hope you remember the history of this neighborhood. If you haven’t done so already, make sure you read Steinbrueck’s book A Portrait of the Market. Let his pen and ink sketches and recollections carry you away as you consider the place that your predecessors stood up for and said “Keep the Market.” Architect Frank Bisetti has been quoted to say as the wrecking ball was looming “This is about all the Market does need. Loving care and new housing nearby together with better parking facilities. It will then survive with its own fine character. Let us keep this Market so that each generation may discover it.” Seattle is in a very different place than in 1968 but this fundamental notion that contributed to the creation of this intentional community remains relevant. This place is not a mall, there must be more benevolence, more love. Let that love for the Market guide your decisions this year as you fight to protect it against miss-informed politicians and the enticing tendrils of the new city landscape. You got parking facilities and new housing that is very new. Protect the fine character of the Market now and take good care to remember that its original reasons for existence as Steinbrueck himself reminded us in his introduction, is that the Market is a fine shopping area for low income people and ____.”

Christine Vaughan made four points. 1. Face to face interactions with owner/operators is increasingly rare and the Market is a place to be able to make those connections. 2. The most endangered species in the Market is the food farmer that sells directly to the producer. If she had $10 million she would use that as seed money to protect land in the nearby area for farmers. 3. Governmental entities need to understand the history of the Market, especially when it comes to protecting the boundaries of the Market. 4. She urged the council not to see the Market Historical Commission as a barrier. The MHC is tasked with helping keep the authenticity of the Market and there is a need for each of us to work together in each of our respective roles. Christine also noted seat number 12 is open on the MHC and interested parties can send their resumes to Sarah Sodt at the City. Everyone that applies will receive an interview.
Rico Quirindongo recommended Christine Vaughan look at the people who have served on the Historic Seattle board.

Gordon McIntyre commented the Market could benefit from having an outreach concierge who could work with those who live around the Market to keep them aware of what is going on in the Market. He would also like to encourage more beat cops because people are afraid to walk on Third Avenue. He also wonders if there might be an opportunity to form a partnership with Seattle Symphony to have students play music at various times around the unused spaces in the Market.

**Closing Comments**
Ted Sive closed by talking about next steps. The lists created will be combined and edited and then Rico, Mary and staff will make a recommendation to council on how to further develop these ideas and integrate them into the existing strategic objectives.

Rico Quirindongo and Mary Bacarella agreed with that process.

JJ McKay appreciated having a representative from the Historic Commission at the retreat. He also gave kudos to Amy Wallsmith and the marketing team for their social media work and congratulated them on Costumes on the Cobblestones and the upcoming events.

Ali Mowry thanked all PDA staff for their work.

Colleen Bowman thanked the engage public that came and participated all day.

Mark Brady would like to see the council do something nice for Matt Hanna.

Rico Quirindongo thanked everyone for their time today and believes the council is doing a lot to move the vision forward for the Market. He thanked Ted Sive for his work today.

**Adjournment**
The meeting was adjourned at 4:06 p.m. by Rico Quirindongo, Chair.

Meeting minutes submitted by:
Karin Moughamer, Executive Administrator
Thursday, November 21, 2019
4:00 p.m. to 6:00 p.m.
Economy Building Classroom, 1433 First Avenue

Committee Members Present: Rico Quirindongo, Betty Halfon, Ray Ishii, Mark Brady, Ali Mowry, Colleen Bowman, JJ McKay, Devin McComb, David Ghoddousi, Paul Neal

Staff/Consultants Present: Mary Bacarella, Karin Moughamer, John Turnbull, Gerry Johnson, Angela Battazzo, David Ott

Others Present: Howard Aller, Joan Paulson, Bob Messina, Clint Bennett, Lillian Sherman, Crystal Dixon, Sarah Butler, Kathryn Horter, Kyra Meko, Jerry Baroh, Lindy Gaylord

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

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

   B. Approval of the October 30, 2019 PDA Council Meeting Minutes
      The October 30, 2019 PDA Council Meeting Minutes were approved by acclamation.

II. Public Comment Including the Market Community
    Joan Paulson noted she will be submitting her written public comment from the October 30th meeting. Joan continued by mentioning the Ford Foundation report from 1986 regarding Foundation and includes a lot of history about the formation. Next, Joan commented she does not agree with the dissolution of the Market Connections Committee because there is a lot going on around the Market and mentioned the recent conversations with the City regarding changes to the garage modification design. Lastly, Joan noted that included in the 2020 budget is a line item for the Local Improvement District, the information for which is not available yet and she believes the PDA is conducting taxation without representation.

III. Executive (Closed) Session
    A. To consult with legal counsel regarding pending or threatened litigation, RCW 42.30.110(i)
       The Chair stated the Council would go into closed session at 4:04 p.m. to consult with legal counsel regarding pending or threatened litigation (RCW 42.30.110(i)) and return into open session at approximately 4:25 p.m.

       The committee entered into closed session at 4:05 p.m.

       The committee entered into open session at 4:40 p.m.
The committee discussed with legal counsel pending or threatened litigation during the closed session.

IV. Key Issues and Discussion Items
   A. Waterfront Main Corridor and Garage Modifications Update

   Mary Bacarella introduced Angela Battazzo and noted that Sarah Butler from the City is also present. The garage modifications are close to 100% design. The review team includes Mary, John Turnbull, Brady Morrison, and Angela Battazzo.

   Angela Battazzo began by reviewing the reason for the modifications which is due to the realignment of Alaskan Way, which includes an increase in grade resulting in changes to the entrance and exit to the garage. Angela shared several drawings of the new alignment, which includes an increase in grade to allow the roadway to go over the railroad track. A technical drawing of the road improvements was reviewed and included in the packet. The City is delivering the Overlook Walk building, the new sidewalk along Alaskan Way, planters, and the new driveway into the garage. Angela reviewed a drawing of the Fix Madore plaza that shows the depth and grade change.

   Angela Battazzo reviewed the garage modifications project schedule (subject to change, depending on design, permitting, and main corridor construction factors) includes:

   - 100% design review in December 2019
   - Submit 100% package to SDCI in December 2019
   - SDCI permit intake, January 2020
   - Permitting and Market Historic Committee review, January – April 2020
   - Prepare ad ready bid set, March – May 2020
   - Ad for construction contract, June 2020
   - Construction start, October 2020

   Angela Battazzo reviewed the garage modification elements, which include:

   - Full closure of vehicle entrance at L1 (new storage)
   - Closure of existing vehicle exit at L2
   - New vehicle and pedestrian entrance/exit at south end L2
   - New vehicle ramp from L2 to L3
   - New pedestrian exit at L1

   Angela Battazzo reviewed drawings for the new entrance and exit at L2. This includes an ADA pathway from Alaskan Way and a new ramp to L3 which includes demolition and the moving of sprinklers. There will be no change to the exterior stairs and the entrance to the existing elevator. There will be a new entrance and exit to L1 from the Fix Madore plaza. The current entrance will be closed off and turned into storage. Angela reviewed the ways in which pedestrians can gain access to the promenade. If someone comes out the garage at L1 they will walk through the public access in the Fix Madore parking lot, walk around the terraced planters, and up onto Alaskan Way. There will be a railing on Alaskan Way against the terraced planters. A picture of the railing was provided.
Angela Battazzo reviewed the west side slope condition. There will be no changes compared to the current condition, however, the grade will slope steeply from the back of the sidewalk to the exhibit elevation along the face of the garage building and new drains will be added at low points to manage water. Water proofing will be included in and out of the garage.

Angela Battazzo reviewed the new parking layout. Some new spots were added. L1 will be restriped and allow for cars to turn around at the dead end. Six usable spaces will be lost due to the modifications.

David Ghoddousi noted the importance of the water proofing and is glad to see that is included in the specifications.

Colleen Bowman asked if the six lost parking spaces includes the new storage. Angela Battazzo replied no parking spots are lost due to storage since that space was an entrance.

Mark Brady asked how work inside the gage will be handled and how will that effect parking during the construction. Angela Battazzo responded the schedule is still being worked out. During construction of L1 and L2, those levels will not be usable, but other levels will be accessible.

B. Market Commons Annual Report

Mary Bacarella thanked the Foundation for their flexibility in scheduling this presentation.

Clint Bennett began by noting this report focuses on the investments made in the Market community, which totaled $1.2 million, $915,000 of which were directly to the legacy partners. That’s the biggest investment to date. Clint reviewed the social determinants of health, which includes:

- Economic stability
- Food
- Education
- Health care
- Community and social context
- Neighborhood and physical environment

In 2019 the Market Commons chose to focus on increasing the Safety Net reach, increasing food security, and increasing access and navigation levels to the health care system.

Crystal Dixon reviewed the two main functions of the commons, which includes activities and a resources desk which is open 35 hours a week. Crystal reviewed the numbers for activities, comparing 2018 with year to date in 2019. In 2018 there were 12,701 total interactions and 5,330 activity attendees. In 2019 there have been 9,894 interactions with 3,330 activity attendees. Those activities are broken down as follows:

<table>
<thead>
<tr>
<th>Activity</th>
<th>2018</th>
<th>2019 through October</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare navigation</td>
<td>4%</td>
<td>10%</td>
</tr>
<tr>
<td>Economic stability</td>
<td>14%</td>
<td>13%</td>
</tr>
<tr>
<td>Food</td>
<td>5%</td>
<td>6%</td>
</tr>
</tbody>
</table>
Community & social context | 46% | 43%  
Education | 12% | 9%   
Neighborhood (housing) | 19% | 19%   

The total interactions for 2019 are on par with 2018. Healthcare navigation has already doubled and that was intentional. Activity numbers are down as the goal was to increase interactions and there are only two staff to handle both activities and interactions. Interactions increase in November and December.

Crystal Dixon reviewed the interactions for referrals and how those were broken down. In 2018 there were 12,702 total interactions with 7,372 desk interactions. Through October 2019, there have been 9,894 total interactions and 6,574 desk interactions.

<table>
<thead>
<tr>
<th>Activity</th>
<th>2018</th>
<th>2019 through October</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare navigation</td>
<td>11%</td>
<td>13%</td>
</tr>
<tr>
<td>Economic stability</td>
<td>40%</td>
<td>36%</td>
</tr>
<tr>
<td>Food</td>
<td>16%</td>
<td>16%</td>
</tr>
<tr>
<td>Community &amp; social context</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>Education</td>
<td>0%</td>
<td>1%</td>
</tr>
<tr>
<td>Neighborhood (housing)</td>
<td>30%</td>
<td>30%</td>
</tr>
</tbody>
</table>

Crystal Dixon reviewed the Community Safety Net for 2018 and 2019. This is a one-time granting opportunity. In 2018 76 individuals were served with a total award of $38,660. In 2019 74 people have been served with a total award of $34,712. November and December are busy and she feels confident they will have enough funds to cover the rest of the year.

<table>
<thead>
<tr>
<th>Referral</th>
<th>2018</th>
<th>2019 through October</th>
</tr>
</thead>
<tbody>
<tr>
<td>PDA Farm</td>
<td>4%</td>
<td>12%</td>
</tr>
<tr>
<td>Legacy Partner</td>
<td>35%</td>
<td>44%</td>
</tr>
<tr>
<td>PDA Daystall</td>
<td>37%</td>
<td>22%</td>
</tr>
<tr>
<td>PDA Commercial</td>
<td>3%</td>
<td>5%</td>
</tr>
<tr>
<td>PDA Residential</td>
<td>21%</td>
<td>17%</td>
</tr>
</tbody>
</table>

Paul Neal asked if she knows why there is a big difference for farm requests. Crystal Dixon responded it snowed in February and the snow broke a lot of green houses. Mary Bacarella asked about if they had any request’s this October due to the frost. Crystal Dixon responded there is usually a delay in farm requests.

Colleen Bowman asked why the increase in in Legacy Partner requests. Crystal Dixon responded that percentage will even out as many of the November and December requests come from residents and daystall members.

Crystal Dixon commented there was an increase in thefts in April and May.

Ray Ishii asked if the Legacy Partners have been able to decrease the amount of resources they dedicate to the information and referral piece. Crystal Dixon responded she does not have data
but anecdotally she thinks the Market Commons is seeing more people referred by Legacy partners.

Crystal Dixon continued by reviewing food access. The data is not up to date as data is not collected in the same timeframe. Crystal noted the Safeway gift card dump that took place in 2018 is not reflected in these numbers. There has been a steady decline in SNAP food programs. From 2018 to 2019 she thinks there will be a $30,000 decline in SNAP programs. In 2018 4,957 shoppers were reached with a total purchasing power of $139,093. In 2019 so far, 6,405 shoppers were reached with a total purchasing power of $142,105. Outreach has increased to encourage more people to sign up for food access programs. Crystal mentioned the AmeriCorps VISTA program. In 2018 there were 16 Vista employees with 20,840 hours given and in 2019 there were 8 VISTAs giving 8,560 hours.

<table>
<thead>
<tr>
<th>Purchasing power by group</th>
<th>2018</th>
<th>2019 through October</th>
</tr>
</thead>
<tbody>
<tr>
<td>PDA low income housing</td>
<td>13%</td>
<td>20%</td>
</tr>
<tr>
<td>Non-PDA low income housing</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Legacy partners</td>
<td>21%</td>
<td>21%</td>
</tr>
<tr>
<td>Direct to client via resource desk</td>
<td>62%</td>
<td>55%</td>
</tr>
</tbody>
</table>

Lillian Sherman discussed the beginnings of the VISTA programs, which was to provide capacity building, not to support existing programs. The Market Foundation, with the help of the PDA, has been able to receive two VISTA grants, for a total of six years of service. The VISTA program has allowed for a lot of capacity building and data collection to help support the overall work of the Market Commons and Market Foundation.

Lillian Sherman shared a story about Glenn, a Market resident. He is featured in the Market Foundation holiday newsletter. Glen is a Western Avenue Senior Housing resident, stops into the Market Commons daily and picks up food in the Food Bank. Just two years ago he was homeless and using drugs. The Keys to Home program helped Glen reach his recovery goals and his home at the Market. He is now active in many programs throughout the Market and is engaged in new experiences. Lillian thanked the Council for their support of programs that are aimed at people like Glen.

Clint Bennett noted that in January they plan to build capacity with new staff.

Colleen Bowman asked Kyra and Kathryn to please stand up. They were proved a round of applause.

JJ McKay noted he appreciates all the work the Foundation does. JJ asked how many staff are at the Foundation. Lillian Sherman responded there are nine full time staff with a plan to add one more. There are two full time fund raisers and 36 board members with a total revenue of $2.1 million.

JJ McKay suggested including data on the Safeway gift cards as that shows the need in the community. Crystal Dixon responded that was a one-time dump of gift cards and the data presented is just one way of looking at the data.
Ali Mowry commented that she doesn’t believe the people who received the Safeway gift cards are representative of the need, as anyone could have received one.

Ali Mowry asked who is responsible for the Safety Net. Lillian Sherman responded the Market Foundation managed the program. Ali Mowry asked where people can go to receive Safety Net funds. Crystal Dixon responded in order to apply for a Safety Net they need to be referred by a PDA staff member or agency case manager. Ali Mowry asked how money for the Safety Net is raised. Lillian Sherman responded there is a variety of sources, including community fundraising events.

Ray Ishii asked how much the Market Commons budget is. Crystal Dixon responded the operation and program budget is $185,000, which includes two full time employees. There is also an offset from the rent credit if the programming goal is met and there is a small utility drawdown. The Commons budget does not include the Safety Net or Food Access.

Mark Brady asked how quickly people can receive assistance through the Safety Net. Crystal Dixon responded if they have a referral then it can happen really quickly, especially if it’s time sensitive. Mark Brady asked what the maximum amount is. Crystal Dixon responded $1,500.

Lillian Sherman invited councilmembers to the Magic in the Market donor event in the Goodwin Library on November 30th from 4-6 pm.

C. Nomination Committee Update
Rico Quirindongo noted there is a nomination committee and the first meeting will be scheduled soon for December. There are six members on the committee which includes JJ McKay, Patrice Barrentine, David Ghoddousi, Mark Brady, Colleen Bowman and Rico. All councilmembers are welcome to provide input and the committee will report out during the process. The committee will be charged with providing a recommendation to the Mayor and restructuring the committees.

V. Programs and Information Items
A. Council Chair Report
Rico Quirindongo noted that in the interest of time, he did not give a chair report. He commented that there was a lot of positive energy at the recent retreat and thanked council members for their thoughtful input during the day. The data collected at the retreat is being analyzed and will have more information to share at a later meeting.

B. Executive Director Report
Mary Bacarella provided the following Executive Director Updates:
- Viaduct demolition is complete.
- The annual report and Matt Hanna’s resignation has been submitted to the City.
- STG and Historic Seattle have submitted an offer to buy the Showbox.
- The residential holiday dinner is December 4th. Mary took a moment to recognize the residential staff who are some of the best and hardworking staff at the Market and do so much for Market residents.
- The budget was approved at Finance & Asset Management Committee and will be further reviewed tonight.
• Meet up with Mary was last night and it was a great opportunity for Market tenants to hear and share ideas.
• The Market is hosting a pancake breakfast for Market businesses on December 5th in the Atrium. Mary invited councilmembers to help serve and then stay for pancakes.
• Magic in the Market is next Saturday and Mary will send around the list of activities taking place.
• There is an Overlook Walk meeting tomorrow and Rico Quirindongo and Devin McComb will be attending as well as other PDA staff.

C. Committee Chair Report
Rico Quirindongo noted in the interest of time Committee Chairs will not report on their meetings and encouraged people to review the minutes in the packet.

D. Other Reports
i. Market Foundation Update
Colleen Bowman noted she will forego an update.

VI. Action Items
A. Consent Agenda
i. Proposed Resolution 19-52: Lease Proposals November 2019

The Consent Agenda was approved by acclamation.

D. New Business
i. Proposed Resolution 19-51: Adoption of the 2020 PDA Operating and Capital Projects Budget
Mary Bacarella introduced Proposed Resolution 19-51 and provided an overview of the assumptions considered during the budgeting process, which include:

• Indication that the national economy is slowing down
• Slow growth in the global economy
• Many governmental agencies are budgeting flat
• The PDA is being cautious regarding revenue and reasonable in expenses
• Anticipate a stable new year but closely looking at a recession and the changes with Alaskan Way

The budget includes:

• Commercial revenue increases 3% and comparable to 2019
• Residential revenue increase of 9%, which is due to a HUD increase
• Garage revenue increase from actuals
• Added two full time employees in facilities and one in parking to help with the increased work due to adding the MarketFront
• Property insurance increase of 20%
• No changes to debt service
• Added first payment of the Local Improvement District ($175,000)
• Implementing management proposals identified in the efficiency review
• Capital Projects have been listed
• The Marketing budget has been increased as suggested at the FAM meeting

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, as a public corporation, the PDA operates on a non-profit basis, where any excess of revenues over expenditures is reinvested in the Market; and,

WHEREAS, the PDA desires to communicate to the Market community and the public the bases for its financial, operational and other policy and program decisions;

WHEREAS, except for HUD contract rents, the PDA’s operations are not subsidized by public funds and rely on rental and miscellaneous income for its total operating and capital revenues; and,

WHEREAS, the Budget schedule and summary were made available to tenants; the PDA Council’s Finance & Asset Management Committee conducted working sessions, considered public testimony, and suggested amendments to the 2020 Proposed Budget; and has recommended adoption of the 2020 Budgets; and,

WHEREAS, the 2020 Operating and Capital budgets are approved as a whole, with the exception of the Employee Pension contribution which will be determined in February 2020 based on the 2019 Final Operating Statements.

NOW, THEREFORE, BE IT RESOLVED, that the PDA Council does hereby adopt the 2020 PDA Operating and Capital Budgets as outlined in the 2020 Budget Document attached hereto as Exhibit A.

AND, BE IT FURTHER RESOLVED, that the PDA Council affirms its established budget, revenue and operating policies as follows:

(1) All tenant sectors of the Market bear a responsibility for PDA costs incurred to serve the Market’s operating and capital needs as a whole, and to fulfill the public interest purposes of the PDA, to preserve and promote the traditional character of the Market;

(2) The PDA Council recognizes that external economic conditions and competitive pressures affect Market businesses and residents and attempts to prudently and sensitively take these factors and their potential effects into account in setting revenue estimates and requirements and in conducting its property management responsibilities in the course of the year;
The Market is operated as an integrated whole with services distributed in accordance with ongoing maintenance and operations requirements, current and future capital needs, and needs for response to critical or emergency demands. The flexibility created by operating the Market as a whole, instead of as independent and exclusive separate and individual buildings or tenant groups, enables the PDA to maximize efficiency and responsiveness to community-wide and Market-wide needs, while still providing attention to individual tenant needs.

This operating mode, combined with the PDA’s fulfillment of Charter-mandated public interest and preservation objectives, does not lend itself to a strict relationship between costs and revenues from individual buildings or between costs and revenues from individuals or groups of tenants. While costs and revenues can be estimated for subgroups of Market facilities and tenants, it is not appropriate from a policy or operational standpoint to develop the budget and operate the Market on a strict cost center basis.

Betty Halfon moved the proposed resolution and Mark Brady seconded the motion.

For: Rico Quirindongo, Betty Halfon, Ray Ishii, Mark Brady, Ali Mowry, Colleen Bowman, JJ McKay, Devin McComb, David Ghoddousi, Paul Neal
Against: 0
Abstain: 0

Proposed Resolution 19-51 passed by a vote of 10-0-0.

ii. Proposed Resolution 19-53: Dissolution of PDA Council Market Connections Committee

Rico Quirindongo introduced Proposed Resolution 19-53, and noted that moving forward, information on projects currently being tracked by this committee will have a line item on the council agenda and there will be opportunities for outside presentations as well. The resolution states:

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 August 2017, Resolution 17-46 was approved, renaming the MarketFront Committee the Market Connections Committee, tasked with tracking a number of projects and initiatives that may have an effect on the business and character of the Pike Place Market; and

WHEREAS, current projects with significant impacts to the Pike Place Market are being tracked at the Council level, thereby negating the need for the Market Connections Committee.
NOW, THEREFORE BE IT RESOLVED that the Council Chair, with the agreement of
the Executive Committee, dissolves the Market Connections Committee, effective
November 30, 2019.

Colleen Bowman moved the proposed resolution and Betty Halfon seconded the
motion.

Paul Neal noted that most work conducted at the committee level comes to
Council, so why is it any different for Market Connections? Mary Bacarella
responded she does not think it is fair to ask external stakeholders to come talk to
both a committee and council on the same topic. She would rather have those
presentations just at the council meeting. Colleen Bowman added that the
Programs Committee is more focused on internal work.

For: Rico Quirindongo, Betty Halfon, Mark Brady, Ali Mowry, Colleen Bowman, JJ
McKay, Devin McComb, David Ghoddousi, Paul Neal
Against: 0
Abstain: Ray Ishii

Proposed Resolution 19-53 passed by a vote of 9-0-1.

iii. Proposed Resolution 19-54: Approval of 2020 PDA Council and Committee
Meeting Schedule
Rico Quirindongo introduced Proposed Resolution 19-54, which states:

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 PDA Council and Council Committee meeting schedule is currently
determined by setting the meeting of the full PDA Council generally on the last
Thursday of each month with standing Committee meetings scheduled prior to
that date throughout the month as follows:

<table>
<thead>
<tr>
<th>Committee</th>
<th>Date</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Programs</td>
<td>2\textsuperscript{nd} Tuesday</td>
<td>4:00 pm to 6:00 pm</td>
</tr>
<tr>
<td>Finance &amp; Asset Management</td>
<td>3\textsuperscript{rd} Tuesday</td>
<td>4:00 pm to 6:00 pm</td>
</tr>
<tr>
<td>Executive</td>
<td>Wednesday, one week prior</td>
<td>4:30pm to 5:45pm</td>
</tr>
</tbody>
</table>

WHEREAS, certain Council and Committee meeting dates have been adjusted for
holidays, which will include;

- Market Programs Committee, March 11, 2020, \textit{originally March 10}
- Market Programs Committee, November 3, 2020, \textit{originally November 10}
NOW THEREFORE BE IT RESOLVED, that the PDA Council hereby amends its meeting schedule by setting the meetings for the 2020 Calendar year (an example of which is attached to this resolution as Exhibit A – 2020 PDA Council and Council Committee Meeting Calendar).

Betty Halfon moved the proposed resolution and David Ghoddousi seconded the motion.

Mark Brady noted on the resolution the first bullet under the third whereas says “March 11, 2010” instead of 2020.

For: Rico Quirindongo, Betty Halfon, Ray Ishii, Mark Brady, Ali Mowry, Colleen Bowman, JJ McKay, Devin McComb, David Ghoddousi, Paul Neal
Against: 0
Abstain: 0

Proposed Resolution 19-54 passed by a vote of 10-0-0.

VII. Further Public Comment
Bob Messina thanked those involved in programming the November 10th Veterans Day celebration. He thanked council member Mark Brady for his work and appreciated the opportunity to raise a flag and to hear the National Anthem sung by a Market busker. He hopes this remains an annual event and would also like to see something done on Memorial Day.

Joan Paulson seconded Bob Messina’s comments on Veterans Day and hopes to see it continue as well. Joan commented that November 30th is the 20th anniversary of the Battle of Seattle, WTO. The report after that event included three lessons: The police department did not have sufficient staff, they were not properly trained, and they did not have proper equipment. What lessons can the PDA take away from the WTP report? Joan feels the PDA needs to learn lessons from what’s around us and not make the same mistakes.

VIII. Concerns of Committee Members
David Ghoddousi ratified how proud he was of PDA staff and council member Mark Brady for the Veteran’s Day event. He thanked Carly, a Market busker who sang the National Anthem. David also thanked PDA staff for the new ideas being implemented for the holidays in the DownUnder.

JJ McKay wished everyone a happy Thanksgiving.

Ray Ishii welcomed back Betty Halfon, who received a round of applause.
IX. **Adjournment**

The meeting was adjourned at 6:03 p.m. by Rico Quirindongo, Chair.

Meeting minutes submitted by:
Karin Moughamer, Executive Administrator
geb_3'03AfedA

f_{k50} \{542 1A3l_52 052 \chi_3'03Afed2 1A\}
SUMMARY

A number of items to be reported on are already listed below and in the committee notes. Others are agenda items that will be discussed in this Council meeting.

The Market kicked off the busy holiday season on November 30th with the 24th annual Magic in the Market. The event was a lot of fun (as always!) and included more activity Market-wide, including more decorations in the DownUnder, shopping incentives featuring Market-themed gift wrap, a fabulous tree lighting featuring Santa, and a new mascot – Crafty! Crafty is artistic snow monkey modeled after the 2002 Graig Anderson holiday button. Planning is already starting for next year which is the events 25th anniversary.

Next up is the Holiday Night Market on December 19th! Over 25 handmade craft vendors will be present along with delicious treats and holiday drinks. Come finish your holiday shopping on the MarketFront or pick up those last minute stocking stuffers.

Even though things start to slow down in January, there is much work in the planning of 2020 and also with Main corridor construction starting up in New Year. Once the City provides the start date, we’ll have a navigation plan to our community and weekly updates as needed.

Overall 2019 was a good year financial, but vast continuation of our changing downtown environment, the construction of Alaskan way (for the next few years), and the national economy, we’ll need to remain vigilant and nimble in our planning and budgeting in the coming years.

By now you have all heard about the upcoming closing of Read All About It. After 40 years, Lee Lauckhart has made the difficult decision to retire. On December 31st he will close up his shop where you could buy newspapers from around the country and world and magazines on just about any topics imaginable. Please wish him well the next time you’re in the Market.
OPERATING METRICS

<table>
<thead>
<tr>
<th>Commercial Tenant Sales as Compared to Previous Year*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year to Date Sales (October 2019)**</td>
</tr>
<tr>
<td>Restaurants</td>
</tr>
<tr>
<td>Food</td>
</tr>
<tr>
<td>Mercantile</td>
</tr>
</tbody>
</table>

Operating Income After Required Reserves and Debt Service:

<table>
<thead>
<tr>
<th>Annual Goal</th>
<th>$2,954,221</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year to Date: October 31, 2019</td>
<td>$4,763,838***</td>
</tr>
</tbody>
</table>

Farm and Daystall Attendance

Change from November 2018 to November 2019

<table>
<thead>
<tr>
<th>Craft</th>
<th>-6.5% ▼</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farm</td>
<td>-14.4% ▼</td>
</tr>
</tbody>
</table>

*Several charts are also attached highlighting year-over-year sales trends through October 2019 with partial sales reports for November 2019.

**Missing sales reports include three food, five restaurants and four mercantile.

***Actual performance is $2,556,017 over budget as reflected in preliminary year-end statement.

Operating Statement

Total operating expenses through November was $13,952,715 (under budget by 2.7%) and total operating revenue was $20,702,107 (over budget by 9.7%), with a net result after debt service and reserves of $4,763,838 ($2,207,821 over budget). Commercial and residential revenue remains strong and both are over budget considerably. Daily crafts revenue is over budget however permits are under budget year to date. Garage revenue is 28% over budget and 13% higher than the same period last year. Operating expenses are mostly under budget, however the variances are narrowing compared to prior months.

Farm and Craft Attendance and Revenue

November farm attendance (-14.4%) and revenue (-9.7%) are down compared to the same period last year. This is in part due to the fact that 2018 was a record breaking year, but there were a couple deaths in the Hmong community. This resulted in several farmers taking a couple weeks off to mourn for their
loved ones. Nearly $7,000 in total food access funds was spent in the Market in November. 674 Fresh Bucks to Go CSA boxes were delivered to local preschools and 52 Fall Harvest CSA boxes were packed. Three farmer safety net requests were processed and two workshops/trainings for farmers were hosted.

Daystall revenue is flat for November compared to the same period last year, with attendance down 6.5% compared to November 2018 due to attrition of older crafters. Staff attended two craft fairs in November and are currently working to recruit applicants for an upcoming craft screening in January. Staff worked hard to put together and execute another successful Stockings and Stuffers event at Magic in the Market. More to come at the January Programs meeting, but participants included over 20 vendors, music, food, and a “best stocking” competition.

MARKET PROGRAMS
Marketing & PR
- The Market celebrated the 24th annual Magic in the Market with record attendance and participation from the entire Market community.
- The new website design has kicked off and the team continues to work on layout and content.
- Facebook, Twitter and Instagram followers remained steady, each showing slight increases from October. Instagram saw the largest jump, with a 2% increase in followers and a 37% increase in engagement over October.
- Four press releases, four features and 164 separate press coverages garnered nearly 250 million impressions for the Market.
- In November there were three filming inquiries with one executed contract.
- Outreach in November included 10 hotel concierge visits, 20 residential concierge visits and two Meet the Market events.
- November events included Magic in the Market, the Sounders MLS Cup and Veterans Day.

Programs
- The education program hosted 8 on-site tours in November serving 227 kids, with five History & Community tours and three History & Entrepreneurship tour. Volunteers provided 56 hours of their time.

Market Programs Committee - Key Actions and Discussions
- David Dickinson introduced Graig Anderson, creator of the holiday pins and decorations for the last 20 years.
- Zack Cook reviewed the farm year end 2019 report. Highlights include record sales at remote farmers markets, steady revenue and attendance onsite, goals met for Pike Box summer CSA and Fresh Bucks to Go programs, and over $15,000 in grant dollars secured for farmers.
- Madison Bristol provided recaps for Refract: Raise Your Glass, Meet the Market concierge program and small business workshops for 2019.

FINANCE AND ASSET MANAGEMENT
Finance and Accounting Department
- Processed all payables and receivables.
- Discrete Component Unit financial statements for third quarter 2019 and the 2020 budget were presented for review.
Commercial
- MarninSaylor is open!
- Bonnie B’s Peppers is open!

Residential
- Vacancies are under 3%.
- Annual HUD compliance file review was completed for Stewart House and LaSalle and resulted in above average results and no significant issues.
- HUD required software upgrades on software submittals pending with no firm date.
- Unit turnover proceeding very smoothly with great response from maintenance.
- Residential holiday parties were hosted in November and December.

Capital Projects
- The new digital radios testing was a success and the new radios will be handed out soon.
- Parking skybridge painting is nearing completion.
- Stewart House intercom replacement project is in the final stages.

Parking
- Parking revenue continues to exceed the projected budget and is $691,402 over budget through November.
- Parking has quieted down, but is following the trend of prior years and we expect increases for the holiday season.

Maintenance & Facilities
- Maintenance was busy decorating the Market, with many commenting it’s the best year ever!
- Garbage decreased to 145 tons (161 tons in October). Recycling tonnage decreased to 408 tons, 44 bales of cardboard were recycled and 307 yards of compost was processed. 48 tons of fish ice was melted in November.
- 268 work orders were completed in November, including ten apartment turn overs and rehabs.

Security
- Conducted routine patrols and provided support for filming and events, including Refract and Producers Market.
- Responded to calls for service in the Market, fire alarms and requests for assistance.

Finance and Asset Management Committee - Key Actions and Discussion
- Consent Agenda:
**Proposed Resolutions 19-60: Lease Proposals December 2019**

**PDA Employee December 2019 Anniversaries:**

<table>
<thead>
<tr>
<th>Years</th>
<th>Name</th>
<th>Department</th>
</tr>
</thead>
<tbody>
<tr>
<td>14yrs</td>
<td>B. James Stimac</td>
<td>Facilities</td>
</tr>
<tr>
<td>11yrs</td>
<td>John Turnbull</td>
<td>Directors (+16 years from his first stint with PDA)</td>
</tr>
<tr>
<td>4yrs</td>
<td>Lino Castillo</td>
<td>Facilities</td>
</tr>
<tr>
<td>4yrs</td>
<td>Juan Carlos Ramirez-Perez</td>
<td>Facilities</td>
</tr>
<tr>
<td>2yrs</td>
<td>Maggie Mountain Daystall</td>
<td></td>
</tr>
</tbody>
</table>
RETAIL REPORTED SALES

FOOD business
Reported Sales
# Seattle Construction Projects

<table>
<thead>
<tr>
<th>Project</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pike Pine Renaissance</td>
<td>Design</td>
<td>Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Center City Connector</td>
<td></td>
<td></td>
<td></td>
<td>Design</td>
<td>Construction</td>
<td>Completion Q2 2025</td>
</tr>
<tr>
<td>Streetcar</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Market to MOHAI</td>
<td>Prototype</td>
<td>Installation</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Victor Steinbrueck Park</td>
<td></td>
<td></td>
<td></td>
<td>Tent. Construction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Viaduct (COMPLETE November 2019)</td>
<td>Demolition</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Main Corridor</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Alaskan Way, Elliott Way, Columbia St, Seneca St., Lenora St. and Promenade as well as foundation of Overlook Walk)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Hahn Building (tent)</td>
<td>Design &amp; Permitting</td>
<td>Construction</td>
<td>Open</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overlook Walk Superstructure</td>
<td></td>
<td></td>
<td>Design</td>
<td>Construction</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waterfront</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Waterfront Park</td>
<td></td>
</tr>
<tr>
<td>Aquarium Ocean Pavilion</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Aquarium (estimated)</td>
</tr>
<tr>
<td>Convention Center Addition</td>
<td></td>
<td>Construction</td>
<td></td>
<td></td>
<td>open spring 2022</td>
<td></td>
</tr>
<tr>
<td>Coleman Dock Project</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>Marion Street Bridge</td>
</tr>
</tbody>
</table>

*New Alaskan Way Open

Mid 2019-Completion in 2023: Marion Bridge demolished and temporary bridge at Columbia Street
Section III:

Key Presentations & Supporting Documents
GRAIG ANDERSON
MARKET HOLIDAY ARTIST
A MARKET TRADITION IN ITS 20TH YEAR
Develop a 30-year planning budget for replacement of building envelope components and major system elements in the market’s 13 buildings.

Create a dynamic document to guide implementation of market renovations for the next 30 years.

Update 30-year planning document to include work accomplished between 2013 and 2018 and the addition of the Market Front Building completed in 2017. Extend life cycle cost analysis to the year 2049.
**4 North Arcade**

- **Scope Category:** Exterior Envelope (EE)
- **System:** Windows
- **Description:** Type 2: Steel, painted
- **Priority Level:** 3: Cylindrical Replacement in future based on service life
- **Location:** East Elevation
- **Condition:** Fair
- **Estimated last update:** Original: 1977, replacement: 2018
- **Expected Useful Life:** Steel: Lifetime, Glazing putty: 20 years, Paint: 3-5 years
- **Remaining Useful Life:** Steel: Lifetime, Glazing putty: 19 years, Paint: 4 years

**REPAIR/REPLACEMENT SCOPE**

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Unit</th>
<th>Cycle (Years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prep and paint steel storefront</td>
<td>400</td>
<td>SF</td>
<td>4, 9, 14, 19, 24, 29, 34</td>
</tr>
<tr>
<td>Replace glazing putty and repair glazing (20%)</td>
<td>400</td>
<td>SF</td>
<td>19</td>
</tr>
</tbody>
</table>

**OBSERVATIONS**

- Steel windows appear to be in overall poor condition. Areas of steel is corroding and paint is peeling. Panes of glass are broken.
- 1977 building rehabilitation included new steel windows. Date of last painting unknown.
- 2018: Market reported refinishing/replacement as req’d

**REPAIR RECOMMENDATION**

- Glazing repair, and replacement of glazing putty is recommended. Paint at recommended intervals based on lifespan (3-5 years).
- No additional recommendations at this time.

**14 Market Front/Western Ave Senior Housing (WASH)**

- **Scope Category:** Site Component (SC)
- **System:** Benches and stairs
- **Description:** Wood benches, wood stairs
- **Priority Level:** 3: Cylindrical Replacement in future based on service life
- **Location:** Multiple, commercial
- **Condition:** Excellent
- **Estimated last update:** 2019
- **Expected Useful Life:** 25 years
- **Remaining Useful Life:** 23 years

**Site Component (SC)**

- **Benches and stairs**
  - Wood benches, wood stairs
  - **Priority Level:** 3: Cylindrical Replacement in future based on service life
  - **Location:** Multiple, commercial
  - **Condition:** Excellent
  - **Estimated last update:** 2019
  - **Expected Useful Life:** 25 years
  - **Remaining Useful Life:** 23 years

**OBSERVATIONS**

- Wood benches and stairs show signs of exposure and wear, but are in overall good condition.
- Timber counters show signs of wear and exposure.

**CORRECTIVE RECOMMENDATION**

- Refinish/restain counters at recommended intervals based on lifespan (1-2 years).

**REPAIR/REPLACEMENT SCOPE**

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Unit</th>
<th>Cycle (Years)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refinish/restain benches</td>
<td>30</td>
<td>LF</td>
<td>2, 4, 6, 8, 10, 12, 14, 16, 18</td>
</tr>
<tr>
<td>Refinish/restain timber counters</td>
<td>15</td>
<td>LF</td>
<td>2, 4, 6, 8, 10, 12, ETC</td>
</tr>
<tr>
<td>Replace benches</td>
<td>30</td>
<td>LF</td>
<td>25</td>
</tr>
<tr>
<td>Replace timber counters</td>
<td>15</td>
<td>LF</td>
<td>25</td>
</tr>
</tbody>
</table>
COST SUMMARY
OVERALL COST SUMMARY ALL BUILDINGS PER YEAR

YEARS OF IMPROVEMENT
(BEGINNING YEAR 2019)
<table>
<thead>
<tr>
<th></th>
<th>Building</th>
<th>Year 13 (2026)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>LIVINGSTON BAKER</td>
<td>$0</td>
</tr>
<tr>
<td>2</td>
<td>SOAMES DUNN</td>
<td>$341,982.43</td>
</tr>
<tr>
<td>3</td>
<td>STEWART HOUSE</td>
<td>$5,445.19</td>
</tr>
<tr>
<td>4</td>
<td>NORTH ARCADE</td>
<td>$42,351.51</td>
</tr>
<tr>
<td>5</td>
<td>GARAGE</td>
<td>$0</td>
</tr>
<tr>
<td>6</td>
<td>TRIANGLE MARKET</td>
<td>$7,058.59</td>
</tr>
<tr>
<td>7</td>
<td>FIRST AND PINE</td>
<td>$0</td>
</tr>
<tr>
<td>8</td>
<td>SANITARY MARKET</td>
<td>$63,127.96</td>
</tr>
<tr>
<td>9</td>
<td>FAIRLEY BUILDING</td>
<td>$14,278.51</td>
</tr>
<tr>
<td>10</td>
<td>LELAND BUILDING</td>
<td>$520,318.60</td>
</tr>
<tr>
<td>11</td>
<td>CORNER MARKET</td>
<td>$8,748.61</td>
</tr>
<tr>
<td>12</td>
<td>LASALLE BUILDING</td>
<td>$89,744.88</td>
</tr>
<tr>
<td>13</td>
<td>ECONOMY MARKET</td>
<td>$479,588.55</td>
</tr>
<tr>
<td>14</td>
<td>MARKET FRONT</td>
<td>$1,966.32</td>
</tr>
<tr>
<td></td>
<td>SUBTOTAL</td>
<td>$1,574,811.15</td>
</tr>
</tbody>
</table>

### 9 FAIRLEY BUILDING

<table>
<thead>
<tr>
<th>EE</th>
<th>ENCLOSURE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ROOFING</td>
</tr>
<tr>
<td></td>
<td>SKYLIGHTS</td>
</tr>
<tr>
<td></td>
<td>CLADDING</td>
</tr>
<tr>
<td></td>
<td>$5,808.21</td>
</tr>
<tr>
<td></td>
<td>CANOPIES</td>
</tr>
<tr>
<td></td>
<td>WINDOWS</td>
</tr>
<tr>
<td></td>
<td>STOREFRONTS</td>
</tr>
<tr>
<td></td>
<td>EQUIPMENT</td>
</tr>
<tr>
<td></td>
<td>OVERHEAD DOORS/OPERATORS</td>
</tr>
<tr>
<td></td>
<td>SUBTOTAL ENCLOSURE</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>ICA</th>
<th>INTERIOR COMMON AREAS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>STOREFRONTS</td>
</tr>
<tr>
<td></td>
<td>COMMON AREA FLOORING</td>
</tr>
<tr>
<td></td>
<td>COMMON AREA RESTROOMS</td>
</tr>
<tr>
<td></td>
<td>OVERHEAD DOORS/OPERATORS</td>
</tr>
<tr>
<td></td>
<td>SUBTOTAL INTERIOR COMMON AREAS</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>VT</th>
<th>VERTICAL TRANSPORTATION</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ELEVATORS</td>
</tr>
<tr>
<td></td>
<td>SUBTOTAL VERTICAL TRANSPORTATION</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>M</th>
<th>MECHANICAL SERVICES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>HVAC</td>
</tr>
<tr>
<td></td>
<td>SPRINKLERS</td>
</tr>
<tr>
<td></td>
<td>PLUMBING</td>
</tr>
<tr>
<td></td>
<td>SUBTOTAL MECHANICAL</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EL</th>
<th>ELECTRICAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>POWER/SERVICE</td>
</tr>
<tr>
<td></td>
<td>FIRE ALARM</td>
</tr>
<tr>
<td></td>
<td>EXTERIOR LIGHTING</td>
</tr>
<tr>
<td></td>
<td>COMMON AREA LIGHTING</td>
</tr>
<tr>
<td></td>
<td>EMERGENCY GENERATORS</td>
</tr>
<tr>
<td></td>
<td>SUBTOTAL ELECTRICAL</td>
</tr>
<tr>
<td></td>
<td>US INFLATION RATE FORECAST</td>
</tr>
<tr>
<td></td>
<td>MULTIPLIER</td>
</tr>
</tbody>
</table>

**TOTAL COST YEAR 13 (2026)** $14,278.51
QUESTIONS?
Evaluating New Elevator Service at Heritage House Garage
Why add a new elevator to the garage?

- Elevator service on the Market side of Overlook Walk was eliminated
- Waterfront is proposing a new connection between Overlook Walk and the Heritage House garage
- Slow performance for high volumes of people traveling to and from lowest and topmost levels only (viademo example)
Can we improve the existing elevator?

If we modernized the existing hydraulic elevator...

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Other Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Modernized equipment will meet upcoming code changes</td>
<td>No added speed performance available with newer hydraulics</td>
</tr>
<tr>
<td>Parts for repair easier to come by than existing and increasingly obsolete equipment</td>
<td></td>
</tr>
</tbody>
</table>

Modernization would improve reliability and maintenance for the existing elevator—estimated $200,000.00 investment.
Can we upgrade to a faster type of elevator?

If we converted the existing hydraulic elevator to a traction elevator...

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Other Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traction elevator could function up to three times faster than current performance</td>
<td>Substantial demolition, engineering and design needed to modify elevator shaft, pit, and penthouse</td>
</tr>
<tr>
<td>Design and construction for a new elevator type approaches the cost of constructing a new elevator (study required to confirm)</td>
<td>There would be no direct access to Alaskan Way during construction; elevator would be out of service for months</td>
</tr>
<tr>
<td>Uncertain if the current garage power can support this new electrical load (cost risk, study required to confirm)</td>
<td></td>
</tr>
</tbody>
</table>

Page 62
Can we build a new elevator?

PPM engaged an architect to explore if a new elevator was feasible under the following assumptions:

- Avoid existing utilities if at all possible.
- Avoid future planned utilities (using the Waterfront Main Corridor plan set for guidance) if at all possible.
- Use public ROW, if necessary, but minimize the footprint use.
- Initial construction and new elevator service would serve only L6 and L2 (new Alaskan Way access to) the Heritage House garage; confirm whether future stops at all floors would be feasible in a second phase.
- Elevator capacity should be freight-type capacity (not just passenger only).
- Existing elevator would continue to serve the garage at all floors.
What will a new elevator do for the Market?

If we constructed a NEW elevator, in addition to the existing one...

<table>
<thead>
<tr>
<th>Benefits</th>
<th>Other Considerations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Serves as a freight elevator from top level of garage to L2 street level; allows program flexibility for garage use.</td>
<td>Possible major storm sewer utility relocation in only available footprint</td>
</tr>
<tr>
<td>Additional elevator capacity to serve patrons who are looking to move from bottom to top and top to bottom.</td>
<td>Uncertain if the current garage power can support this new electrical load (cost risk)</td>
</tr>
</tbody>
</table>

Project estimate is $2.5m to $3.0m, not including cost risks
Key Considerations

• PPM can use remaining Marketfront investment from Waterfront Program ($1.59) to fund the project

• We don’t yet know if we could replace the existing elevator within the $1.59m remainder.

• For a new elevator, PPM investment would be an additional $1-1.5m

• Cost risks for a new elevator in either footprint (existing or new) include:
  • Possible storm sewer or drainage utility relocations
  • Uncertain power needs

• For a new elevator, PPM would need City ROW, street use permit, or street vacation to support relocating fire stairs
Section IV:

Consent Agenda Items
Authorization for Contract Authority – LaSalle Exterior Restoration
December 2019

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 Pike Place Market PDA is the managing member of the LaSalle LLC and as such it approves of this resolution relating to this building; and,

WHEREAS, in order to maintain the viability of the Pike Place Market buildings the PPMPDA has determined that the LaSalle Apartments LLC, managed by the PDA for low income housing, requires exterior painting and repairs of the building; and,

WHEREAS, the PPMPDA has executed a public bid process to complete the exterior painting and repairs of the building.

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or her designee to enter into a contract with SSI Construction in an amount not to exceed $441,591.02 for the purpose of exterior painting and repairs of the LaSalle Building.

The funds for this project will be drawn from the LLCLAS 162907-00.

JJ McKay, Secretary/Treasurer
Date

Date Approved by Council:
For:
Against:
Abstained:
Proposed Resolution 19-55
Authorization for Contract Authority – LaSalle Exterior Restoration
December 2019

Proposed Resolution Costs: $441,591.02
Project: Exterior restoration by painting and repairs of the north and south elevation of the LaSalle Building
Account: LaSalle Replacement Reserves
Accounting Code: 162907-00
Project Description: Restore the exterior by painting the exterior walls, repairing, wood windows, spot caulk windows, concrete spall repair
Scope: Clean, prep, and paint the exterior walls of the north and south elevations, spot caulk and repair window, repair metal fascia of the LaSalle building.
Warranty: One year parts and labor.

- SSI Construction $441,591.02 with 20% contingency
- Verdis NW $403,920.57
- Legacy Restoration $466,038.99
Authorization for Contract Authority – Flower Row Restoration  
December 2019

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 Flower Row is in need of restoration; and,

WHEREAS, the PPMPDA has executed a competitive bid process to restore Flower Row interior and exterior windows, complete spall repair on exterior panels and columns, and replace coping and bird wire.

NOW THEREFORE BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or her designee to approve Verdis to complete the Flower Row Restoration in the amount of $192,805.55.

The funds for this project will be drawn from the Capital Projects Budget, 2019 COMLEL 163689-00.

JJ McKay, Secretary/Treasurer  
Date

Date Approved by Council:  
For:  
Against:  
Abstained:

December 2019

Proposed Resolution Costs: $192,805.55

Current Budget: $300,000.00

Project: Flower Row Restoration

Account: Capital Projects

Accounting Code: 163689-00

Project Description: Flow Row Restoration

Scope:
Restore Flow row interior and exterior windows, exterior spall repair, coping, bird wire, new exterior paint.

Bid Process:
Solicited in the Daily Journal of Commerce.

- Verdis: $167,657.00 ($192,805.55 with 15% Contingency)
- Legacy Windows: $256,526.39
- SSI: $230,437.10
- SGCI: Withdrawn ($165,490.49)
Authorization for Contract Authority – North Arcade Restoration
December 2019

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 North Arcade is in need of restoration; and,

WHEREAS, the PPMPDA has executed a competitive bid process to restore the North Arcade interior window rot and refinish exterior windows, complete spall repair on exterior panels and concrete edge, and exterior paint along Western AVE.

NOW THEREFORE BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or her designee to approve SSI to complete the North Arcade Restoration in the amount of $189,345.14, funds to be distributed from the 2020 Capital Budget.

The funds for this project will be drawn from the 2020 Capital Projects Budget, 2019 COMNAR 163854-00.

_____________________________ _______________________________
JJ McKay, Secretary/Treasurer      Date

Date Approved by Council:
For:    
Against:    
Abstained:
December 2019

Proposed Resolution Costs: $189,345.14

Current Budget: $200,000.00

Project: North Arcade Restoration

Account: Capital Projects

Accounting Code: 163854-00

Project Description: North Arcade Restoration

Scope:
Restore North Arcade interior window rot and exterior windows, exterior spall repair, concrete edge spall repair, paint.


- SSI $164,647.94 ($189,345.14 with 15% Contingency)
- Legacy Windows $204,483.64
- Verdis $188,985.00
- SGCI $198,156.64
Authorization for Contract Authority – LoBack Cooler Floor Replacement
December 2019

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 LoBack Cooler, located in the Fairley Building, is in need of a new floor; and,

WHEREAS, the PPMPDA has executed a competitive bid process to remove the flooring and subfloor in the LoBack cooler and install a new subfloor and epoxy.

NOW THEREFOR BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or her designee to approve Verdis to complete the replacement of the LoBack Cooler floor in the amount of $22,947.70.

The funds for this project will be drawn from the Capital Projects Budget, 2019 COMFAI 163855-00.

J J McKay, Secretary/Treasurer

Date

Date Approved by Council:

For:

Against:

Abstained:
December 2019

Proposed Resolution Costs: $22,947.70

Current Budget: $30,000.00

Project: LoBack Cooler Floor Replacement

Account: Capital Projects

Accounting Code: 163855-00

Scope:
Remove existing epoxy and subfloor, replace subfloor and recoat floor and center beam 1ft up side walls.

Bid Process: Solicited three; received three bids.

- Verdis $19,954.52 ($22,947.70 with 15% Contingency)
- SSI $38,448.02
- Combined Construction $21,909.90
Authorization for Contract Authority – Maximilien Southern Windows  
December 2019

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 additional work to the original scope for the Four Southern Window’s is needed; and,

WHEREAS, the PPMPDA entered into a Contract with Legacy Renovations in the amount of $9,798.90 to repair rot on operable window sashes, repair broken glass, and address door panel issue on patio; and,

WHEREAS, after window trim was repaired, window gaps became evident and customized weather stripping and trim work will be necessary, this will cost an additional $4,000.00.

NOW THEREFORE BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or her designee to approve Legacy Renovation to complete this work for an additional $4,000.00 for a grand total of $13,798.90.

The funds for this project will be drawn from the Capital Projects Budget, 2019 COMLAS 163856-00.

J J McKay, Secretary/Treasurer Date

Date Approved by Council:
For:  
Against:  
Abstained:
Lease Proposals
December 2019

<table>
<thead>
<tr>
<th>Tenant</th>
<th>Term</th>
<th>Start Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ageless Acupuncture</td>
<td>One (1) Year</td>
<td>December 1, 2019</td>
</tr>
<tr>
<td>Maria Portnaya</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

JJ McKay, Secretary/Treasurer

Date

Date Approved by Council:
For:
Against:
Abstained:
Lease Summary

Date: December 2019

Business Name and Owner: Ageless Acupuncture / Maria Portnaya
Address/Building/Square feet: 1515 First Avenue/Sanitary/574 sf
Tenant Since: 2009
Primary Term: One (1) Year
Option Term: Three (3) Years
Use Description: Chinese Medicinal and Healing Services, Complimentary Services, and Retail Sales
Section V:

New Business Items
Section VI:

PDA Committee Minutes
Tuesday, December 3, 2019
4:00 p.m. to 6:00 p.m.
Economy Building Classroom, 1433 First Avenue (3rd Floor)

Committee Members Present: Patrice Barrentine, David Ghoddousi, Ali Mowry, Colleen Bowman

Other Council Members Present:

Staff/ Consultants Present: Mary Bacarella, Amy Wallsmith, Karin Moughamer, David Dickinson, Madison Bristol, Scott Davies, Maggie Mountain, Zack Cook, Brady Morrison, Kathryn Horter, John Turnbull

Others Present: Graig Anderson

The meeting was called to order at 4:03 pm by David Ghoddousi.

I. Administration
   A. Approval of the Agenda
      The agenda was approved by acclamation.
   B. Approval of the Market Programs Committee November 5th, 2019 Minutes
      The November 5th, 2019 meeting minutes were approved by acclamation.

II. Announcements and Community Comments
    None.

III. Programs and Marketing Report
    Amy Wallsmith began by providing some updates for upcoming programs:
    • Small business workshops wrapped up and they are in the process of planning for 2020.
    • Market Insider goes out Thursday
    • Magic in the Market survey will go out tomorrow
    • A brief overview of the highlights of Magic in the Market was provided, which included the wrapping paper given away as the shopping incentive which was a big hit. Amy shared examples of the materials that were handed out to promote the events. It was noted that by analyzing pedestrian counts, the 2019 Magic in the Market had the highest attendance and people seemed to stay longer, with the busiest hour from 2-3 pm. 117 more parking tickets were pulled compared to last year and the parking garage reached capacity at 2:30 pm, resulting in the closing of the garage entrance for 30 minutes. A complete report will be provided in January.
    • Upcoming events include holiday activation with Crafty and planning for Love in the Market starts shortly.
January programs agenda will include 2019 Costumes on the Cobblestone and Magic in the Market recaps, 2020 Love in the Market preview and 2019-2020 education program – half year report. In February the 2020 Marketing plan will be reviewed.

Colleen Bowman asked how the Magic in the Market survey was administered. Amy Wallsmith responded there is a survey link in the Market Insider. Colleen asked if it could be printed. Amy Wallsmith responded yes.

Colleen Bowman asked if all the wrapping paper was handed out. Amy Wallsmith responded no. A lot was ordered to be able to use at future December events, including the Visit Seattle Holiday Breakfast.

Colleen Bowman asked if there was a parking incentive. Amy Wallsmith responded no.

Madison Bristol added different types of surveys were created depending on the level of participation.

David Ghoddousi asked if in 2018 the garage ever hit capacity. Amy Wallsmith responded she doesn’t think the garage ever hit capacity.

David Ghoddousi asked how many wrapping paper packets were handed out. Amy Wallsmith responded she hasn’t had a chance to calculate that number.

IV. Reports & Discussion Items
A. Meet Graig Anderson: Market Holiday Artist
   David Dickinson introduced Graig Anderson, who started selling in the Market in 1984. David shared the design for the 2018 and 2019 buttons. The 2019 button is the 20th button created. David shared images of the 2018 holiday mural designed by Graig as well as the larger-than-life-sized character cutouts that have been created in the past, as well as the new cutouts unveiled for 2019. Also new in 2019 was the unveiling of the snow monkey from the 2002 button and turned it into a life-sized mascot named “Crafty” as well as a holiday arch leading into the Desimone Bridge.

   David Dickinson shared images of the kid’s activity in the Pavilion at Magic in the Market. The four tables that kids could sit and color wrapping paper were full all day from 11 am – 4 pm.

B. 2019 Farm Program Recap
   Zack Cook started by reviewing all of the programs under the farm department which includes daystalls, remote farmers markets, CSA, farm development, food access, and MarketFront Plaza food activation. Zack introduced the farm staff which include himself (farm program manager), Leigh Newman-Bell (farm development specialist), Sidra Schkerke (farm program coordinator), Carter Grant (farm program coordinator), 3-seasonal employees and help from the daystall team.

   Zack Cook reviewed a table showing the number of active permits from 2004-2019 and the attendance for those same years. There were 99 permits issued with 10,106 attendance days.
Zack Cook reviewed a table showing the revenue at the remote markets from 2009 – 2019, which includes a breakdown of the revenue over the years at each of the remote markets. This table also includes remote markets that are no longer in service.

In 2019 the total sales at the Remote Markets were:

- City Hall (11th year)
  - $212,480 with an average of $867 per farmer per day
- Denny Regrade (3rd year)
  - $154,313 with an average $712 per farmer per day
- South Lake Union (9th year)
  - $456,890 with an average $1,213 per farmer per day
- First Hill (6th year)
  - $135,472 with an average of $870 per farmer per day

Zack Cook reviewed a series of pie charts breaking down the vendors and sales by type. City Hall vendors consist of 75% farmer and 25% processed foods and their sales consider of 84% farmer and 16% processed foods. At the Denny Regrade, vendors are broken down as 50% farmer, 31% ready to eat and 19% processed foods and sales consist of 47% farmer, 51% ready to eat and 2% processed foods. South Lake Union was comprised of 50% farmer, 25% ready to eat and 25% processed foods with sales showing 50% farmer, 40% ready to eat and 10% processed foods. Lastly, First Hill was comprised of 60% farmers, 30% ready to eat and 10% processed foods with sales 53% farmer, 42% ready to eat and 5% processed foods.

David Ghoddousi asked if there are value added (processed foods) and ready to eat opportunities at the Market. Zack Cook responded some ready to eat vendors participate on the MarketFront but the way the Daystall rules are written, there are not opportunities for processed foods to be sold by the day.

Zack Cook reviewed the summer CSA Pike Box program:

<table>
<thead>
<tr>
<th></th>
<th>2019 Goals</th>
<th>2019 Actuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boxes</td>
<td>4,000</td>
<td>4,565 (14% increase, 1600 subsidized shares and $31,772 in Fresh Bucks)</td>
</tr>
<tr>
<td>Revenue</td>
<td>$86,000</td>
<td>$105,902 (23% increase)</td>
</tr>
<tr>
<td>Paid to farmers</td>
<td>$73,100</td>
<td>$95,914 (31% increase)</td>
</tr>
<tr>
<td>Other</td>
<td>Move to compostable packaging</td>
<td>Offered compostable packaging</td>
</tr>
</tbody>
</table>

Zack Cook reviewed the Fresh Bucks to Go CSA program:

<table>
<thead>
<tr>
<th></th>
<th>2019 Goals (50 weeks)</th>
<th>2019 Actuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boxes</td>
<td>5,500</td>
<td>6,216 (13% increase)</td>
</tr>
<tr>
<td>Revenue</td>
<td>$143,296</td>
<td>$147,022 (3% increase)</td>
</tr>
<tr>
<td>Paid to farmers</td>
<td>$80,358</td>
<td>$73,000 (9% decrease)</td>
</tr>
<tr>
<td>Other</td>
<td>100% funded by Seattle Sugary Beverage Tax</td>
<td>1 fully funded FTE and program will continue in 2020</td>
</tr>
</tbody>
</table>
Zack Cook reviewed the totals for the 2019 CSA program:

<table>
<thead>
<tr>
<th></th>
<th>2019 Goals</th>
<th>2019 Annualized Actuals</th>
</tr>
</thead>
<tbody>
<tr>
<td>Boxes</td>
<td>9,500</td>
<td>10,781 (14% increase)</td>
</tr>
<tr>
<td>Revenue</td>
<td>$229,296</td>
<td>$233,022 (2% increase)</td>
</tr>
<tr>
<td>Paid to farmers</td>
<td>$166,090</td>
<td>$176,272 (6% increase)</td>
</tr>
<tr>
<td>Other</td>
<td>1 FTE fully funded by Sugary Beverage Tax</td>
<td>1 FTE fully funded by the Sugary Beverage Tax and compostable packaging</td>
</tr>
</tbody>
</table>

Zack Cook reviewed the 2019 activities for farm development.

- Seven farm visits
- Workshops and trainings for farmers: 6
  - Five farmers on track to finish the IDA pilot
  - Partnered with HAFA on Food Safety Training for 2020
- Issues/Advocacy Meetings: 26
  - Hosted 5th annual Small Business Resource Fair
  - Hosted two end of season farmer meetings at the Market Commons and one in Fall City
  - Leigh is the vice chair of King County Ag Commission
- Grant dollars secured: $15,604
- Safety Net requests processed: 3

Zack Cook reviewed the Food Access programming:

**City of Seattle Funding**
- Farmer Market Fresh Bucks to Go: $13,213
- Bonus Card: $12,829
- CSA Subsidy: $37,508
- Fresh Bucks to Go: $147,022
**TOTAL: $210,572**

**Market Foundation Funding**
- Pike Buck – Highstall: $25,000
- Food Insecurity Gap: $17,730
- Bulk Buy: $16,000
**TOTAL: $58,730**

**PDA Funding**
- Pike Buck – Farm: $21,200

*Patrice Barrentine entered the meeting at 4:45 pm*

Zack Cook reviewed the MarketFront Plaza programming, which included the Wednesday CSA pickup and the Ready to Eat food program. 3,540 CSA boxes were picked up on Wednesday afternoons with 13 different participating farms offering a Meet the Producer opportunity. Seven vendors (5 food and 2 drink) participated in the pilot Ready to Eat program on the
MarketFront. They were provided an alternating schedule and made $300,000 in sales, with $25,000 coming to the PDA in rental revenue.

Ali Mowry asked who is in charge of the Fresh Bucks program. Zack Cook responded there are two programs. The Fresh Bucks EBT Match is managed by the Office of Sustainability and Environment (OSE, City of Seattle) and paid for out of the general fund. The blue Fresh Bucks is a food insecurity gap coupon also managed by OSE but paid for by the sugary beverage tax. At remote markets the PDA farm team manages both programs but at the Market, the Market Commons manages them.

Colleen Bowman asked how MarketFront Plaza vendors are charged. Zack Cook responded there is a sliding scale, which starts at $40 per day and maxes out at $150.

Colleen Bowman wondered if it’s worth having the CSA boxes if they are being provided compostable bags. Zack Cook responded the boxes are no longer given to people and serve as a great way to organize the CSA product in the fridge before they are picked up. CSA participants receive a canvas bag on the first pick up day and many use that to pick up their produce.

Patrice Barrentine are any grants going away. Zack Cook responded the Specialty Block Crop Grant ended in 2018 but we had a no cost extension through Q1 2019 which we used to buy Pike Boxes.

C. Refract: Raise Your Glass Event
Madison Bristol began by reviewing the event overview and activities. The event was on Sunday, October 20\(^{th}\) from 3:30-6:30 pm and it was in partnership with Washington Wine Commission. The list of activities included:

- Glass artist showcase featuring 10 Market artists
- Glass blowing demos
- Special guest: Janusz Pazniak from Netflix series Blown Away
- Glass-themed food and wine pairing from Washington State Wine Commission and Atrium Kitchen
- Live music from local swing band Good Co.

Madison reviewed the event goals and results which included the activation of the MarketFront north pavilion by building an event program that explores new partnerships and activities that bring in visitors and expand the Market audience reach through partnerships with Washington Wine Commission, Visit Seattle, and Chihuly Garden and Glass. A full report from the partners on the marketing campaigns will be provided in January. The attendance goal was exceeded by 844 people.

Madison reviewed the PR plan in action, which included a press release, two pitches, a media mailer, and media alert. The PR outreach resulted in 12 pieces of organic coverage (over 4.6 million impressions) in top local outlets included Seattle Magazine, Seattleite, and The Stranger. For social and digital there was an event created on the website and Facebook, two social posts a week from October 1-20, email to Market database, email to Love in the Market wine tasting participants and a concierge email. Those posts and emails resulted in 4,421 website page views, 1,061 marked interested or going on Facebook, 63,691 people reached through Facebook, 86,334 people reached on Instagram posts, and 13,412 people reached via Instagram Stories.
Through emails there was a 32% open rate for the entire database, 60% open rate for the Love in the Market wine tasting participants, and a 25% open rate for the concierge email.

Madison reviewed the attendee demographics and data. There was 1,844 total event attendees with 211 ticketed attendees ($2,761 in revenue), 81 PDA VIP attendees and 130 Eventbrite tickets. 52% of the people attending were local, 31% did not provide a zip code and 17% were out of state of country. 81% of tickets were sold through the Market website and 19% through Eventbrite and PPM social channels. Parking totals for the day were up compared to the same day last year.

Madison reviewed information provided by the artists obtained in a survey.

- 75% of artists reported sales $601 and above (3 artists)
- 25% of artists reported sales between $0-$150 (1 artist)
- 75% of artists would like to participate in Refract again (3 artists)
- 25% of artists would not like to participate again
- Comments from the artists included:
  - The demo area should have a microphone or an MC describing what is happening
  - Demo area should have more space away from the walkway
  - Allow people to purchase a glass of wine and not participate in pairing

Madison would we do it again?

- Based on feedback from our Market artists the PDA would like to be involved in Refract in some capacity next year
- The Market’s involvement will depend on the growth of Refract based on its success this year
- The PDA is evaluating how best to participate in future Refract events; whether it is through an event or Market artist flame work demos. The PDA is also researching permitting for flame work inside the Pavilion.

David Dickinson highlighted the importance of this event in relation to the craft program. This helped to elevate Market glass artists within the overall glass artist community and provided a great opportunity for Market glass artists to have a leadership role in program development.

David Ghoddousi asked if there are ways to project the demo on a screen. Amy Wallsmith responded David has done that before with his craft demo vision. There was a conversation on other ways to help people learn and see what is being done during the craft demos.

D. Meet the Market Concierge Program

Madison Bristol provided an overview of the program which took place from June – November. This was a residential concierge program and at each event 3-4 Market businesses attended to create a pop-up Market. Each business provided samples. Visitors also received custom Pike Place Market welcome bags filled with Market coupons, swag, and door prizes. In addition there was Market trivia to help residents learn about the Market and a PDA information table.

Madison reviewed the event goals which included:
Goal 1: Showcase to locals what is in their own backyard and encourage them to get to know their Market. The ultimate goal is to increase local resident visitors. By recording the number of people who participated (in trivia or by receiving tote bag), there were 305 participants.

Goal 2: Engage target audience (local residents) to #MakeItAMarketDay. 1,153 #MakeItAMarketDay posts were counted since June.

Goal 3: Keep neighboring residential and hotel buildings in the loop about what is happening at the Market through monthly outreach and visits. Since February our concierge click thru rate has increased from 18.8% to 28.6%

Madison reviewed each of the four Meet the Market events that took place at West Edge apartments (June 13th), Newmark Towers (October 3), Premiere on Pine (November 5th) and The Olivian (November 20th).

Madison reviewed the lessons learned, which include:

- PDA will re-evaluate targeted residential buildings for this event as many overestimated the number of residential attendees.
- Conduct a survey for the best time of year to offer this program. We found in the fall it was difficult to get Market participation.
- Potentially reformat this program to create a concierge day at the Market where we invite local concierge members to the Market to showcase all that the Market has to offer, new businesses, upcoming events, etc.
- PDA will continue to send monthly Market news blasts and build our concierge database

David Ghoddousi noted this is a great beginning and it would be good to know how many people live in each of the residential buildings visited.

Colleen Bowman asked if vendors are compensated for their time and product. Amy Wallsmith responded yes.

Patrice Barrentine noted it would be great to continue the program and to have a concierge day at the Market.

Ali Mowry asked how they picked which residential buildings were selected. Amy Wallsmith responded a consultant helped to identify the buildings in the surrounding downtown core that have a concierge and are able to host such events. Originally there were seven events planned, but three had to cancel due to changes in concierge staffing. Ali Mowry noted she feels it’s important to have a diversity of incomes represented at the events and also feels that it’s important to have people experience the Market. There was a conversation of this outreach program versus an onsite experience.

Patrice Barrentine asked if #MakeItAMarketDay posts are connected to the people who attended the concierge events. Madison Bristol responded it’s possible, and that’s the hope, but there is no way to definitively know.

E. Small Business Workshops 2019
Madison Bristol began by reviewing the program and the classes offered in the fall, which included:

- September 24 Instagram Refresh
- October 1 Facebook Level 1
- October 8 Facebook Level 2
- October 15 Facebook Level 3
- October 29 Email Marketing for the Holidays
- November 5 Taxes for Small Business
- November 19 Building a Brand

Madison reviewed the program objectives which were to build a relevant educational curriculum, increase opportunities for financial success, support and develop existing small businesses, cultivate in-house professional educators, recruit high-quality new artisan vendors and tenants and provide resources to help businesses make “Arcade to Internet” connections.

During the seven fall classes there were 49 participates. 96% of participants felt their knowledge had increased from attending the workshop. Out of the 49 surveyed, only two people noted their level of knowledge stayed the same and on average 48% of people felt their knowledge had increased “a lot” from the workshops. Email marketing and Facebook advertising were noted as the areas of least knowledge before the workshops and areas of most improvement included scheduling Facebook posts, Facebook insights, comfort level creating Facebook Business page and understanding out to build a cohesive brand and that persona leads to success.

Madison reviewed the attendance numbers for each of the seven classes. Participants represented 20 different businesses and of those 20 different businesses, 75% attended more than one workshop. To address goal number three, which is to develop a consistent and return customer base, attendance was compared against the 2019 spring and 2018 fall workshops offered. Business signups from 2018 fall to 2019 fall increased by 25% while 14% of the businesses that signed up for the 2019 spring workshops signed up for the 2019 fall workshops. The PDA has noticed a decline in Market participation in the fall vs the spring. This is noticeable in other programs such as Meet the Market. The PDA will explore this trend further as we plan for 2020 programs.

There was a conversation on why people didn’t attend the fall workshops or the Meet up with Mary. Workshop participant reported being too busy was one of the main reasons they could not attend, not the topics being presented.

Patrice Barrentine noted that goal three is really interesting. She wonders if people don’t come back for another class because they have learned what they needed to. Amy Wallsmith responded they do change the classes so they hope people come back to learn more.

Patrice Barrentine wonders if there is a way to package support offerings to businesses who are not reaching their potential and requiring them to take a class to help. Maybe those classes could be required once a year.
Madison Bristol continued by reviewing outreach for the classes, which included information in the Market Insider, email news blasts to all Market tenants, and personalized emails to tenants who had participated in the spring, but had not currently signed up.

Madison reviewed the overall findings, which were overall very positive. People appreciated handouts that allow for future practice, hands on attention during the class, the small class size which allowed for more one-on-one time and the opportunity for a 1-hour private consultation from Ventures. Ways to improve for the future include more examples of how to use Google analytics and homework! Madison noted there is data for each class included in the packet.

David Ghoddousi asked if attendees bring computers to the classes. Madison Bristol responded for these classes participants were asked to bring a smart phone, computer or tablet.

Ali Mowry commented she attended several classes and really enjoyed them. People she talked to were unsure about Instagram before the class but after taking a course better understood the benefits of using it. Madison noted that Tanya Sinkovits provided customized packets for Instagram class attendees.

Patrice Barrentine how to show the value of the classes and the investments of the PDA and the participants.

Patrice Barrentine asked if it’s worthwhile to anecdotally track some of the success stories. Amy Wallsmith responded that’s part of the reason why Tanya started offering Instagram Takeovers, which is to provide more avenues for tenant growth. In addition, insights could be reviewed but that would take participation from the business. Amy shared the story of Graig Anderson, who had to create an Instagram account in order to be listed on the marketing rack card for the holiday season.

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David Ghoddousi believes success is in seeing someone being active in using what they learned at the class. David noted his appreciation of the PDA investing in the community and thanked PDA staff.

V. Public Comment
None.

VI. Concerns of Committee Members
Patrice Barrentine noted that she attended Magic in the Market and her grown son stated he wanted to make it a family tradition to attend. She appreciated seeing the crafters staying late and overheard many people saying they loved the event.

VII. Adjournment
The meeting was adjourned at 5:53 p.m. by Patrice Barrentine, Chair

Meeting minutes submitted by:
Karin Moughamer, Executive Administrator
Finance & Asset Management Committee Meeting Minutes

Tuesday, December 10, 2019
4:00 p.m. to 6:00 p.m.
Economy Building Classroom, 1433 First Avenue (3rd Floor)

Committee Members Present: Devin McComb, Ray Ishii, Mark Brady, Paul Neal, Patrice Barrentine, David Ghoddousi, Ali Mowry

Other Council Members Present: Colleen Bowman

Staff/ Consultants Present: Mary Bacarella, Brady Morrison, John Turnbull, Karin Moughamer, Tyler Jamison, Sabina Proto, Jay Schalow, Kelsey Lindblom

Others Present: Bob Messina, Jerry Baroh, Nick Setten

The meeting was called to order at 4:01 pm by Devin McComb, Chair.

I. Administration
   A. Approval of the Agenda
      Devin McComb recommended moving the Action Items up to section III to accommodate a council member’s schedule and need to leave early.
      The agenda was approved as amended by acclamation.

   B. Approval of the Finance & Asset Management Committee November 12, 2019 Minutes
      The November 12, 2019 meeting minutes were approved by acclamation.

II. Announcements and Community Comments
    None.

III. Action Items
       Tyler Jamison introduced Proposed Resolution 19-55 which states:

       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 Pike Place Market PDA is the managing member of the LaSalle LLC and as such it approves of this resolution relating to this building; and,

       WHEREAS, in order to maintain the viability of the Pike Place Market buildings the PPMPDA has determined that the LaSalle Apartments LLC, managed by the PDA for low income housing, requires exterior painting and repairs of the building; and,
WHEREAS, the PPMPDA has executed a public bid process to complete the exterior painting and repairs of the building.

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or her designee to enter into a contract with SSI Construction in an amount not to exceed $441,591.02 for the purpose of exterior painting and repairs of the LaSalle Building.

The funds for this project will be drawn from the LLCLAS 162907-00.

David Ghoddousi moved the proposed resolution and Paul Neal seconded the motion.

Mark Brady asked why there is a big difference in the bids. Tyler Jamison responded the SSI Construction bid includes a 20% contingency. Without it it would have been closer to the other two bids (that don’t include contingency)

Ray Ishii asked how much has been approved so far for the LaSalle repairs. Tyler Jamison responded with this project the amount is close to $1million, depending on contingency amounts. Mary Bacarella will get the amount.

Ray Ishii asked if there are any other major repairs on the LaSalle. Tyler Jamison responded this is the last major repair. They had considered replacing the 6th floor outdoor space, but those repairs won’t require as much work or funds.

For: Devin McComb, Ray Ishii, Mark Brady, Paul Neal, Patrice Barrentine, David Ghoddousi, Ali Mowry
Against: 0
Abstain: 0

Proposed Resolution 19-55 passed by a vote of 7-0-0.

Kelsey Lindblom introduced Proposed Resolution 19-56 which states:

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 Flower Row is in need of restoration; and,

WHEREAS, the PPMPDA has executed a competitive bid process to restore Flower Row interior and exterior windows, complete spall repair on exterior panels and columns, and replace coping and bird wire.

NOW THEREFORE BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or her designee to approve Verdis to complete the Flow Row Restoration in the amount of $192,805.55.
The funds for this project will be drawn from the Capital Projects Budget, 2019 COMLEL 163689-00.

Patrice Barrentine moved the proposed resolution and David Ghoddousi seconded the motion.

Mark Brady asked why this proposal was so much less expensive than the other bids. Kelsey Lindblom responded she wasn’t sure why but they were all given the same scope.

Mark Brady asked who was awarded the Chinese Cuisine windows. Kelsey Lindblom responded Legacy and they will be done in March. Flower Row can start soon as there is not a lot of permitting. North Arcade is in the 2020 budget but will take three months of permitting.

David Ghoddousi asked if there is a warranty on this work. Kelsey Lindblom responded there is a one year workmanship warranty and depending on the paint there is a 5-20 year warranty.

David Ghoddousi asked if Verdis has worked in the Market before. Kelsey Lindblom responded no but they have done a lot of work with historic properties.

Devin McComb asked if there is any concern with having the same company doing multiple large jobs at the Market. Kelsey Lindblom responded no as each of the jobs have different start times.

Devin McComb noted Verdis bid a lot lower than what was budgeted. Kelsey Lindblom provided an overview of how projects are budgeted and one company had provided a bid that was roughly $250,000, hence their estimation of $300,000.

Ray Ishii questioned whether they provide budget amounts before the bid process. After discussion, Sabina Proto responded internally the staff estimate budget amounts for each project but after the bid process it’s announced in the Proposed Resolution.

Patrice Barrentine noted it’s helpful to have all the information that is presented on the Proposed Resolution as it helps understand the process.

For: Devin McComb, Ray Ishii, Mark Brady, Paul Neal, Patrice Barrentine, David Ghoddousi, Ali Mowry
Against: 0
Abstain: 0

Proposed Resolution **19-56** passed by a vote of 7-0-0.

Kelsey Lindblom introduced Proposed Resolution **19-57** which states:

*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 North Arcade is in need of restoration; and,

WHEREAS, the PPMPDA has executed a competitive bid process to restore the North Arcade interior window rot and refinish exterior windows, complete spall repair on exterior panels and concrete edge, and exterior paint along Western AVE.

NOW THEREFORE BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or her designee to approve SSI to complete the North Arcade Restoration in the amount of $189,345.14, funds to be distributed from the 2020 Capital Budget.

The funds for this project will be drawn from the 2020 Capital Projects Budget, 2019 COMNAR 163854-00.

David Ghoddousi moved the proposed resolution and Patrice Barrentine seconded the motion.

Mark Brady asked if wood windows need to be used. Kelsey Lindblom responded yes.

David Ghoddousi asked how many windows are involved in the project. Kelsey Lindblom responded approximately 30-40 windows but can get the exact number.

David Ghoddousi asked what the warranty is. Kelsey Lindblom responded there is a one year workmanship and the paint warranty will depend on the paint chosen. These windows were scheduled to be repaired in 2015.

Devin McComb asked if the work had been done sooner would it have cost less. Kelsey Lindblom responded the majority of the cost associated with this job is due to the equipment set up and the closing of Western Avenue.

Devin McComb asked for clarification on the timeline. Kelsey Lindblom responded the work will take two weeks and it will all be completed at night.

For: Devin McComb, Ray Ishii, Mark Brady, Paul Neal, Patrice Barrentine, David Ghoddousi, Ali Mowry
Against: 0
Abstain: 0

Proposed Resolution 19-57 passed by a vote of 7-0-0.

Kelsey Lindblom introduced Proposed Resolution 19-58 which states:

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 LoBack Cooler, located in the Fairley Building, is in need of a new floor; and,

WHEREAS, the PPMPDA has executed a competitive bid process to remove the flooring and subfloor in the LoBack cooler and install a new subfloor and epoxy.

NOW THEREFORE BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or her designee to approve Verdis to complete the replacement of the LoBack Cooler floor in the amount of $22,947.70.

The funds for this project will be drawn from the Capital Projects Budget, 2019 COMFAI 163855-00.

Paul Neal moved the proposed resolution and Patrice Barrentine seconded the motion.

Mark Brady asked who rents out that space. Kelsey Lindblom responded a number of Market tenants. Mark Brady asked what the hole is in the picture. Kelsey Lindblom responded the epoxy has worn out and it is a hole.

Devin McComb asked if there are any interruptions for the businesses that use that space. Kelsey Lindblom responded no. All of those tenants want a new floor and they will be out for a week while the work is being done.

For: Devin McComb, Ray Ishii, Mark Brady, Paul Neal, Patrice Barrentine, David Ghoddousi, Ali Mowry
Against: 0
Abstain: 0

Proposed Resolution 19-58 passed by a vote of 7-0-0.

Kelsey Lindblom introduced Proposed Resolution 19-59 which states:

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 additional work to the original scope for the Four Southern Window’s is needed; and,

WHEREAS, the PPMPDA entered into a Contract with Legacy Renovations in the amount of $9,798.90 to repair rot on operable window sashes, repair broken glass, and address door panel issue on patio; and,
WHEREAS, after window trim was repaired, window gaps became evident and customized weather stripping and trim work will be necessary, this will cost an additional $4,000.00.

NOW THEREFORE BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or her designee to approve Legacy Renovation to complete this work for an additional $4,000.00 for a grand total of $13,798.90.

The funds for this project will be drawn from the Capital Projects Budget, 2019 COMLAS 163856-00.

Patrice Barrentine moved the proposed resolution and Ali Mowry seconded the motion.

Paul Neal asked to clarify that this resolution is because the total price of the project is over $10,000. Kelsey Lindblom responded yes.

Kelsey Lindblom noted there is a one year warranty on this project.

For: Devin McComb, Ray Ishii, Mark Brady, Paul Neal, Patrice Barrentine, David Ghoddousi, Ali Mowry
Against: 0
Abstain: 0

Proposed Resolution 19-59 passed by a vote of 7-0-0.

IV. Reports & Discussion Items
A. Review of the PDA Financial Statements November 2019
Sabina Proto began by addressing the LaSalle renovation budget and the spend down of the reserves prior to the close-out of the project.

Ray Ishii asked how much will be left in the reserve after all the approved projects are completed. Sabina Proto responded about $300,000 and she doesn’t anticipate any spending rejections by the investors.

Ali Mowry asked for clarification on the LaSalle investors. Sabina Proto discussed that the LaSalle LLC are not PDA properties. The PDA is the manager and it’s a partnership to help facilitate the low income housing tax credit to the investors.

There was a conversation on the LaSalle property investments. Sabina Proto concluded that council members are always welcome to contact her with any questions on the Discrete Component Units.

Sabina Proto continued by reviewing the operating statement which shows total revenue year to date is $20,702,107, over budget by $1.8M. Total operating expenses are $13,952,715, under budget by $382,428 but Sabina anticipates that amount to increase, especially in Marketing due to the promotion of a number of events and programs. Net result after debt service and reserves was $4,763,383, $2,207,821 over budget. Sabina reviewed the footnotes on the operating statement.

Mary Bacarella noted parking for December is flat compared to December 2018 and parking will continue adjust with the changes along the waterfront.
Sabina Proto noted the goal for end of 2019 is to have $20 million in the Capital Reserve and Replacement Fund.

Sabina Proto noted the State Auditor is on site and emailed a list of topics they are reviewing to the Council, which include:

- Electronic funds transfer procedures
- Credit card procedures
- Marketing, events, and promotions expenses

Patrice Barrentine noted it’s interesting that they chose marketing to take a look at. Sabina Proto noted the auditor has decided to give capital projects a break!

Sabina Proto reported that the FAM calendar was fully covered throughout the year. The only thing not already discussed is the capital needs assessment, which will be presented at council this month. The 2020 calendar is being reviewed right now and will include some new topics.

B. Capital Projects Update
Brady Morrison reviewed the Capital Projects list, starting with the projects in progress. The radio upgrade is nearing completion and security officers are completing the final testing. They are also waiting on accessories that are currently on backorder. He hopes to have the digital radios handed out by the end of the year. The skybridge painting completion is weather dependent so it may bump from Friday to next week. The Livingston Baker tuck and point north side will be complete this week and then the south side will start next week. The garage canopy painting will be completed in the spring when the weather dries out. The 30-year capital needs assessment will be at full council next week. The Stewart House intercom replacement requires a change order to address some wiring issues in the units.

Patrice Barrentine complimented the Capital team on all the work they’ve been doing. Brady Morrison noted that Kelsey Lindblom has been doing an amazing job.

C. Checking Account Activity Report November 2019
Sabina Proto handed the checking account activity for November 2019 to Karin Moughamer.

D. Discrete Component Units Financial Statement, 3rd Quarter 2019
Sabina Proto began by noting the PDA is the manager for the QB3 and report to the investors quarterly and annually. What is provided in the packet is the reporting requirements, which are listed out. There are reporting requirements for each of the Discrete Components; WASH LLC, LaSalle LLC and Pike Place Market QB3 and each is different. Sabina Proto noted the financial statements provided for the end of the 3rd quarter and everything is going smooth.

E. Discrete Component Units 2020 Budget
Sabina Proto noted each of the investors have already received the budgets for each discrete unit and each one is slightly different. LaSalle always over performs and has been a successful building. That is why there is a healthy reserve. WASH is always going to be close to the breaking point and it will always be full and have a reserve. The budget for the QB3 is based on the financial model originally negotiated.

Colleen Bowman asked what expenses are included in “other” on the WASH budget. Sabina Proto responded that includes residential events, such as holiday dinners, etc.
Ray Ishii asked if QB3 has a separate board and if they have to approve the budget. Sabina Proto responded yes. The Board already approved the financial model, which includes the budget. Sabina responded yes, the QB3 board is over due to meet. There was conversation regarding who is on the board and Sabina asked Karin Moughamer to confirm QB3 members and to help set up a meeting.

Sabina Proto added that the PDA Council serves as the board for LaSalle and WASH. The budgets are not approved but are presented to the council for review. The investors approve the budget.

Devin McComb thanked Sabina Proto for a great financial year and congratulated her on the passing of the 2020 budget since she missed the November finance meeting.

V. Property Management

A. Residential Property Management Report

John Turnbull noted that residential is going well. The two new residential staff members have been great. Maintenance has been great at turning over units fast. One of the good outcomes of the state law for evictions is that there are organizations that are stepping in to help payoff unpaid rent and gets people back into housing. WASH has a few section 8 residents but most of the apartments are $950 for low income senior housing. The goal is to keep rent as low as possible. Residential continues to have a few issues with residents and much more attention is going towards house rules and violations. The holiday dinner took place earlier in the month. There were two HUD audits last month and one more is coming up and we’ve received above satisfactory.

Mark Brady asked if the new City Council proposal regarding winter evictions will have an effect on the Market. John Turnbull responded tenant rights are very strong and it already takes 3 months or more to evict someone. Also, it’s not the Market practice to evict people in the winter.

David Ghoddousi asked about the HUD software upgrade. John Turnbull responded every three to four years the software changes so the PDA has to change the software used in house, which will probably happen in 2020.

VI. Public Comment

None.

VII. Closed Session

*The Committee Chair stated that the committee would go into closed session at 5:20 p.m. to discuss the property management report and return into open session at approximately 5:21 p.m.*

The committee entered into closed session at 5:40 p.m.

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

B. Review of Lease Proposals
   i. Lease Renewal – Ageless Acupuncture, 1515 First Avenue

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

*The committee entered into open session at 5:42 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**

Proposed Resolution **19-60**: Lease Proposals – December 2019

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<td>Maria Portnaya</td>
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Patrice Barrentine moved the proposed resolution and Ali Mowry seconded the motion.

For: Devin McComb, Ray Ishii, Mark Brady, Patrice Barrentine, David Ghoddousi, Ali Mowry

Against: 0

Abstain: 0

Proposed Resolution **19-60** passed by a vote of 6-0-0.

IX. **Resolutions to be added to the Consent Agenda**

- Proposed Resolution **19-56**: Authorization for Contract Authority – Flower Row Restoration
- Proposed Resolution **19-58**: Authorization for Contract Authority – Loback Cooler Floor Replacement
- Proposed Resolution **19-60**: Lease Proposals December 2019

X. **Concerns of Committee Members**

Ali Mowry commented that a PDA tenant has been paying each month for a Merchant’s Association but there is not currently a functioning association. Mary Bacarella responded the PDA has stopped accepting those payments and she will investigate what is happening with the payments made by this tenant. There was conversation on rewriting standard leases to remove the clause on the Merchant’s Association.

Mark Brady asked if it’s possible to get another flag pole that can handle two regular sized flags. Mary Bacarella will look into it.

Patrice Barrentine looks forward to seeing the work that was approved today on the Consent Agenda and it may be a good opportunity to get representatives at the city to view this work.

Mary Bacarella thanked the council members that came to the pancake breakfast and served food.

Devin McComb noted it is the last Finance & Asset Management meeting of the year and believes it is the best the Market has ever performed since he’s been a council member.

XI. **Adjournment**

The meeting was adjourned at 5:49p.m. by Devin McComb, Chair

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

Wednesday, December 11, 2019
4:30 p.m. to 5:45 p.m.
Economy Building Goodwin Library, 1433 First Avenue (3rd Floor)

Committee Members Present: Rico Quirindongo, David Ghoddousi, Patrice Barrentine, Betty Halfon

Other Council Members Present: Mark Brady

Staff Present: Mary Bacarella, Karin Moughamer

Others Present: Howard Aller, Joan Paulson

The meeting was called to order at 4:33 p.m. by Rico Quirindongo, Chair.

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

      Approval of the November 13, 2019 Executive Committee Meeting Minutes
      The November 13, 2019 Executive Committee Meeting Minutes were approved by acclamation.

II. Announcements and/or Community Comments
    Joan Paulson brought a copy of Seattle at 150 and said there is some interesting information on the Market. She noted a very few number of the books were printed and she urged people to get a copy soon.

    Howard Aller noted he has a good friend who teaches at the UW and could potentially offer some recommendations for Council candidates. Howard requested a short meeting with his friend to be able to provide some parameters for the type of person the council would like.

III. Council Chair Report
    Rico Quirindongo began by noting there is an ad hoc Nomination Committee meeting tomorrow. If anyone has suggestions for people to consider, please provide those names to him for consideration. Rico provided the following status updates:
    • MarketFront leak investigation and remediation continues. There will be a discussion during closed session at the December council meeting.
    • Office of the Waterfront meetings have begun.
    • There will be an update on retreat findings at the January council meetings.
    • One family. One mission. One love.

    Patrice Barrentine suggested Rico provide updates on the work of the ad hoc committee at monthly council meetings.
IV. Committee Chair’s Report
A. Market Programs
Patrice Barrentine noted the update on the farm program. Farmers market sales are up and at the remote markets the average vendor sales are at $750 (the goal was $700). There was a presentation on the Refract event, which went well and staff and organizer are figuring out the Market’s participation in 2020. Some preliminary reports were provided on Magic in the Market and there will be more in January. There was also a presentation on the small business incubation and the findings show that the spring classes have better attendance than the fall so staff are analyzing that information. Lastly, there was a presentation on the Meet the Market concierge program and showed similar trends in which people attended more in the spring than fall.

Patrice noted that Programs meeting agendas have been full for at least the last six months and they are doing a lot of work in adding new programs and evaluating their success or failures.

Mary Bacarella added that a new person is being hired in Marketing and the department is assessing the needs for that new role in relation to what other staff are currently doing. This person will also have graphic design expertise.

B. Finance & Asset Management
Mary Bacarella provided an update in lieu of Devin McComb. Mary noted financials remain strong but the PDA is planning more cautiously for the future as many things surrounding the Market are changing. Brady provided a capital projects update. Five resolutions passed unanimously and added to the Consent Agenda. Sabina Proto provided a report on the 2019 discrete component unit and the 2020 discrete component unit budget. John Turnbull provided a residential update and overall things are going well with a less than 3% vacancy. Mary Bacarella responded she is researching the current sale of Eighth Generation and changes to their lease.

V. Executive Director’s Report
Mary Bacarella began with the following updates:

- Signature sign concepts were reviewed and the PDA team provided feedback to National Sign. January will kick off the public meeting portion of this project.
- The Executive Director of the PDA has been elected to the Central Waterfront Oversight Committee. There are five representatives from non-profits and 14 appointments from the community. The first meeting will be in January.
- The first Overlook Walk design meeting took place. They are still at 30% design and shared the Building B concept, which has been greatly reduced. That idea is being reconsidered. They hope to be at 60% by March.
- Meet up with Mary went well and about 250 market business community members were served at the Pancake Breakfast.
- She has not received the 100% garage modification designs and anticipates receiving them by Christmas.
- The Seattle Aquarium will present to the PDA council in January on their Ocean Pavilion expansion.
- December parking is under budget, but over budget for the year.
- Read All About will be closing at the end of the year. There was a discussion on the reasons why and what is being planned.
- Mary shared some statistics she just received, which include:
  - In the last 10 years, overnight visitors in Seattle and King County have grown by 142%
  - Hotel inventory in the last 10 years has increased 36%
  - Seattle hotel demand has risen 40%
Mark Brady asked how long the parking pay station will be out of commission. Mary Bacarella responded she hopes it will be fixed by the end of the week. Mary will look into that.

Mark Brady noted the increase in shoplifting in the Market. He suggested making sure Market tenants have pictures of the people who have stolen goods at the Market so they can keep an eye out.

Rico Quirindongo requested a timeline for the Signature Sign project be shared at an upcoming council meeting. Karin Moughamer responded she will prepare a presentation for some time in the first quarter 2020.

Rico Quirindongo asked for clarification on the Central Waterfront Oversight Committee and would like to know if this replaces the previous 61-person committee. Mary Bacarella will look into it.

Rico Quirindongo requested the Market sees a 60% design before it is released to the public. He has not seen the design schedule.

### VI. Public Comment

Howard Aller commented that during the wayfinding project and in the future in general, any maps created or printed should be oriented the same way to reduce confusion. Howard also noted that he hopes lease renewals for buildings along First Avenue will be amended in the future to require that sidewalk seating be flexible and brought in at night. Lastly, he would like to see two elevators worked into the Overlook Walk design.

Joan Paulson made eight comments: 1. Wayfinding signage for public restrooms should be studied and increased; 2. She believes there should be another attorney on the council; 3. MarketFront leaks have been occurring for over two years and now it will be hard to get any money back on that project; 4. Joan suggested that the small business classes be advertised in December for the coming year so that the businesses can plan in advance. She also thinks the PDA should ask tenants what kind of classes they want to take; 5. Eighth Generation should have received approval from both the Historic Commission and PDA before the sale occurred; 6. Joan asked how the Constituency can be involved in the Central Waterfront Oversight Committee meetings; 7. Regarding the closing of the Read All About It, Joan suggests a cooperative be created with the Senior Center in order to continue the business; 8. Regarding the security issues, the PDA should consider a block watch program.

### VII. Concerns of Committee Members

David Ghoddousi thanked and congratulated the staff for the work on the holiday decorations. They did a fantastic job.

Mark Brady thanked Mary for having the chairs removed in the DownUnder and it’s helped with traffic flow and business.

### VIII. Adjournment

The meeting was adjourned at 5:19 p.m. by Rico Quirindongo, Chair.

Meeting minutes submitted by:

Karin Moughamer, Executive Administrator
Section VII:

Financials & Additional Enclosures
Balance Sheet Notes:

Page 1:

Designated Cash: Increased due to monthly contribution to CRRF.

Restricted Cash: Increased due to monthly contribution to Debt Service Accounts.

Fixed Assets: Increase related to capital expenditures listed in Capital Projects Budget.

Current Liabilities: Slight increase, mainly in Accounts Payable, Accrued Liabilities and Other Liabilities.

Page 2:

Accounts Receivable Activity Report – Decrease from the prior month.

Page 3:

PDA Operating Statement Notes:

Total Revenue for the end of November 2019 was $20,702,107, over budget by $1,825,399 or 9.7%.

Total Operating Expense for the end of November 2019 was $13,952,715, under budget by $382,428 or 2.7%.

Net Result after Debt Service and Reserves was $4,763,838, which is $2,207,821 over budget.

We are up to date on all debt payments, and contribution to the Employee Pension Plan.

Page 4:

Footnotes on the Operating Statement

Commercial Revenue is over budget by $532,197; it's up in Base Rent-Retail, Percent Rent, and Common Area. CAM is higher than budget: higher retail rent revenue, higher CAM.

Residential Revenue is over budget by $149,090; Rent revenue is over budget because the actual vacancy is less than budgeted, less than 3% compared to 5% budget. Also, the increases on HUD subsidy for Pine and Stewart buildings were higher than budgeted.
Daystall Revenue:

Daily Crafts is over budget. Locker under budget because still waiting for the new lockers to build. Permits are under budget YTD.

Farm revenue is over budget due to additional revenue from MarketFront food program vendors which wasn’t included in the budget; Remote Markets are doing well; Permits will catch up. CSA Grant – we haven’t received the reimbursement from City of Seattle for month of November.

Page 5:

Garage Revenue is over budget by $691,402, 28% higher than budget, and 13% higher than the same period (Jan-Nov) of the last year.

Miscellaneous Revenue is over budget by $419,637, mostly in Investment Income. The budgeted rate on the Investment Income was 1.46%, and the actual rate has been 2.59%. We have collected more Trademark fees than were budgeted.

Page 6:

Operating Expenses overall under budget, however the variances are narrowing compared to prior months.

Commercial Expenses under budget in Salaries, MID Fees, Small Business Incubator, Legal.

Residential Expenses under budget (YTD) due to staffing vacancies in early part of the year, Misc. Contract, Uniforms, Resident Advocate.

Garage over budget in Salaries, Cleaning, Credit Card.

Facilities under budget because of some staffing vacancies (YTD).

Maintenance under budget mostly due to staffing vacancies (YTD).

Utilities over budget overall – mostly in Water/Sewer, Garbage and Recycling

Insurance- under budget YTD.

Management – over budget in Consulting and Legal categories.

Finance under budget in audit expenses, but it will be on track by the end of December.

Admin is under budget in various categories.

Human Resources is under budget in Legal expenses. Also, under budget in Transit Subsidy due to trending, but it will catch up next month.
IT is under budget in Salaries. Also, several changes in Subscriptions and Licenses which have increased the functionality and reduced costs.

Marketing under budget due to staffing vacancies; also the variances in Legal, Advertising-Agency Fee, PR, Event Promotion. Also, we’ll collect a lot of bills related to Holiday festivities by the end of the year.

Market Foundation will be on track by the end of the year.

Page 7:

Percent Rent spreadsheet- Percent Rent is $392,045 over budget YTD, and $344,355 higher than the actuals of the same period last year.

Page 8:

The report states the balance of the Capital Replacement Reserve, which was $19.4 MM for the end of November 30, 2019

Page 9:

Capital Projects Report provides the status and YTD spending on different Capital Project we are working on.
## PIKE PLACE MARKET PDA
### BALANCE SHEET
November 30, 2019

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Note</th>
<th>Current Month</th>
<th>Prior Month</th>
</tr>
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<tbody>
<tr>
<td><strong>Current Assets</strong></td>
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<td>Unrestricted Cash</td>
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<td>1,488,280</td>
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<td>Rental Accounts Receivable</td>
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<td>211,771</td>
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<td>Misc Accounts Receivable</td>
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<td>202,454</td>
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<td>509,179</td>
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<td><strong>Total Current Assets</strong></td>
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<td><strong>Designated Cash &amp; Equivalents</strong></td>
<td></td>
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<td>24,978,035</td>
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<td><strong>Restricted Cash &amp; Equivalents</strong></td>
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<td>4,157,919</td>
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<td><strong>Fixed Assets</strong></td>
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<td></td>
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<td>Land</td>
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<td>5,268,168</td>
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<td>Leasehold Improvements</td>
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<td>Work in Progress</td>
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<td>Market Buildings</td>
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<td>79,546,521</td>
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<td>Equipment</td>
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<td><strong>Total Fixed Assets</strong></td>
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<td>198,058,568</td>
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<tr>
<td>Less Accumulated Depreciation</td>
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<td>(50,001,482)</td>
<td>(50,001,482)</td>
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<tr>
<td><strong>Total Net Fixed Assets</strong></td>
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<td>148,332,178</td>
<td>148,057,086</td>
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<td><strong>Long Term Receivable &amp; Investments</strong></td>
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<td><strong>Other Assets</strong></td>
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<td></td>
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<tr>
<td>Financing Lease</td>
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<tr>
<td>Contributions To LSH LLC and WASH LLC</td>
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<td>200</td>
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<td><strong>Total Other Assets</strong></td>
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<td>3,084,550</td>
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<td><strong>TOTAL ASSETS</strong></td>
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<td>190,751,637</td>
<td>189,999,399</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>
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<td>477,229</td>
<td>402,582</td>
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<tr>
<td>Current Portion - LT Debt</td>
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<td>705,000</td>
<td>705,000</td>
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<tr>
<td>Interest Payable Accrued</td>
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<td>481,469</td>
<td>403,761</td>
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<tr>
<td>Accrued Payroll, Vacation &amp; Taxes</td>
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<td>770,613</td>
<td>717,858</td>
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<td>Accrued Business Taxes</td>
<td></td>
<td>64,090</td>
<td>70,270</td>
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<td>Security Deposits</td>
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<td>455,820</td>
<td>453,605</td>
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<td>Other Liabilities</td>
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<td>874,430</td>
<td>856,246</td>
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<tr>
<td>Current Portion - Unearned WSDOT rev</td>
<td></td>
<td>43,860</td>
<td>87,719</td>
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<tr>
<td>Current Portion - QB3 Deferred Master Lease</td>
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<td>199,207</td>
<td>199,207</td>
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<tr>
<td><strong>Total Current Liabilities</strong></td>
<td></td>
<td>4,071,718</td>
<td>3,896,248</td>
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<tr>
<td><strong>Long Term Debt</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009 PDA Refunding Bond</td>
<td></td>
<td>832,058</td>
<td>869,510</td>
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<tr>
<td>2015 Bond Series A</td>
<td></td>
<td>18,650,000</td>
<td>18,650,000</td>
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<tr>
<td>Premium on 2015 Bond Series A</td>
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<td>1,617,837</td>
<td>1,617,837</td>
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<tr>
<td>U nearned WSDOT revenue</td>
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<td>3,157,893</td>
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<tr>
<td>N/P City of Seattle - Creamery Lot</td>
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<td>455,000</td>
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<tr>
<td>QB3 Deferred Master Lease Payment</td>
<td></td>
<td>9,213,308</td>
<td>9,213,308</td>
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<tr>
<td>Current Portion - Long Term Debt</td>
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<td>(705,000)</td>
<td>(705,000)</td>
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<tr>
<td><strong>Total Long Term Debt</strong></td>
<td></td>
<td>33,221,096</td>
<td>33,258,548</td>
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<tr>
<td><strong>Total Liabilities</strong></td>
<td></td>
<td>37,292,814</td>
<td>37,154,796</td>
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<td><strong>Capital</strong></td>
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<tr>
<td>Contributed Capital</td>
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<td>11,818,935</td>
<td>11,818,935</td>
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<tr>
<td>Prior Years' Results</td>
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<td>135,221,602</td>
<td>135,221,602</td>
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<tr>
<td>Current Year Operating Result</td>
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<td>6,418,286</td>
<td>5,804,066</td>
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<td><strong>Net Operating Capital</strong></td>
<td></td>
<td>153,458,823</td>
<td>152,844,603</td>
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<td><strong>TOTAL LIABILITIES AND CAPITAL</strong></td>
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<td>190,751,637</td>
<td>189,999,399</td>
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</table>
## 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>
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</thead>
<tbody>
<tr>
<td>Commercial Revenue</td>
<td>72,369</td>
<td>1,164,375</td>
<td>1,157,942</td>
<td>78,802</td>
</tr>
<tr>
<td>Daystay Revenue</td>
<td>109,460</td>
<td>91,595</td>
<td>103,350</td>
<td>97,705</td>
</tr>
<tr>
<td>Residential Rent (excluding HUD)</td>
<td>28,598</td>
<td>173,782</td>
<td>177,684</td>
<td>24,696</td>
</tr>
<tr>
<td>HUD Subsidy</td>
<td>1,344</td>
<td>119,583</td>
<td>117,383</td>
<td>3,544</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>211,771</strong></td>
<td><strong>1,549,335</strong></td>
<td><strong>1,556,359</strong></td>
<td><strong>204,747</strong></td>
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</tbody>
</table>
PIKE PLACE MARKET PDA - PRELIMINARY OPERATING BUDGET COMPARISON STATEMENT
Period Ending November 30, 2019

<table>
<thead>
<tr>
<th></th>
<th>Current YTD Actual</th>
<th>Current YTD Budget</th>
<th>Variance</th>
<th>Variance %</th>
<th>Current MONTH Actual</th>
<th>Current MONTH Budget</th>
<th>2019 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td>12,357,857</td>
<td>11,825,660</td>
<td>532,197</td>
<td>4.5%</td>
<td>1,119,000</td>
<td>1,059,949</td>
<td>12,844,564</td>
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<tr>
<td>Residential</td>
<td>(114,771)</td>
<td>(114,771)</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>-</td>
<td>(27,828)</td>
</tr>
<tr>
<td>Net Result-PPM QALICB3</td>
<td>2,996,311</td>
<td>2,847,221</td>
<td>149,090</td>
<td>5.2%</td>
<td>281,559</td>
<td>262,244</td>
<td>3,109,115</td>
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<tr>
<td>Farm</td>
<td>755,039</td>
<td>754,703</td>
<td>336</td>
<td>0.0%</td>
<td>67,414</td>
<td>65,188</td>
<td>838,581</td>
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<tr>
<td>Daystall</td>
<td>555,494</td>
<td>526,947</td>
<td>28,547</td>
<td>5.4%</td>
<td>41,381</td>
<td>26,728</td>
<td>575,056</td>
</tr>
<tr>
<td>Parking</td>
<td>3,181,632</td>
<td>2,490,230</td>
<td>691,402</td>
<td>27.8%</td>
<td>230,425</td>
<td>178,347</td>
<td>2,695,400</td>
</tr>
<tr>
<td>Market Foundation</td>
<td>25,690</td>
<td>21,500</td>
<td>4,190</td>
<td>0.0%</td>
<td>-</td>
<td>-</td>
<td>25,000</td>
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<tr>
<td>Miscellaneous Revenue</td>
<td>944,855</td>
<td>525,218</td>
<td>419,637</td>
<td>79.9%</td>
<td>177,665</td>
<td>53,792</td>
<td>610,197</td>
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<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>20,702,107</td>
<td>18,876,708</td>
<td>1,825,399</td>
<td>9.7%</td>
<td>1,917,444</td>
<td>1,646,248</td>
<td>20,670,085</td>
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<td><strong>EXPENSES</strong></td>
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<td></td>
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<td></td>
</tr>
<tr>
<td>Property Management</td>
<td>1,335,024</td>
<td>1,413,690</td>
<td>78,666</td>
<td>5.6%</td>
<td>117,461</td>
<td>127,627</td>
<td>1,550,934</td>
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<tr>
<td>Parking</td>
<td>533,227</td>
<td>480,757</td>
<td>(52,470)</td>
<td>-10.9%</td>
<td>41,427</td>
<td>38,531</td>
<td>519,873</td>
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<tr>
<td>Operations</td>
<td>8,442,483</td>
<td>8,442,015</td>
<td>19,453</td>
<td>0.2%</td>
<td>795,228</td>
<td>764,072</td>
<td>9,165,199</td>
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<tr>
<td>Administration</td>
<td>2,379,529</td>
<td>2,360,079</td>
<td>(19,450)</td>
<td>-0.8%</td>
<td>197,773</td>
<td>201,811</td>
<td>2,594,004</td>
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<tr>
<td>Marketing &amp; Programs</td>
<td>1,282,452</td>
<td>1,638,600</td>
<td>356,150</td>
<td>21.7%</td>
<td>143,328</td>
<td>134,363</td>
<td>1,763,442</td>
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<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>13,952,715</td>
<td>14,335,143</td>
<td>382,428</td>
<td>2.7%</td>
<td>1,295,217</td>
<td>1,266,404</td>
<td>15,593,452</td>
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<tr>
<td><strong>NET OPERATING RESULTS</strong></td>
<td>6,749,392</td>
<td>4,541,565</td>
<td>2,207,827</td>
<td>48.6%</td>
<td>622,227</td>
<td>379,844</td>
<td>5,076,633</td>
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<td><strong>DEBT SERVICE</strong></td>
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<td></td>
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<tr>
<td>Bond Principal and Interest Payment PDA</td>
<td>439,769</td>
<td>439,769</td>
<td>-</td>
<td>0.0%</td>
<td>39,979</td>
<td>39,979</td>
<td>479,748</td>
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<tr>
<td>2015 PDA Bond Series A&amp;B</td>
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<td>101,875</td>
<td>101,875</td>
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<td><strong>TOTAL DEBT SERVICE</strong></td>
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<td>141,854</td>
<td>141,854</td>
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<td><strong>RESERVES - DESIGNATED</strong></td>
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<td>425,000</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>-</td>
<td>425,000</td>
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<td>LIHJ Interest to Reserve</td>
<td>160</td>
<td>154</td>
<td>6</td>
<td>3.9%</td>
<td>15</td>
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<td><strong>TOTAL DESIGNATED RESERVES</strong></td>
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<td>425,154</td>
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<td>14</td>
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<tr>
<td><strong>Net Results after Debt Service &amp; Reserves</strong></td>
<td>4,763,838</td>
<td>2,556,017</td>
<td>2,207,821</td>
<td>86.4%</td>
<td>480,358</td>
<td>237,976</td>
<td>2,949,222</td>
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<tr>
<td><strong>CAPITAL RESERVE CONTRIBUTION</strong></td>
<td>4,763,838</td>
<td>2,556,017</td>
<td>2,207,821</td>
<td>0.0%</td>
<td>480,358</td>
<td>237,976</td>
<td>2,949,222</td>
</tr>
<tr>
<td><strong>TOTAL RESERVES &amp; CONTRIBUTIONS</strong></td>
<td>4,763,838</td>
<td>2,556,017</td>
<td>2,207,821</td>
<td>0.0%</td>
<td>480,358</td>
<td>237,976</td>
<td>2,949,222</td>
</tr>
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</table>
### Note 1: Commercial Revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>% of total Comm Revenue</th>
<th>2019 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD Budget</th>
<th>YTD 2019 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>% of total</td>
<td>Nov</td>
<td>% YTD</td>
<td>Nov</td>
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<tr>
<td></td>
<td></td>
<td>Comm Revenue</td>
<td>Actual</td>
<td>Comm Rev</td>
<td>Budget</td>
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<tr>
<td>Base Rent - Retail</td>
<td>31.2%</td>
<td>3,751,468</td>
<td>30.4%</td>
<td>3,666,000</td>
<td>31.0%</td>
</tr>
<tr>
<td>Base Rent - Office</td>
<td>4.7%</td>
<td>558,519</td>
<td>4.5%</td>
<td>553,927</td>
<td>4.7%</td>
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<tr>
<td>Prep Space</td>
<td>0.7%</td>
<td>80,477</td>
<td>0.7%</td>
<td>79,731</td>
<td>0.7%</td>
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<tr>
<td>Common Area</td>
<td>19.0%</td>
<td>2,261,996</td>
<td>18.3%</td>
<td>2,236,260</td>
<td>18.9%</td>
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<td>Total Rent Revenue</td>
<td></td>
<td>6,652,460</td>
<td>6,535,918</td>
<td>116,542</td>
<td>1.8%</td>
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<tr>
<td>Percentage Rent (1)</td>
<td>35.9%</td>
<td>4,684,967</td>
<td>37.9%</td>
<td>4,292,922</td>
<td>36.3%</td>
</tr>
<tr>
<td>Direct Utilities</td>
<td>6.5%</td>
<td>785,599</td>
<td>6.4%</td>
<td>764,569</td>
<td>6.5%</td>
</tr>
<tr>
<td>Storage/Cooler</td>
<td>1.5%</td>
<td>175,483</td>
<td>1.4%</td>
<td>178,750</td>
<td>1.5%</td>
</tr>
<tr>
<td>Tenant Work Reimbursements</td>
<td>0.1%</td>
<td>13,078</td>
<td>0.1%</td>
<td>8,580</td>
<td>0.1%</td>
</tr>
<tr>
<td>Other Rentals</td>
<td>0.2%</td>
<td>27,199</td>
<td>0.2%</td>
<td>18,337</td>
<td>0.2%</td>
</tr>
<tr>
<td>Late Fees</td>
<td>0.2%</td>
<td>19,071</td>
<td>0.2%</td>
<td>26,584</td>
<td>0.2%</td>
</tr>
<tr>
<td>Total Commercial Revenue</td>
<td>100%</td>
<td>12,357,857</td>
<td>100%</td>
<td>11,825,660</td>
<td>100%</td>
</tr>
</tbody>
</table>

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

### Note 2: Residential Revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>% of total Res Rev</th>
<th>2019 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD Budget</th>
<th>YTD % Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>% of total</td>
<td>Nov</td>
<td>% YTD</td>
<td>Nov</td>
</tr>
<tr>
<td>Residential Rents</td>
<td>98.8%</td>
<td>2,965,981</td>
<td>99.0%</td>
<td>2,812,727</td>
<td>98.8%</td>
</tr>
<tr>
<td>Laundry Net of Taxes</td>
<td>0.4%</td>
<td>9,845</td>
<td>0.3%</td>
<td>12,364</td>
<td>0.4%</td>
</tr>
<tr>
<td>Other(1)</td>
<td>0.8%</td>
<td>20,465</td>
<td>0.7%</td>
<td>22,130</td>
<td>0.8%</td>
</tr>
<tr>
<td>Total Residential Revenue</td>
<td>100%</td>
<td>2,996,311</td>
<td>100%</td>
<td>2,847,221</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

(1) Other includes maintenance services, storage, rental screening & late fees

### Note 3: Daystaff Revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>% of total Day Rev</th>
<th>2019 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD Budget</th>
<th>YTD 2019 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>% of total</td>
<td>Nov</td>
<td>% YTD</td>
<td>Nov</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Day Rev</td>
<td>Actual</td>
<td>Day Rev</td>
<td>Budget</td>
</tr>
<tr>
<td>Daily Craft</td>
<td>87.1%</td>
<td>691,352</td>
<td>87.6%</td>
<td>654,000</td>
<td>86.7%</td>
</tr>
<tr>
<td>Locker Rent</td>
<td>6.8%</td>
<td>62,607</td>
<td>8.3%</td>
<td>67,953</td>
<td>9.0%</td>
</tr>
<tr>
<td>Permits</td>
<td>2.2%</td>
<td>16,180</td>
<td>2.1%</td>
<td>18,150</td>
<td>2.4%</td>
</tr>
<tr>
<td>Late Fees</td>
<td>1.9%</td>
<td>14,900</td>
<td>2.0%</td>
<td>14,600</td>
<td>1.9%</td>
</tr>
<tr>
<td>Total Daystaff Revenue</td>
<td>100%</td>
<td>755,039</td>
<td>100%</td>
<td>754,703</td>
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</tr>
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</table>
### Note 4
**Farm Revenue**

<table>
<thead>
<tr>
<th></th>
<th>2019 Total Budget</th>
<th>YTD ACTUAL</th>
<th></th>
<th>YTD BUDGET</th>
<th></th>
<th>YTD 2019</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total Surf Rev</td>
<td>Nov Actual</td>
<td>% YTD</td>
<td>Nov Budget</td>
<td>% YTD</td>
<td>$</td>
<td>%</td>
</tr>
<tr>
<td>Daily Farmer</td>
<td>45.2%</td>
<td>272,495</td>
<td>49.1%</td>
<td>243,000</td>
<td>46.1%</td>
<td>29,495</td>
<td>12%</td>
</tr>
<tr>
<td>Remote Markets</td>
<td>11.2%</td>
<td>65,135</td>
<td>11.7%</td>
<td>64,260</td>
<td>12.2%</td>
<td>825</td>
<td>1.4%</td>
</tr>
<tr>
<td>Cooler Rent</td>
<td>3.1%</td>
<td>16,001</td>
<td>2.9%</td>
<td>16,500</td>
<td>3.1%</td>
<td>(499)</td>
<td>-3.0%</td>
</tr>
<tr>
<td>Permits</td>
<td>0.6%</td>
<td>3,010</td>
<td>0.5%</td>
<td>3,500</td>
<td>0.7%</td>
<td>(490)</td>
<td>-14.0%</td>
</tr>
<tr>
<td>CSA Market Boxes</td>
<td>15.0%</td>
<td>133,871</td>
<td>24.1%</td>
<td>86,000</td>
<td>16.3%</td>
<td>47,871</td>
<td>55.7%</td>
</tr>
<tr>
<td>Specialty Crop Block Grant</td>
<td>24.9%</td>
<td>64,982</td>
<td>11.7%</td>
<td>113,687</td>
<td>21.6%</td>
<td>(48,705)</td>
<td>-42.8%</td>
</tr>
<tr>
<td>Total Farm Revenue</td>
<td>100%</td>
<td>555,494</td>
<td>100%</td>
<td>526,947</td>
<td>100%</td>
<td>28,547</td>
<td>5%</td>
</tr>
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</table>

### Note 5
**Garage Revenue**

<table>
<thead>
<tr>
<th></th>
<th>2019 Total Budget</th>
<th>YTD ACTUAL</th>
<th></th>
<th>YTD BUDGET</th>
<th></th>
<th>YTD 2019</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total Gar Rev</td>
<td>Nov Actual</td>
<td>% YTD</td>
<td>Nov Budget</td>
<td>% YTD</td>
<td>$</td>
<td>%</td>
</tr>
<tr>
<td>Parking Revenue Net of Taxes</td>
<td>99.4%</td>
<td>3,163,017</td>
<td>99.4%</td>
<td>2,473,930</td>
<td>99.3%</td>
<td>699,087</td>
<td>27.9%</td>
</tr>
<tr>
<td>Parking Reimbursement</td>
<td>0.6%</td>
<td>16,615</td>
<td>0.6%</td>
<td>16,300</td>
<td>0.7%</td>
<td>2,315</td>
<td>14.2%</td>
</tr>
<tr>
<td>Total Garage Revenue</td>
<td>100%</td>
<td>3,181,262</td>
<td>100%</td>
<td>2,490,230</td>
<td>100%</td>
<td>691,402</td>
<td>26%</td>
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</table>

### Note 6
**Miscellaneous Revenue**

<table>
<thead>
<tr>
<th></th>
<th>2019 Total Budget</th>
<th>YTD ACTUAL</th>
<th></th>
<th>YTD BUDGET</th>
<th></th>
<th>YTD 2019</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total Gar Rev</td>
<td>Nov Actual</td>
<td>% YTD</td>
<td>Nov Budget</td>
<td>% YTD</td>
<td>$</td>
<td>%</td>
</tr>
<tr>
<td>Security Service Contracts</td>
<td>11.8%</td>
<td>64,773</td>
<td>6.9%</td>
<td>65,989</td>
<td>12.6%</td>
<td>(1,216)</td>
<td>-1.8%</td>
</tr>
<tr>
<td>Management Fees[1]</td>
<td>18.2%</td>
<td>89,030</td>
<td>9.4%</td>
<td>74,554</td>
<td>14.2%</td>
<td>14,466</td>
<td>19.4%</td>
</tr>
<tr>
<td>Investment Income/Interest</td>
<td>32.6%</td>
<td>511,980</td>
<td>54.2%</td>
<td>183,647</td>
<td>35.0%</td>
<td>328,333</td>
<td>178.8%</td>
</tr>
<tr>
<td>Firm/License Revenue</td>
<td>4.1%</td>
<td>13,625</td>
<td>1.4%</td>
<td>23,150</td>
<td>4.4%</td>
<td>(9,525)</td>
<td>-41.1%</td>
</tr>
<tr>
<td>Other Revenues[2]</td>
<td>32.9%</td>
<td>265,447</td>
<td>28.1%</td>
<td>177,868</td>
<td>33.9%</td>
<td>87,579</td>
<td>49.2%</td>
</tr>
<tr>
<td>Total Miscellaneous Revenue</td>
<td>100%</td>
<td>944,855</td>
<td>100%</td>
<td>525,218</td>
<td>100%</td>
<td>419,637</td>
<td>79.9%</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 Touts and Runnagage Hall less sales tax.
### Note 7  Property Management Expenses

<table>
<thead>
<tr>
<th></th>
<th>YTD ACTUAL</th>
<th></th>
<th>YTD BUDGET</th>
<th></th>
<th>YTD 2019</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>% PM Exp</td>
<td>Budget</td>
<td>% PM Exp</td>
<td>Variance</td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td>396,967</td>
<td>21.2%</td>
<td>468,050</td>
<td>24.7%</td>
<td>71,063</td>
<td>15.2%</td>
</tr>
<tr>
<td>Residential</td>
<td>679,920</td>
<td>36.4%</td>
<td>684,137</td>
<td>36.1%</td>
<td>4,217</td>
<td>0.6%</td>
</tr>
<tr>
<td>Day Hall</td>
<td>258,117</td>
<td>13.8%</td>
<td>261,503</td>
<td>13.8%</td>
<td>3,386</td>
<td>1.3%</td>
</tr>
<tr>
<td>Garage</td>
<td>533,227</td>
<td>28.5%</td>
<td>480,757</td>
<td>25.4%</td>
<td>(52,470)</td>
<td>-10.9%</td>
</tr>
<tr>
<td>Total Property</td>
<td>1,868,251</td>
<td>100%</td>
<td>1,674,447</td>
<td>100%</td>
<td>26,196</td>
<td>1.4%</td>
</tr>
</tbody>
</table>

### Note 8  Operations Expenses

<table>
<thead>
<tr>
<th></th>
<th>YTD ACTUAL</th>
<th></th>
<th>YTD BUDGET</th>
<th></th>
<th>YTD 2019</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>% Ops Exp</td>
<td>Budget</td>
<td>% Ops Exp</td>
<td>Variance</td>
<td></td>
</tr>
<tr>
<td>Facilities</td>
<td>1,917,119</td>
<td>22.8%</td>
<td>1,939,595</td>
<td>23.0%</td>
<td>22,476</td>
<td>1.2%</td>
</tr>
<tr>
<td>Security</td>
<td>1,616,586</td>
<td>19.2%</td>
<td>1,624,282</td>
<td>19.2%</td>
<td>7,696</td>
<td>0.5%</td>
</tr>
<tr>
<td>Maintenance</td>
<td>1,149,284</td>
<td>13.6%</td>
<td>1,176,736</td>
<td>13.9%</td>
<td>27,452</td>
<td>2.3%</td>
</tr>
<tr>
<td>Capital Management</td>
<td>87,556</td>
<td>1.0%</td>
<td>81,383</td>
<td>1.0%</td>
<td>(6,173)</td>
<td>-7.6%</td>
</tr>
<tr>
<td>Utilities</td>
<td>3,041,710</td>
<td>36.1%</td>
<td>3,001,494</td>
<td>35.6%</td>
<td>(40,216)</td>
<td>-1.3%</td>
</tr>
<tr>
<td>Insurance</td>
<td>610,228</td>
<td>7.2%</td>
<td>618,525</td>
<td>7.3%</td>
<td>8,297</td>
<td>1.3%</td>
</tr>
<tr>
<td>Total Operations</td>
<td>8,422,483</td>
<td>100%</td>
<td>8,442,015</td>
<td>100%</td>
<td>19,532</td>
<td>0.2%</td>
</tr>
</tbody>
</table>

### Note 9  Administration Expenses

<table>
<thead>
<tr>
<th></th>
<th>YTD ACTUAL</th>
<th></th>
<th>YTD BUDGET</th>
<th></th>
<th>YTD 2019</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>% Adm Exp</td>
<td>Budget</td>
<td>% Adm Exp</td>
<td>Variance</td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td>1,140,755</td>
<td>47.9%</td>
<td>1,016,050</td>
<td>43.1%</td>
<td>(124,705)</td>
<td>-12.3%</td>
</tr>
<tr>
<td>Finance</td>
<td>361,473</td>
<td>15.2%</td>
<td>372,989</td>
<td>15.8%</td>
<td>11,516</td>
<td>3.1%</td>
</tr>
<tr>
<td>Office Administration</td>
<td>449,504</td>
<td>18.9%</td>
<td>463,198</td>
<td>19.6%</td>
<td>13,694</td>
<td>3.0%</td>
</tr>
<tr>
<td>Human Resources</td>
<td>148,603</td>
<td>6.2%</td>
<td>215,125</td>
<td>9.1%</td>
<td>66,522</td>
<td>30.9%</td>
</tr>
<tr>
<td>Information Services</td>
<td>279,194</td>
<td>11.7%</td>
<td>292,717</td>
<td>12.4%</td>
<td>13,523</td>
<td>4.6%</td>
</tr>
<tr>
<td>Total Administration</td>
<td>2,375,529</td>
<td>100%</td>
<td>2,360,079</td>
<td>100%</td>
<td>(15,450)</td>
<td>-0.6%</td>
</tr>
</tbody>
</table>

### Note 10  Programs Expenses

<table>
<thead>
<tr>
<th></th>
<th>YTD ACTUAL</th>
<th></th>
<th>YTD BUDGET</th>
<th></th>
<th>YTD 2019</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Actual</td>
<td>% Prg Exp</td>
<td>Budget</td>
<td>% Prg Exp</td>
<td>Variance</td>
<td></td>
</tr>
<tr>
<td>Marketing</td>
<td>481,773</td>
<td>37.6%</td>
<td>799,870</td>
<td>48.8%</td>
<td>318,097</td>
<td>39.8%</td>
</tr>
<tr>
<td>Farm Program</td>
<td>559,672</td>
<td>43.6%</td>
<td>579,726</td>
<td>35.4%</td>
<td>20,054</td>
<td>3.5%</td>
</tr>
<tr>
<td>Market Foundation</td>
<td>241,007</td>
<td>18.8%</td>
<td>259,006</td>
<td>15.8%</td>
<td>17,999</td>
<td>7.7%</td>
</tr>
<tr>
<td>Total Program</td>
<td>1,282,452</td>
<td>100%</td>
<td>1,638,602</td>
<td>100%</td>
<td>356,150</td>
<td>21.7%</td>
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</table>
## 2019 CALENDAR YEAR
### Percentage Rent Revenue By Month of Sales

<table>
<thead>
<tr>
<th>Month</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>Total</th>
<th>Approved</th>
<th>Budget</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jan</td>
<td>354</td>
<td>246,489</td>
<td>440,012</td>
<td>379,902</td>
<td>70,110</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feb</td>
<td>246,489</td>
<td>(246)</td>
<td>199,097</td>
<td>379,902</td>
<td>3,488</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mar</td>
<td>199,097</td>
<td>(1,024)</td>
<td>398,931</td>
<td>397,907</td>
<td>32,005</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apr</td>
<td>354,466</td>
<td>444,775</td>
<td>539,228</td>
<td>530,001</td>
<td>19,099</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>May</td>
<td>530,001</td>
<td>580,875</td>
<td>598,761</td>
<td>549,301</td>
<td>44,718</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jun</td>
<td>549,301</td>
<td>631,340</td>
<td>535,002</td>
<td>412,169</td>
<td>96,309</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jul</td>
<td>535,002</td>
<td>612,873</td>
<td>627,502</td>
<td>437,455</td>
<td>36,797</td>
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<td></td>
<td></td>
<td></td>
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<tr>
<td>Aug</td>
<td>437,455</td>
<td>2,140</td>
<td>343,609</td>
<td>343,555</td>
<td>1,553</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sep</td>
<td>343,555</td>
<td>10,151</td>
<td>388,477</td>
<td>341,248</td>
<td>48,346</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Oct</td>
<td>341,248</td>
<td>400,902</td>
<td>392,045</td>
<td>4,684,967</td>
<td>4,292,922</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nov</td>
<td>4,684,967</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dec</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>TOTAL</td>
<td>443,857</td>
<td>246,597</td>
<td>198,073</td>
<td>403,466</td>
<td>346,706</td>
<td>455,209</td>
<td>545,728</td>
<td>595,573</td>
<td>611,052</td>
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## 2018 CALENDAR YEAR
### Percentage Rent Revenue By Month of Sales

<table>
<thead>
<tr>
<th>Month</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Total</th>
<th>Approved</th>
<th>Budget</th>
<th>Variance</th>
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</thead>
<tbody>
<tr>
<td>Jan</td>
<td>373,903</td>
<td>373,903</td>
<td>373,903</td>
<td>373,903</td>
<td>373,903</td>
<td>350,000</td>
<td>23,903</td>
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<tr>
<td>Feb</td>
<td>33,663</td>
<td>177,758</td>
<td>174,000</td>
<td>211,421</td>
<td>211,421</td>
<td>200,000</td>
<td>11,421</td>
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<tr>
<td>Mar</td>
<td>174</td>
<td>13,231</td>
<td>200,000</td>
<td>214,313</td>
<td>214,313</td>
<td>250,000</td>
<td>35,687</td>
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<tr>
<td>Apr</td>
<td>3,517</td>
<td>1,337</td>
<td>7,268</td>
<td>537,905</td>
<td>537,905</td>
<td>325,000</td>
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<tr>
<td>May</td>
<td>(145)</td>
<td>807</td>
<td>2,016</td>
<td>17,524</td>
<td>314,611</td>
<td>350,000</td>
<td>(14,585)</td>
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<tr>
<td>Jun</td>
<td>3,984</td>
<td>12,448</td>
<td>470,675</td>
<td>487,108</td>
<td>487,108</td>
<td>510,000</td>
<td>(22,892)</td>
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<tr>
<td>Jul</td>
<td>3,041</td>
<td>9,14</td>
<td>540,921</td>
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<td>316</td>
<td>11,021</td>
<td>23,056</td>
<td>547,064</td>
<td>547,064</td>
<td>350,000</td>
<td>1,644</td>
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<td>716</td>
<td>24,391</td>
<td>415,434</td>
<td>439,825</td>
<td>439,825</td>
<td>450,000</td>
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<tr>
<td>Oct</td>
<td>2,140</td>
<td>235,000</td>
<td>1,562</td>
<td>388,477</td>
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<td>350,000</td>
<td>38,477</td>
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<td>Nov</td>
<td>3,001</td>
<td>10,741</td>
<td>355,440</td>
<td>369,982</td>
<td>369,982</td>
<td>350,000</td>
<td>19,982</td>
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<tr>
<td>Dec</td>
<td>8,709</td>
<td>323,829</td>
<td>4,673,150</td>
<td>4,673,150</td>
<td>4,673,150</td>
<td>4,615,824</td>
<td>57,326</td>
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<td>197,117</td>
<td>210,792</td>
<td>375,429</td>
<td>324,929</td>
<td>409,539</td>
<td>490,844</td>
<td>563,977</td>
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## 2017 CALENDAR YEAR
### Percentage Rent Revenue By Month of Sales

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<tr>
<th>Month</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>Total</th>
<th>Approved</th>
<th>Budget</th>
<th>Variance</th>
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</thead>
<tbody>
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<td>Jan</td>
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<td>387,815</td>
<td>387,815</td>
<td>387,815</td>
<td>387,815</td>
<td>340,000</td>
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<tr>
<td>Feb</td>
<td>5,314</td>
<td>180,152</td>
<td>185,466</td>
<td>185,466</td>
<td>185,466</td>
<td>169,500</td>
<td>15,966</td>
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<tr>
<td>Mar</td>
<td>4,049</td>
<td>3,844</td>
<td>101,982</td>
<td>195,875</td>
<td>195,875</td>
<td>215,000</td>
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<td>2,384</td>
<td>29,520</td>
<td>288,569</td>
<td>288,569</td>
<td>265,700</td>
<td>22,869</td>
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<td>1,231</td>
<td>19,952</td>
<td>298,951</td>
<td>298,951</td>
<td>310,300</td>
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<td>Jun</td>
<td>1,111</td>
<td>2,696</td>
<td>19,599</td>
<td>346,548</td>
<td>346,548</td>
<td>342,600</td>
<td>37,948</td>
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<td>3,410</td>
<td>22,040</td>
<td>429,114</td>
<td>538,900</td>
<td>538,900</td>
<td>463,100</td>
<td>75,800</td>
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<td>4,284</td>
<td>10,768</td>
<td>543,968</td>
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<td>547,300</td>
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<td>491,468</td>
<td>4,056</td>
<td>587,900</td>
<td>587,900</td>
<td>532,200</td>
<td>55,700</td>
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<tr>
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<td>1,942</td>
<td>(665)</td>
<td>12,017</td>
<td>386,058</td>
<td>386,058</td>
<td>378,300</td>
<td>7,758</td>
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<td>8,224</td>
<td>15,783</td>
<td>327,165</td>
<td>327,165</td>
<td>305,200</td>
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<td>Dec</td>
<td>2,684</td>
<td>2,367</td>
<td>30,780</td>
<td>264,329</td>
<td>264,329</td>
<td>327,828</td>
<td>(24,383)</td>
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<td>402,356</td>
<td>188,212</td>
<td>209,244</td>
<td>311,217</td>
<td>318,550</td>
<td>372,872</td>
<td>442,292</td>
<td>559,055</td>
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Capital Replace Reserve Fund Balance

Balance 12/31/2018

Surplus allocation of the prior year

Balance as of 1/1/18

Budget 2019 Contribution:

Capital Projects Spending:

CRRF Capital Reserve Balance

<table>
<thead>
<tr>
<th>Anticipated Year End Balance</th>
<th>YTD Balance (actual)</th>
</tr>
</thead>
<tbody>
<tr>
<td>15,091,597</td>
<td>15,091,597</td>
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<tr>
<td>1,321,704</td>
<td>1,321,704</td>
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<tr>
<td>16,413,301</td>
<td>16,413,301</td>
</tr>
<tr>
<td>2,974,221</td>
<td>4,792,173</td>
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<tr>
<td>(2,000,000)</td>
<td>(1,716,124)</td>
</tr>
<tr>
<td>17,387,522</td>
<td>19,489,350</td>
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</table>

2 Reconciliation of Net Operating Result (Operating Statement) to Current Year Result (Balance Sheet)

(a) Net Operating Results - Operating Statement

Total Interest Expense on Bonds       (891,232)
Recognition of Deferred WSDT Revenue, grants & gains 560,126

Net Operating Result on the Balance Sheet 6,418,286

(b) Current Year Result - Balance Sheet

6,418,286
Footnotes to Statement of Revenue and Expenditures
November 30, 2019

Capital Replace Reserve Fund Balance

<table>
<thead>
<tr>
<th>Description</th>
<th>Anticipated Year End Balance</th>
<th>YTD Balance (actual)</th>
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</thead>
<tbody>
<tr>
<td>Balance 12/31/2018</td>
<td>15,091,597</td>
<td>15,091,597</td>
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<tr>
<td>Surplus allocation of the prior year</td>
<td>1,321,704</td>
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<td>Balance as of 1/1/18</td>
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**Budget 2019 Contribution:**

- 2,974,221
- 4,792,173

**Capital Projects Spending:**

- (2,000,000)
- (1,716,548)

**CRRF Capital Reserve Balance**

- 17,387,522
- 19,488,926

2 Reconciliation of Net Operating Result (Operating Statement) to Current Year Result (Balance Sheet)

(a) Net Operating Results - Operating Statement

- Total Interest Expense on Bonds (891,232)
- Recognition of Deferred WSDT Revenue, grants & gains 560,126

Net Operating Result on the Balance Sheet 6,418,286

(b) Current Year Result - Balance Sheet

6,418,286
## November 2019 CAPITAL PROJECTS REPORT

**Revision 2**

<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>ECO</td>
<td>163450-00</td>
<td>Economy west windows</td>
<td>150,000</td>
<td>0</td>
<td>150,000</td>
<td>140,245</td>
<td>Project is complete</td>
<td>18-35</td>
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<tr>
<td>PDA</td>
<td>163765-00</td>
<td>Cameras in different locations</td>
<td>17,161</td>
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<td>17,161</td>
<td>4,283</td>
<td>Project is complete</td>
<td>18-41</td>
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<tr>
<td>GAR</td>
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<td>Skidata Upgrade</td>
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<td>331,556</td>
<td>331,556</td>
<td>324,931</td>
<td>Project is complete</td>
<td>19-04</td>
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<td>Hillclimb Bridge</td>
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<td>9,595</td>
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<td>DonUnderHardwoods</td>
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<td>14,000</td>
<td>14,000</td>
<td>10,567</td>
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<td>163824-00</td>
<td>EBS Antenna</td>
<td>0</td>
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<td>0</td>
<td>4,039</td>
<td>Project is complete</td>
<td>17-24</td>
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<td>SOA</td>
<td>163829-00</td>
<td>Soames Dunn window replacement</td>
<td>91,366</td>
<td>15,000</td>
<td>106,366</td>
<td>110,144</td>
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<td>Soames Dunn Chiller Replacement</td>
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<td>22,089</td>
<td>7,991</td>
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<td>LEL</td>
<td>163833-00</td>
<td>Leland 78 window &amp; restoration</td>
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<td>0</td>
<td>52,000</td>
<td>43,257</td>
<td>Project is complete</td>
<td>18-34</td>
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<td>SAN</td>
<td>163841-00</td>
<td>Metal Roof Coating</td>
<td>0</td>
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<td>50,000</td>
<td>38,535</td>
<td>Project is complete</td>
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<td>ECO</td>
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<td>Chairs- Goodwin Library</td>
<td>0</td>
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<td>1,000</td>
<td>424</td>
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<td>163844-00</td>
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<td>15,000</td>
<td>11,465</td>
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<td>19-07</td>
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<td>9,500</td>
<td>12,154</td>
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</tr>
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<td>FAI</td>
<td>163847-00</td>
<td>Third Section Tile</td>
<td>0</td>
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<td>25,000</td>
<td>19,607</td>
<td>Project is complete</td>
<td>19-17</td>
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<tr>
<td>GCR</td>
<td>163850-00</td>
<td>Skybridge AC Install</td>
<td>0</td>
<td>40,000</td>
<td>40,000</td>
<td>32,642</td>
<td>Project is complete</td>
<td>19-33</td>
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<td>Flower Row</td>
<td>0</td>
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<td>300,000</td>
<td>473</td>
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<td>2018 TERM ARCHITECT</td>
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<td>Intercom Replacement</td>
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<td>Garage Canopy Painting</td>
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<td>Various</td>
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<td>Corner Market rebuild lights (16)</td>
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<td>TR1 Parapet seal</td>
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<td>2,283,409</td>
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### Miscellaneous (Tenant Compensations and Commercial Tenant Improvements)

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### Contingency

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<tr>
<td>160960-00</td>
<td>Contingency for Known Projects</td>
<td>25,000</td>
<td>25,000</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>160970-00</td>
<td>Contingency for Unknown Projects</td>
<td>25,000</td>
<td>25,000</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td></td>
<td></td>
<td>50,000</td>
<td>50,000</td>
<td>0</td>
<td></td>
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### Capital Inventory

<table>
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<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>160XXX-00</td>
<td>Capital inventory</td>
<td>300,000</td>
<td>300,000</td>
<td>468,986</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td><strong>Sub-Total</strong></td>
<td></td>
<td></td>
<td>300,000</td>
<td>300,000</td>
<td>468,986</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td>748,409</td>
<td>2,000,000</td>
<td>2,748,409</td>
<td>1,716,548</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Pike Place Market QB3 Reporting Requirements:
Period 3rd quarter 2019

**Borrower: Pike Place Market QB3**

1. **QLICI Loan Interest Payments by the 5th day of every third month**
   March 5th        done
   June 5th        done
   September 5th   done
   December 5th    done

2. **Pike Place Market QB3 Financial Statements**
   Quarter 1        done
   Quarter 2        done
   Quarter 3        done
   Quarter 4        

3. **Pike Place Market QB3 Tax Return**
   Year end 2019    done

4. **Pike Place Market QB3 approved budget**
   Due Date November, 2019    Completed

5. **PPM QB3- Community Impacts Reporting**
   Due March 31:
   2019        done

6. **PPM QB3 Insurance renewal**
   Due May 1st
   2019        done

7. **Pike Place Market PDA audited financial statements**
   Year end 2018    done
Business Relationship Reporting Summary
Pike Place Market Preservation and Development Authority
As of 12/10/2019

Western Avenue Senior Housing LLC

<table>
<thead>
<tr>
<th>Compliance and Other Requirements</th>
<th>Deal Name</th>
<th>As Of Date</th>
<th>Due Date</th>
<th>Status</th>
<th>Deal #</th>
<th>Certificate of Compliance Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Western Avenue Senior Housing</td>
<td>12/31/2018</td>
<td>4/30/2019</td>
<td>Received</td>
<td>23168</td>
<td>Compliance Certificate - Exhibit 1</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Guarantor Financial Statement - Annual</th>
<th>Guarantor</th>
<th>Annual As Of Date</th>
<th>Annual Due Date</th>
<th>Annual Financial Statement Type</th>
<th>Annual Financial Statement Status</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Pike Place Market Preservation and Development Authority (POB)</td>
<td>12/31/2018</td>
<td>6/29/2019</td>
<td>Audited</td>
<td>Received</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Tax Return and Annual Financial Statement Requirements</th>
<th>Deal Name</th>
<th>Tax Return As Of Date</th>
<th>Tax Return Due Date</th>
<th>Tax Return Status</th>
<th>Annual Financial Statement As Of Date</th>
<th>Annual Financial Statement Due Date</th>
<th>Annual Financial Statement Status</th>
<th>Deal Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Western Avenue Senior Housing</td>
<td>12/31/2018</td>
<td>3/1/2019</td>
<td>Received</td>
<td>12/31/2018</td>
<td>3/31/2019</td>
<td>Received</td>
<td>23168</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Quarterly Reporting Package Requirements</th>
<th>Deal Name</th>
<th>As of Date</th>
<th>Due Date</th>
<th>Reporting Package Status</th>
<th>Deal Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Western Avenue Senior Housing</td>
<td>3/31/2019</td>
<td>4/25/2019</td>
<td>Received</td>
<td>23168</td>
</tr>
<tr>
<td></td>
<td>Western Avenue Senior Housing</td>
<td>6/30/2019</td>
<td>7/25/2019</td>
<td>Received</td>
<td>23168</td>
</tr>
<tr>
<td></td>
<td>Western Avenue Senior Housing</td>
<td>9/30/2019</td>
<td>10/25/2019</td>
<td>Received</td>
<td>23168</td>
</tr>
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</table>

<table>
<thead>
<tr>
<th>Budget Requirements</th>
<th>Deal Name</th>
<th>As of Date</th>
<th>Due Date</th>
<th>Requirement Type</th>
<th>Budget Status</th>
<th>Deal Number</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Western Avenue Senior Housing</td>
<td>YEAR 2020</td>
<td>11/1/2019</td>
<td>Required</td>
<td>Received</td>
<td>23168</td>
</tr>
</tbody>
</table>
Quarterly Project Status Report

Project Name: LaSalle Senior Housing LLC

City, State: Seattle, Washington

For the Quarter Ending: 09/30/2019

Please enclose the following documents/information with this report:
- Current rent roll and rent collection report
- Year-to-date income statement and balance sheet

A. Please answer the following questions. For all "NO" responses, provide an explanation of the current situation and all efforts undertaken to resolve the issue.

1. Are all of the project's debt service payments paid and current? ☐ Yes ☐ No

2. Are all of the project's real estate taxes paid and current? ☐ Yes ☐ No

3. Are the required reserve contributions paid as required in the partnership agreement? ☐ Yes ☐ No

4. Is all NEF-required insurance coverage in place and valid? ☐ Yes ☐ No

5. Are you on schedule to complete the year-end audit and tax return by the due date of February 28th? ☐ Yes ☐ No

B. Please answer the following questions. For all "YES" responses provide an explanation of the current situation and all efforts undertaken to resolve the issue.

6. Are there any status changes or updates on unresolved issues reported in a previous quarter for this project? ☐ Yes ☐ No

7. During the past quarter, has the Partnership or its managing general partner obtained knowledge of any event or occurrence that is asserted by any federal, state, or local government entity to be a violation of any federal, state, or local statute, regulation, or ordinance by the Partnership? ☐ Yes ☐ No

8. During the last quarter, has the partnership debt structure been modified? ☐ Yes ☐ No

9. During the last quarter, has any mortgage holder issued default notices to the partnership? ☐ Yes ☐ No

10. During the last quarter, have any insurance claims been filed? ☐ Yes ☐ No

11. During the last quarter, has the project been subject to an IRS audit or received notice that an audit will take place? ☐ Yes ☐ No

12. During the last quarter, has the project been issued any formal notices of non-compliance (Form 8823) by the allocating agency? ☐ Yes ☐ No

13. Are there any deferred maintenance issues that need to be addressed at the project? ☐ Yes ☐ No

14. Has there been or do you expect to make a change in the managing agent? ☐ Yes ☐ No

15. Has there been any adverse change in the financial condition or staffing within your organization? ☐ Yes ☐ No

16. Have there been any actions, lawsuits, arbitrations, claims, or other legal proceedings threatened or initiated against the project or the partnership? ☐ Yes ☐ No

The undersigned hereby certifies that the above information is true and correct in all respects.

Signed (General Partner)  10/07/2019

Date
## BALANCE SHEET OF PRIMARY GOVERNMENT AND DISCRETE COMPONENT UNITS AS OF:

FOR PERIOD ENDING 09/30/2019

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Pike Place Market PDA</th>
<th>Discrete Component Units</th>
<th>LaSalle Senior Housing LLC</th>
<th>Pike Place Market QB3</th>
<th>Western Avenue Senior Housing</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Current Assets:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td>$30,468,566</td>
<td>$2,136,568</td>
<td>$1,540,778</td>
<td>$248,777</td>
<td>$347,013</td>
</tr>
<tr>
<td>Receivable</td>
<td>253,085</td>
<td>8,403</td>
<td>1,815</td>
<td>-</td>
<td>6,588</td>
</tr>
<tr>
<td>Other Receivable</td>
<td>159,283</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Prepaid Expenses</td>
<td>537,129</td>
<td>199,207</td>
<td>-</td>
<td>199,207</td>
<td>-</td>
</tr>
<tr>
<td>Total Current Assets</td>
<td>31,418,063</td>
<td>2,344,178</td>
<td>1,542,593</td>
<td>447,984</td>
<td>353,601</td>
</tr>
<tr>
<td>Fixed Assets (net of depreciation)</td>
<td>147,665,959</td>
<td>30,729,950</td>
<td>6,320,144</td>
<td>16,009,668</td>
<td>8,400,138</td>
</tr>
<tr>
<td>Bond and Loan Costs (net of amortization)</td>
<td>-</td>
<td>602,202</td>
<td>292,061</td>
<td>280,663</td>
<td>29,478</td>
</tr>
<tr>
<td>Long Term Receivable</td>
<td>7,310,125</td>
<td>9,213,309</td>
<td>-</td>
<td>9,213,309</td>
<td>-</td>
</tr>
<tr>
<td>Other Assets</td>
<td>3,084,550</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Assets</td>
<td>$189,478,697</td>
<td>$42,889,639</td>
<td>$8,154,798</td>
<td>$25,951,624</td>
<td>$8,783,217</td>
</tr>
</tbody>
</table>

| LIABILITIES |                      |                          |                           |                       |                              |
| Current Liabilities | $3,801,440          | $209,178                 | $113,565                  | $16,026                | $79,587                      |
| Long Term Debt | 33,295,844          | 16,946,337               | 5,329,956                 | 10,250,000            | 1,366,381                    |
| Total Liabilities | 37,097,284          | 17,155,515               | 5,443,521                 | 10,266,026            | 1,445,968                    |
| Capital | 152,381,413         | 25,734,124               | 2,711,277                 | 15,685,598            | 7,337,249                    |
| Total Liabilities and Capital | $189,478,697      | $42,889,639              | $8,154,798                | $25,951,624           | $8,783,217                   |
### Statement of Revenues, Expenses and Changes in Net Assets As Of:

**FOR PERIOD ENDING 09/30/2019**

<table>
<thead>
<tr>
<th></th>
<th>Pike Place Market PDA</th>
<th>Discrete Component Units</th>
<th>LaSalle Senior Housing LLC</th>
<th>Pike Place Market QB3</th>
<th>Western Avenue Senior Housing</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Revenues</td>
<td>$16,353,537</td>
<td>$1,224,927.00</td>
<td>$599,656</td>
<td>$388,266</td>
<td>$237,005</td>
</tr>
<tr>
<td>Other Revenues</td>
<td>406,540</td>
<td>75</td>
<td>-</td>
<td>-</td>
<td>75</td>
</tr>
<tr>
<td>Investment Income</td>
<td>540,087</td>
<td>1,933</td>
<td>1,762</td>
<td>71</td>
<td>100</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td>17,300,164</td>
<td>1,226,935</td>
<td>601,418</td>
<td>388,337</td>
<td>237,180</td>
</tr>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Operating Expenses</td>
<td>$11,228,640</td>
<td>$743,232</td>
<td>$360,170</td>
<td>$221,564</td>
<td>$161,498</td>
</tr>
<tr>
<td>Other Expenses</td>
<td>-</td>
<td>847,512</td>
<td>339,631</td>
<td>331,507</td>
<td>176,374</td>
</tr>
<tr>
<td>Interest Expenses</td>
<td>730,648</td>
<td>223,651</td>
<td>138,051</td>
<td>85,600</td>
<td>-</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>11,959,288</td>
<td>1,814,395</td>
<td>837,852</td>
<td>638,671</td>
<td>337,872</td>
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<tr>
<td><strong>Change in Net Assets</strong></td>
<td>$5,340,876</td>
<td>$(587,460)</td>
<td>$(236,434)</td>
<td>$(250,334)</td>
<td>$(100,692)</td>
</tr>
</tbody>
</table>
### 2020 LASALLE SENIOR HOUSING LLC - Operating Budget

#### REVENUE

<table>
<thead>
<tr>
<th>Description</th>
<th>2020 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rental Income</td>
<td>$764,725</td>
</tr>
<tr>
<td>Late Fees / Service Charges</td>
<td>$419</td>
</tr>
<tr>
<td>Laundry</td>
<td>$3,400</td>
</tr>
<tr>
<td>Maintenance</td>
<td>$600</td>
</tr>
<tr>
<td>Interest Income</td>
<td>$2,600</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>$771,744</td>
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</table>

#### EXPENSES

<table>
<thead>
<tr>
<th>Description</th>
<th>2020 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary</td>
<td>$93,000</td>
</tr>
<tr>
<td>Utilities</td>
<td>$162,000</td>
</tr>
<tr>
<td>Maintenance &amp; Facilities</td>
<td>$81,000</td>
</tr>
<tr>
<td>Contract Services</td>
<td>$28,500</td>
</tr>
<tr>
<td>Management Fees</td>
<td>$63,000</td>
</tr>
<tr>
<td>Administrative</td>
<td>$34,000</td>
</tr>
<tr>
<td>Insurance &amp; Taxes</td>
<td>$54,000</td>
</tr>
<tr>
<td>Marketing</td>
<td>$2,200</td>
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<tr>
<td>Miscellaneous Expenses</td>
<td>$10,000</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td>$527,700</td>
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</table>

**NET SURPLUS** $244,044

#### RESERVES

<table>
<thead>
<tr>
<th>Description</th>
<th>2020 Budget</th>
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</thead>
<tbody>
<tr>
<td>Minimum Requirement of Contribution to Replacement Reserve</td>
<td>$31,479</td>
</tr>
<tr>
<td><strong>TOTAL RESERVES</strong></td>
<td>$31,479</td>
</tr>
</tbody>
</table>

**NET SURPLUS AFTER RESERVES** $212,565

#### DEBT SERVICE

<table>
<thead>
<tr>
<th>Description</th>
<th>2020 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Washington State Housing(must pay)</td>
<td>$26,000</td>
</tr>
<tr>
<td>Asset Management Fee</td>
<td>$4,300</td>
</tr>
<tr>
<td>Company Management Fee</td>
<td>$29,370</td>
</tr>
<tr>
<td><strong>TOTAL DEBT SERVICE - Contingent</strong></td>
<td>$59,670</td>
</tr>
</tbody>
</table>

**NET SURPLUS AFTER DEBT SERVICE** $152,895

**ADDITIONAL CONTRIBUTION TO REPLACEMENT RESERVE** $152,895
### 2020 WESTERN AVENUE SENIOR HOUSING LLC - Operating Budget

<table>
<thead>
<tr>
<th>Revenue:</th>
<th>2020 Budget</th>
<th>2019 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Rent</td>
<td>$319,626</td>
<td>$312,792</td>
</tr>
<tr>
<td>Vacancy</td>
<td>(9,588)</td>
<td>(9,384)</td>
</tr>
<tr>
<td>Rent Revenue</td>
<td>$310,038</td>
<td>$303,408</td>
</tr>
<tr>
<td>Laundry Revenue</td>
<td>$2,700</td>
<td>$3,000</td>
</tr>
<tr>
<td>Other Revenue</td>
<td>$1,500</td>
<td>$2,000</td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$314,238</strong></td>
<td><strong>$308,408</strong></td>
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</table>

<table>
<thead>
<tr>
<th>Expenses:</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Management Onsite</td>
<td>$31,259</td>
<td>$31,205</td>
</tr>
<tr>
<td>Electricity</td>
<td>$39,193</td>
<td>$24,116</td>
</tr>
<tr>
<td>Water &amp; Sewer</td>
<td>$20,000</td>
<td>$20,000</td>
</tr>
<tr>
<td>Garbage Collection</td>
<td>$2,500</td>
<td>$10,000</td>
</tr>
<tr>
<td>Pest Control</td>
<td>$6,500</td>
<td></td>
</tr>
<tr>
<td>Gas</td>
<td>$2,500</td>
<td></td>
</tr>
<tr>
<td>Landscaping</td>
<td>$1,000</td>
<td>$1,000</td>
</tr>
<tr>
<td>Contract Repair</td>
<td>$22,141</td>
<td>$21,000</td>
</tr>
<tr>
<td>Maintenance and Janitorial</td>
<td>$21,290</td>
<td>$21,290</td>
</tr>
<tr>
<td>Management Offsite</td>
<td>$30,255</td>
<td>$22,919</td>
</tr>
<tr>
<td>Insurance</td>
<td>$25,963</td>
<td>$22,250</td>
</tr>
<tr>
<td>Accounting/Compliance</td>
<td>$10,000</td>
<td>$16,632</td>
</tr>
<tr>
<td>Marketing</td>
<td>$1,800</td>
<td>$1,500</td>
</tr>
<tr>
<td>Other</td>
<td>$11,000</td>
<td>$4,000</td>
</tr>
<tr>
<td>Replacement Reserve</td>
<td>$14,000</td>
<td>$14,000</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$239,401</strong></td>
<td><strong>$209,912</strong></td>
</tr>
</tbody>
</table>

| Net Operating Result            | $74,837     | $98,496     |
| Asset Mng Fee                   | $5,579      | $4,700      |
| Deferred Developer Fee          | $33,547     |             |
| **Net Cash**                    | 69,258      | 60,249      |

| Expense Coverage Ratio          | 1.31        | 1.47        |
PIKE PLACE MARKET QB3
2020 BUDGET

<table>
<thead>
<tr>
<th>REVENUE</th>
<th>2020 Budget</th>
<th>2019 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>Master Lease Revenue</td>
<td>$ 404,309</td>
<td>$ 392,533</td>
</tr>
<tr>
<td>Transfer from Reserves</td>
<td>41,000</td>
<td>41,000</td>
</tr>
<tr>
<td><strong>Total Income</strong></td>
<td><strong>445,309</strong></td>
<td><strong>433,533</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>EXPENSES</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Administrative Costs</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Expenses on Loan A</td>
<td>81,398</td>
<td>81,398</td>
</tr>
<tr>
<td>Interest Expense on Loan B</td>
<td>32,736</td>
<td>32,736</td>
</tr>
<tr>
<td>Reimbursement to PPM PDA</td>
<td>304,691</td>
<td>291,571</td>
</tr>
<tr>
<td><strong>Total Payments</strong></td>
<td><strong>418,825</strong></td>
<td><strong>405,705</strong></td>
</tr>
</tbody>
</table>

| Cash Surplus                | $ 26,484    | $ 27,828    |


Vacancies still below budget of 3% ($10,300 per month). Normal transfers and turnover.
HIGHLIGHTS

COMPLIANCE / HUD

- Annual HUD compliance file review – Stewart House and LaSalle completed in November and December – above average results, no significant issues
- Preparing files for 2019 annual Tax Credit reports (LaSalle and WASH)
- HUD building condition review (REAC) expected in January
- HUD required upgrades on software submittals pending, no firm date
- Market House rent increase from HUD – 1% for 2019
- Updates in documentation requirements from HUD related to tenants
- Washington State – revisions to mandatory notices on late payment notices
- Monitoring potential landlord-tenant rules changes under consideration at Seattle City Council

BUILDING AND STAFF ISSUES

- Working with senior center case managers on specific health, safety and housekeeping issues for several tenants
- Annual fair housing training for staff scheduled (on line)
- Unit turnovers proceeding very smoothly with great response from Maintenance
- Pest control – no major issues
- Stewart House – building intercom replacement nearly complete
- Sanitary Market – Atlas internet extension still in planning stages
- LaSalle – stair and common area deep cleaning
- LaSalle – new entry signs to be installed
- Stewart House – monitoring on-going house rules issues with a number of tenants

RESIDENT INVOLVEMENT

- Holiday parties for all residents – November and December well attended
- Carpet cleaning for LaSalle units to be scheduled
December 2019 PDA Report

Our mission is to nurture a thriving Market community.

Values: Collaboration, Inclusion, Respect, Optimism, Gratitude

Holiday Campaign

The season of giving is in full swing. We raised more than $40,000 on Giving Tuesday thanks to our Market Merchant Matching Pool. We have a few more weeks this year to reach our goal. Please give generously this holiday season and help others find their sense of home at Pike Place Market.

Donate: pikeplacemarketfoundation.org/give

Thank you to our Giving Tree drive hosts:
- Residential: 1521, Newmark, Olive 8, Via 6, Market Court, Four Seasons
- Corporate: Fairmont Olympic Hotel, Moxi Works, The Seneca Group, Axio, Hewitt Architects
- Plus, hundreds of Individuals!

Recent Tours & Outreach:
- Downtown Seattle Association
- Taiwanese delegation from the City of Changhua
- State Farm, downtown office employees