PDA Council Meeting Agenda

Date: Thursday, August 31st, 2017
Time: 4:00 p.m. – 6:00 p.m.
Location: The Classroom
Committee Members: Matt Hanna (Chair), Rico Quirindongo (Vice-Chair), Gloria Skouge, David Ghodossi, James Savitt, Betty Halfon, Patrice Barrentine, Ray Ishii, Colleen Bowman, Paul Neal, Devin McComb, and Mark Brady

4:00pm I. Administrative: Chair
   A. Approval of Agenda
   B. Approval of the PDA Council Meeting Minutes for July 27th, 2017
   C. Approval of the Special PDA Council Meeting Minutes for August 10th, 2017

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

4:10pm III. Programs and Information Items Chair
   A. Council Chair Report
   B. Executive Director’s Report
   C. Committee Chair Report
   D. Other Reports

4:25pm IV. Key Issues Presentation and Discussion Items
   A. Overlook Walk Design Updates
   B. Executive Director Search Firm Recommendation
   C. Market Foundation Services Agreement

5:10pm V. Closed Session
   A. Review of Market Foundation Services Agreement, RCW 42.30.140 (4)(b)
   B. Collective Bargaining Agreement, RCW 42.30.140 (4)(b)
   C. Review of License Agreement, RCW 42.30.110 (c)
      New License – Chief Seattle Club, 1901 Western Ave/Pavilion

5:40pm VI. Resolutions and Other Action Items (Old and New Business) Chair
   A. Consent Agenda
      Proposed Resolution 17-41: Authorization for Contract Authority – Install Commercial Storage Units in MarketFront Garage
      Proposed Resolution 17-43: Employee Medical and Dental Coverage 2017-2018
Proposed Resolution 17-44: Lease Proposals August 2017
Proposed Resolution 17-45: Establishment of Executive Director Hiring Committee
Proposed Resolution 17-46: Approval to Rename the MarketFront Committee

B. **New Business**
   Proposed Resolution 17-39: License Agreement

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<td>5:50pm</td>
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Thursday, July 27, 2017
4:00 p.m. to 6:00 p.m.
The Classroom

Committee Members Present: Matt Hanna, Rico Quirindongo, David Ghoddousi, Colleen Bowman, Ray Ishii, Patrice Barrentine, Ann Magnano, Patrick Kerr, Gloria Skouge

Staff/Consultants Present: Ben Franz-Knight, Debra Benn, John Turnbull, Jennifer Maietta, Jay Schalow, CJ Holt, Natalie Quick, Karin Moughamer

Others Present: Chris Scott, Howard Aller, Joan Paulson, Mark Brady, Bob Messina, Matthew Steinbrueck, Jay Barroh, Ron Rubacher, Ali

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

I. Administrative
   A. Approval of the Agenda
      The agenda was approved by Acclamation
   B. Approval of the June 29, 2017 PDA Council Meeting Minutes
      The June 29, 2017 PDA Council Meeting Minutes were approved by Acclamation

II. Public Comment Including the Market Community
Bob Messina commented that he attended last week’s open house hosted by the Office of the Waterfront, where the latest designs of Overlook Walk were presented. He recommended the PDA follow the plans for the Overlook Walk stating he doesn’t believe the solid wall design for the lower levels is a good design feature and it will affect the Market atmosphere.

Chris Scott shared the results of the Constituency election: 82 votes with Mark Brady elected to the PDA Council, with ratification in August.

Matthew Steinbrueck addressed the line issue, referencing historical background since 1989 and noting “disruptive hawking is specifically prohibited” which is stated in the Merchandising Standards. Steinbrueck feels that certain vendors are violating the principles of the Market and will continue to address these issues at Council.

Ron Rubacher, a petty cab driver, asked the PDA to reconsider allowing petty cab drivers to pick up clients in front of the Information Desk.

Joan Paulson shared information from the recent Seattle City Council meeting in which the Seattle Aquarium reported at-capacity attendance. Paulson noted that the removal of the hillclimb skybridge is counterproductive to these numbers and will affect Pike Place Market business. She asked that the skybridge be maintained. Joan also stated that costs for the 1st
Avenue Streetcar have increased and believes that we don’t need a rail system on 1st Avenue but that an electrified overhead system is better and more cost effective. Lastly, Joan recommended the PDA not cut the community transit pass that was recommended in the current budget revisions. She suggested the PDA set up an operations reserve account.

Ali, a Market business employee, supports keeping the community transit program and stated that it’s important to the employees at Pike Place Market. She urged the PDA to think of this as an investment as opposed to something that has to be cut. Ali passed around a sheet filled with names of Pike Place Market employees who want to keep the program. She noted that she looks forward to attending more meetings but asked if they could start later so more people could come after Market businesses closes.

Chris Scott noted the community transit topic will be on the August Constituency agenda.

Howard Aller shared that SDOT contacted him for a meeting regarding access to the future 1st Avenue Streetcar and they are scheduled to meet in early August.

III. Programs and Information Items
A. Council Chair Report
Matt Hanna attended the Open House for the Overlook Walk. The latest renderings will be sent to Councilmembers. Office of the Waterfront will brief the council during at the next Council meeting. In addition, Matt, Rico Quirindongo and Ben Franz-Knight are meeting with Office of the Waterfront to learn more about Pike|Pine renaissance. Executive Committee discussions have included conversations on redefining MarketFront Committee’s focus and suggested Market Connections as a new name and mandate. An update on new Councilmembers was provided, including welcoming Mark Brady from the Constituency, as well as Paul Neal and Devin McComb. In addition, Committee Chair’s will be reaching out to Councilmembers to reassign or confirm Committee seats.

Matt Hanna thanked Ann Magnano (16 years) and Patrick Kerr (12 years) for their service to the PDA Council with kind words, highlighting their years of service and commitment to the work of the Council. Ben Franz-Knight also thanked Ann and Pat and shared stories of his first encounter with each of them.

David Ghoddousi read a letter he wrote in recognition of Patrick Kerr’s service to the Council.

B. Executive Director’s Report
Ben Franz-Knight noted that July was a busy month and started by sharing his thoughts that there has been a resurgence of local residents visiting the Market due to the opening of MarketFront. Franz-Knight continued by noting that he’s working on closing out the MarketFront project by completing the compliance letter. He highlighted four obligations that remain per the Development Agreement that the PDA will need to continue to work with the City on. They are: 1. Stairs under the existing viaduct; 2. Relocation of the cooling stacks; 3. Lowest level connection to the garage; 4. Operation and maintenance.

Ben Franz-Knight provided an update on Steinbrueck Park connection. The PDA is waiting for the signed revocable parks permit and once received (estimate is two weeks) work will start. Lastly,
the Union voted to approve the contract and the Council will receive the contract for approval in August.

C. Committee Chair Report
None.

D. Other Reports
None.

IV. Key Issues Presentations and Discussion Items
A. Streetcar Update
CJ Holt, SDOT project manager and Natalie Quick, project consultant, presented on the current status of the Center City Connector which connects the three existing downtown streetcars. The presentation focused on the Pike Place Market research and the changes made to the design as a result. CJ noted that the team is at roughly 90% design.

New design and project changes are responding directly to feedback from the Market, including:
- Preservation of left turn on Pike St.
- Preservation of loading on First Ave and study findings
- Helping create greater loading efficiencies within Pike Place
- Expanding commercial load zones and passenger load zones adjacent to the Market
- Minimizing station shelter design to blend with historic Market features
- Voluntarily implementing construction moratorium from May – September annually in front of Pike Place Market

A map of the current lines and new City Center Connector lines was shared. When the lines are connected, the models indicate ridership will triple, and the plan is to have streetcars running every five minutes.

Natalie Quick provided an update on conversations and outreach that has been taking place in the community to better understand the unique needs of the Market. She noted that construction will start in the fall at the south end of the line in Pioneer Square.

CJ Holt continued by discussing special considerations for the Market, focusing on parking and loading considerations. The research showed that the loading zones on 1st Avenue and Pike are utilized all day even though the loading is permitted for 9-11 am. The loading zone under the pergola is underutilized. The special considerations include:
- Preservation of left turn into Pike Place
- Implementing efficiencies to help maximize loading opportunities in and around the Market
  - Increase commercial loading at Pike Place and expand hours
  - Add new passenger load zones at 1st and Pine St.
  - Add new passenger load zone on Western Ave.
  - Extend commercial load zone on 1st Ave. and Stewart St.
- Preservation of loading on 1st Avenue
  - Will remove during construction and reinstate after
Will monitor and provide full report on other interim loading measures. If interim measures prove effective, will consider removal.

- Exploring flexibility for Market vendors with non-commercial vehicles
- No construction from May to September in front of Market

A conversation continued discussing the loading zones on 1st Avenue and under the pergola on Pike. CJ noted that there is capacity along Pike Street for more commercial loading if the parking regulations are changed. Ben Franz-Knight said that the challenge facing Market vendors is that some use their own personal cars for deliveries so the Market will need to develop a permit/plaque/sticker to identify Market-associated vehicles. Matt Hanna suggested conducting outreach to commercial truck drivers to understand their use of Market parking.

Colleen Bowman reiterated that a lot of Market vendors utilize their own cars for deliveries.

David Ghoddousi asked if the loading zone times along 1st Avenue could be extended and experiment with allowing deliveries all day once the streetcar is open.

A conversation continued discussing loading zone options, left turn from 1st Avenue to Pike Street, construction schedule, challenges facing Market vendors, Metro Access pick-up locations and possible changes to the design. Patrice Barrentine noted her concern if deliveries for businesses in the Corner Market and Sanitary Building are relegated to under the pergola. She wondered if the loading zone could be moved to the north side of Pike rather than the south side.

Colleen Bowman asked for examples of changes to businesses along the three existing streetcar lines to get a better sense of what might happen once this line is open.

Ann Magnano noted how much congestion is in Seattle, providing an example of the South Lake Union Streetcar not moving on Mercer. CJ Holt said the Streetcar system will be nimble and allow conductors to make changes in the moment and there is flexibility in controlling traffic lights.

CJ Holt continued by discussing the current design of the Pike Station, including the shelters and construction materials. The construction schedule was reviewed, noting that utility construction has already started and will continue up to 2019. Streetcar construction will start Q3 2018, with construction finishing in Q4 2019.

During construction:

- On-street parking will be removed prior to construction in each segment
- No construction during holiday moratorium
- Work includes:
  - Land closures, detours, and noise/vibration
- Parking / loading will not change until construction begins in front of Market (2018 and 2019)
- Voluntarily implementing construction moratorium in front of the Market from May – September
Next Steps

- Seattle Design Commission unanimous approval
- Final Pike Place Market Historic Commission meetings this summer
- Construction / ground breaking this fall with utility relocation in Pioneer Square
- Continued community briefings
- Tabling events and door-to-door
- One-on-one meetings with adjacent and nearby property owners
- Regular email updates

Natalie Quick offered to return and present in more detail the business case, a more in-depth quarter-by-quarter construction schedule, or design elements.

David Ghoddousi asked about how the design works with bicycles. CJ Holt noted they have been working with the bike community. There will be general purpose lanes on the outside of the curb lane.

Colleen Bowman noted that people in the community are scared about these changes. Some businesses are concerned about the loss of sidewalk cafes and fear of jay walking tickets along Pike Street. CJ Holt stated that there are no plans to make changes to sidewalk cafes.

Howard Aller stated that he was deeply offended that SDOT had already decided where the Metro Access pick-up location. He referred to his earlier comment about having set up a meeting to discuss this issue and will follow-through with that meeting but wasn’t hopeful any changes would come of it.

B. Proposed Revisions to 2017 PDA Budget

Ben Franz-Knight presented on the 2017 Budget, noting that revenue is growing, but slower than the last few years (1-2% growth), and that garage revenue is well below budget for the first two quarters (although revenue is up in July compared to 2016). Franz-Knight focused on the importance of keeping the Capital Reserve and Replacement Fund. The proposed budget adjustments and expense reductions ($387,247) were reviewed, including the most controversial aspect, cutting the community transit subsidy program. The adjustment also includes reduction of capital projects spending.

i. Proposed Resolution 17-38: Approval of Mid-Year Adjustments to 2017 PDA Operating and Capital Projects Budgets

Ray Ishii moved the proposed resolution and David Ghoddousi seconded the motion.

David moved to amend the resolution, changing the last paragraph to read “...attached hereto as Exhibit A except for elimination of the Community Transit Subsidy Program.”

Patrick Kerr seconded the proposed amendment.
Ray Ishii noted that there might be opportunity to include the Community Transit Program in 2018 budget discussions if it were deemed important. He also noted that he felt staff had done due diligence to arrive at this decision.

Colleen Bowman asked if there was a way to explore creative options in order to keep this program, possibly increasing out-of-pocket for those interested. She also noted that many people in the community did not know about this and there are more people who would buy into it.

David Ghoddousi noted that this is a positive program and asked why there wasn’t more discussion to analyze options. He also asked how to expand the program to include the 150 more people that are interested. David asked Ben Franz-Knight if he had talked with the City to identify possible other packages available to the Market community.

Ben Franz-Knight responded stating that he has done extensive research into the viability of this program and the PDA cannot support travel expenses for non-PDA employees when the PDA is laying off people. The program does not allow a sponsor to vary the amount supported, so it cannot decrease. There are other programs available (ORCA Lift) to individuals and businesses that are similar to the one being cut. Franz-Knight said he has called Commute Seattle but has not heard back. Another idea is to explore options for the Constituency to sponsor a community transit subsidy program.

Patrice Barrentine suggested asking the Market Foundation to help spread the word about Orca card options to the Market Community and noted that this program is really meaningful to the people who work at the Market.

Ann Magnano suggested including information on the ORCA Lift program in the Market Insider or putting together a special bulletin to distribute to the Market Community.

Rico Quirindongo asked if the Community Transit Subsidy were maintained, would that reduce the amount contributed to the CRRF. Ben Franz-Knight responded that would be one option.

Patrick Kerr suggested reducing parking rates by $1 per hour, which might increase parking enough to increase overall parking revenue.

Patrice Barrentine asked if we knew how many people that are enrolled in the Community Transit Subsidy Program would qualify for ORCA Lift, thereby reducing the amount the PDA would need to pay. Ben Franz-Knight responded stating that he doesn’t have any data on that but thought many people would qualify for ORCA Lift.

Matt Hanna recommended the Council and PDA consider reviewing the Community Transit Program as a stand-alone proposition rather than as its original intention to solve the issue of the removal of early bird parking.
V. Resolutions and Other Action Items (Old and New Business)
   A. Consent Agenda
      i. Proposed Resolution 17-35: Additional MarketFront Tennant Improvement Funds: indi chocolate

   All proposed resolutions were approved by acclamation.

VI. Further Public Comment
   Ali spoke about the lack of communication around the PDA and Constituency with people who work at the Market. She shared her experience working at the Market and the challenges living in Seattle. She was disappointed the Community Transit program won’t continue and to consider employees in future PDA votes.

   Chris Scott asked for the PDA to invite a representative from King County to talk about the ORCA Lift program to Market employees.

   Joan Paulson commented on the PDA staff layoff notices and talked about the challenges of installing a streetcar along 1st Avenue and the effects it will have on traffic. Joan does not want to see a fixed car trolley along 1st Avenue.

   Mark Brady commended that Market employees who would take advantage of early bird parking rates need to park longer than 10 hours and are penalized for parking over the allotted time.

VII. Concerns of Committee Members
   Ann Magnano noticed very few shopping bags as she walked through the Market. However, in the winter, she sees more shopping bags. She wondered what we could do to get more people
buying things, therefore more shopping bags, during the summer. Ann also reflected that many people she has talked to have enjoyed the new MarketFront.

Colleen Bowman asked how quickly the PDA can mobilize to come up with solutions to the ending of the Community Transit Subsidy Program.

Ben Franz-Knight said he’s already starting to think about available options and this topic will continue to be addressed at Finance and Asset Management Committee meetings.

Rico Quirindongo asked if a transportation related topic, such as the Community Transit Subsidy Program, should be discussed at MarketFront/Market Connections Committee meetings. Matt Hanna suggested discussing it at the Executive Committee meeting.

Ann Magnano recommended discussing transportation issues at Market Connections Committee meetings.

Ray Ishii appreciates that the Council is open to honest dialogue on difficult topics but it would be enhanced if we would remember to be respectful to each other and respectful of the PDA staff for the work that they do.

VIII.  Adjournment
The meeting was adjourned at 6:25 p.m. by Matt Hanna, Chair.

Meeting minutes submitted by:
Karin Moughamer, Executive Administrator
Pike Place Market Preservation and Development Authority (PDA)
Thursday, August 10th, 2017
3:00 p.m. to 4:00 p.m.
Elliott Bay Room

Committee Members Present: Rico Quirindongo, Devin McComb, David Ghoddousi, Colleen Bowman, Matt Hanna, Betty Halfon, Paul Neal, Gloria Skouge, Patrice Barrentine

Other Council Members Present:

Staff Present: Ben Franz-Knight, Erica Bates, Karin Moughamer

Others Present: Howard Aller, Chris Scott, Joan Paulson, Bob Messina, Mark Brady, Christine Vaughan, Sharron Shaw

The meeting was called to order at 3:03 p.m. by Matt Hanna, Chair.

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

Rico Quirindongo entered the meeting at 3:15 pm.
Patrice Barrentine entered the meeting at 3:57 pm

II. Announcements and Community Comments
Howard Aller would like to remind the Council that the Market is the Market but that in searching for the new Executive Director, the Market is much more than just a market and to choose people for the selection committee to represent the voice of the non-mercantile.

Joan Paulson commented on the words used in the Press Release, noting that important words such as “neighborhood,” “community,” “growth,” and “expansion” were used several times. While other descriptive words such as “historic,” “preservation,” “leadership,” and others were used less frequently. To Paulson, this indicates a top-down approach of making the magic happen at the Market isn’t going to happen, especially if an international approach to finding a replacement is implemented. She believes the next Executive Director will come locally and not from a national search. Joan asked the PDA to consider bottom-up decision making rather than a top-down and to evaluate not based on the bottom line but common sense.

Bob Messina wishes the Council good luck and encouraged the Council to take their time. He asked what the Council will do if the chosen candidate is not available. Bob noted that this person will need to be able to handle complex community solutions.
III. **Key Issues Presentation and Discussion Items**

Matt Hanna reflected on the hiring of Ben Franz-Knight seven years ago. He was selected because he could engage with the community and fold their input into outcomes for the Market. Franz-Knight demonstrated those abilities in the interview process and Hanna noted Ben was a rare candidate that possessed the above qualities plus the ability to run a business. Hanna concluded by stating it will be difficult to find a candidate with that skill set but asked the Council to be reflective of the process and the qualities the Council would like to see replicated in the next Executive Director.

A. Executive Director Nomination Committee

Matt Hanna proposed Rico Quirindongo to chair an ad hoc hiring committee to lead the search for hiring a new Executive Director. Hanna noted that 1) this committee will require a fair amount of work, including interviewing and selecting the search consultant, gathering input, working with the Market community, identifying candidates, providing feedback, and conducting interviews. This is a significant commitment and process; and 2) Councilmembers understand that the ad hoc committee conducts the work that needs to be done but that any substantive decisions will be reviewed and decided on by the full Council.

Rico Quirindongo spoke to his experience in HR, sitting on boards and conducting leadership searches. Rico asked for background information on previous Executive Director searches in order to help inform the process. It will be important to hire an outside consultant to help with the search and interview process but that the committee will need to set the criteria for working with the consultant. He would like to move forward setting the first meeting to review consulting firms for next week.

Devin McComb agreed with hiring a consulting firm to assist in the search process and recommended a structured panel interview process.

David Ghoddousi would like to participate in the search process and hopes to see as many qualified candidates as possible. He stated the Council will need to decide on whether to engage in a local or national search.

Colleen Bowman expressed her interest in being a member of the ad hoc committee and suggested the Council start broad with the search.

Betty Halfon likes the idea of a national search and organizing an ad hoc committee. She believes that a lot of candidates should be considered and that the ideal candidate is diversified enough to be able to handle all of the actions of the Market. She does not want to see an Interim Director and would like to see someone hired before Ben Franz-Knight leaves but realizes that will be a difficult task. She will not be able to join the committee.

Paul Neal believes the ad hoc committee is the right way to go and appreciates the definition of the scope of work between the committee and full Council. He recommends hiring a search firm and in his experience it pays off and works well.

Gloria Skouge would like to serve on the ad hoc committee and believes a national search is necessary and it would be great to hire the same search firm that found Ben. Ben Franz-Knight believes that firm has dissolved but that Bruce Jensen may be doing consulting work.
Matt Hanna confirmed that Rico Quirindongo will chair the Ad Hoc Committee and will be joined by David Ghoddousi, Colleen Bowman, Gloria Skouge, Jim Savitt, and himself. Matt will follow-up with Patrice Barrentine, Ray Ishii and Mark Brady to gauge their interest.

Matt Hanna asked Rico Quirindongo and Karin Moughamer to work together to set the first meeting for next week.

Matt Hanna suggested that the consultant be tasked with providing information on conducting either a national or local search and suggested that where a consulting firm posts the job listing is more relevant to the process.

Rico Quirindongo asked if the Council is conceptually in agreement to have a new Executive Director in place within three months. Matt Hanna states that is his hope. Rico continued by providing his thoughts on what the timeline would need to look like in order to accomplish that.

Paul Neal asked if the goal is to have someone sitting in the Executive Director chair or to have someone selected within three months.

Rico Quirindongo believes the goal should be to have completed the selection process.

Erica Bates and Ben Franz-Knight confirmed that it took six months last time to hire the ED.

Matt Hanna believes it is a good goal to have someone selected within three months, however, the process will not be compromised in order to make that happen. The timeline will adjust as the process proceeds.

B. Executive Director Search Process (covered above)

C. Leadership Search Firm Recommendations

Ben Franz-Knight provided background on some initial firms recommended by colleagues and from past experience. Several are national, such as DHR, with experience with BIA’s. Spencer Stuart is more focused on the West Coast and was utilized by the Downtown Seattle Association. Waldron has been used by FareStart and is a local firm.

Erica Bates noted that Waldron focuses on non-profits, while Prothman’s focus is city government. She believes both to be competitive.

None of the Council members present have experience with any of these consulting firms.

Betty Halfon would like to know how each of these companies conducts their search.

Matt Hanna does not suggest drafting an RFP for a hiring firm. He recommends that Erica Bates and Ben Franz-Knight collect additional information on each of the above firms for review by the Council.
Erica Bates agrees with Matt and does not recommend an RFP but does agree getting more information on each of the recommended firms. Matt Hanna suggests Erica and Rico work together to gather the information.

Rico Quirindongo asked the Council for suggestions on what criteria could be asked of each firm, such as what their process is, what the breadth of the search is and what is their success rate, so firms can be compared.

Matt Hanna asked Councilmembers to reach out to their networks for additional consulting firm recommendations by Friday as well as to provide additional criteria that could be used to interview consulting firms.

Colleen Bowman suggested another criteria is knowing who the Council would be working with at the consulting firm and what their availability is.

Betty Halfon recommended updating Councilmembers on the process via email.

Matt Hanna asked the Council to be cautious about weighing in over email. Updates can be provided to Councilmembers but business cannot be conducted otherwise it’s in violation of the open meeting rule.

IV. Closed Session
None.

V. Open Session

VI. Public Comment and/or Concerns of Committee Members
Mark Brady recommended reviewing the interview questions from the last two Executive Director’s hiring. He is also interested in serving on the committee.

Sharron Shaw asked who from the PDA will step in as the role of Executive Director if nobody is hired upon Ben Franz-Knight’s departure. Matt Hanna responded that he is not prepared to answer that question but provided some ideas, including an interim director with limited decision making.

Christine Vaughan suggested that the right person is more important than a fast process.

Bob Messina asked if the Council isn’t already setting themselves up for rushing the process. He believes the Council deserves a longer timetable.

Joan Paulson suggested using the retreat as a way to pull information for the new Executive Director, such as expectations for 2018 and beyond so that it is a participatory process. Joan pointed out there are other major projects taking place in Seattle that will have an effect on the Market and gathering all those projects in one place for the new Executive Director could help them in their work.
Howard Aller reiterated this is the most important job the Council has before them and that the Council needs to hire the next Executive Director in three months, doing the very best job the Council can in the allotted time.

Chris Scott would like to see a strong input from Market stakeholders – Daystall, Foundation, Friends of the Market, Constituency – in the search.

Rico Quirindongo believes there is no more important job facing the Council than hiring the next Executive Director and it will take careful consideration. He continued by providing ideas on the process and timeline, which he believes will be addressed at multiple points in the process.

Colleen Bowman asked if there was anything to consider in preparation for the ad hoc committee.

Rico Quirindongo will put together a short timeline of the next four weeks and the components that will need to be collected, including stakeholder contacts (he asked Chris Scott to email those to him) and a list of what the criteria for consultants might be.

Colleen Bowman suggested thinking about what the challenges of the future Market will be.

Matt Hanna believes a good consultant will suss out those important questions. The first set of issues is to identify the consulting firm and why or why not a consultant would be good for the Market.

Erica Bates recommended that the meeting next week be used to interview consulting firms. A consultant will help the Council with the process.

Matt Hanna recommended Rico Quirindongo consider that option.

Mark Brady asked if October 27th is a definite end date for Ben Franz-Knight.

Matt Hanna stated there is some flexibility but that conversation needs to take place off the record due to negotiations with Franz-Knight’s future employer.

Patrice Barrentine suggested it might be worthwhile to push back consultant interviews a week in order to add to the list and conduct those interviews at the same time. She might be interested in the Ad Hoc Committee.

Matt Hanna thanked everyone for making time to attend the meeting on short notice.

VII. Adjournment

The meeting was adjourned at 4:06 p.m. by Matt Hanna, Chair

Meeting minutes submitted by:
Karin Moughamer, Executive Administrator
Section II:

Programs and Information Items
Executive Director’s Report
August 2017

Date: August 25, 2017
To: PDA Council
From: Ben Franz-Knight
Subject: Executive Director’s Report – August 2017

SUMMARY

August was a strong month in the Market with good weather and large volumes of visitors. After a slow start farmers are now seeing the bounty from the first full summer harvest. Multiple commercial tenants that were closed for major renovations during the spring are back in full swing including Michou and the Pink Door. Osara, a Japanese Commissary has opened on Level 3 of the Fairley with an assortment of items from kitchen ware and snacks to bicycle accessories.

The Market parking garage, including the new MarketFront garage saw its busiest month of the year in August with revenue steadily increasing throughout the month. Our new Parking Manager Shelly Brehm joined the PDA team at the end of August.

Tenant improvements in the MarketFront also hit major milestones with the installation of fermenters and brewing equipment in Old Stove and completion of glass wall installation around the production space in indi Chocolate.

Finally, discussions with SDOT regarding Temporary Construction Easements and impacts related to the construction of the new Alaskan Way are proceeding. Following demolition of the Viaduct in 2019 we will have to closely coordinate with SDOT to minimize impacts from construction of the new road especially the duration of time that the west side waterfront access to our garage is closed.

KEY OPERATING METRICS

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<td>Year to Date Sales (June 2017):</td>
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<td>Restaurants:</td>
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<td>Food:</td>
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Several charts are also attached highlighting year-over-year sales trends through June with partial sales reports for July.

**Reflects the mid-year budget adjustment effective July 1, 2017.

*** Actual performance is $365,456 over budget as reflected in preliminary year end statement.

### Operating Income After Required Reserves and Debt Service

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### Farm and Day Stall Attendance

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

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*** Actual performance is $365,456 over budget as reflected in preliminary year end statement.

**Operating Income after Required Reserves and Debt Service**

July operating income is performing on track and in-line with the mid-year budget revisions. Commercial activity remains slightly over budget along with surface parking, residential is at budget. Garage parking still remains under budget, however, July sales were strong with a 43% increase from June. Total operating expenses continue to remain under budget year-to-date.

**Farm and Craft Attendance**

The number of active farm permits dipped slightly, from 94 to 92. Even with the slightly lower attendance, sales at the Wednesday Evening Farmers Market increased 75% and Denny Regrade sales nearly quadrupled, while the South Lake Union Market showed a slight decrease. There were no day stall turn-aways and of the 18 new vendors that attended the screening, 13 were invited to submit a permit.

**MARKET PROGRAMS**

**Marketing**

- Promoted Market businesses and activities via the website and social media, with a total of 274,778 Facebook likes, with a weekly reach of 1,549,694. Twitter followers increased to 78,995. In addition we have 58,404 Instagram followers (4% increase), 118,615 website views and 73,940 mobile website visitors, a 30% increase.
- 1 new trademark license
- 14 filming inquiries with five editorial requests, including CNBC Top States live, ESPN featuring the Seattle Storm, King 5, Saveur Magazine and Globo TV Brazil
- Post-MarketFront advertising campaign featured mainly farmers markets with a call-out to the 110th anniversary. The campaign included 24 Metro Transit bus advertisements running on downtown routes, 20 of them will run through 9/16, Facebook and Instagram social media advertising
Farm and Daystall
- Screened 18 new daystall candidates and invited 13 to apply for a permit. Many of them have already undergone orientation and are selling in the Market
- Denny Regrade Market is outperforming the 2016 Microsoft location, which it replaced
- SNAP dollars and Fresh Bucks Match programs are performing well, with lots of redemption at the City Hall location

Market Programs Committee - Key Actions and Discussions
- Received an update on the Rapid Market Assessment conducted at City Hall and Evening Farmers Market, followed with discussion on potential changes to the Wednesday night market.
- The first annual Green Star Awards were given to Pike Place Fish Market (Sustainable Business Impact Award) and Miranda Marks, owner of Rubber Revolution (Sustainable Business Inspiration Award)
- Discussion of the opportunity for the PDA to manage the Sammamish Farm which currently supports five farmers, three of which sell at Pike Place Market.

FINANCE AND ASSET MANAGEMENT

Finance and Accounting Department
- Processed all payables and receivables
- Commercial revenue is over budget due to increase in base rent for retail and common area
- Up to date with payments on debt and Pension Plan contribution and on track for budgeted contribution to CRRF
- 2018 Budget process is underway as directors and managers compile their proposed budgets for review

Residential
- Continue to lease available units, Market-wide vacancy rate average at 3.75% through July
- Three resident summer picnics were hosted by staff and WAVE, a cable TV provider
- Focused effort to turn vacancies to reduce overall vacancy rate
- Due to a generous grant from Boeing Employees Fund, an assortment of new furnishings and equipment was installed at WASH

Commercial
- Continued active lease administration work to ensure compliance and consistent operations
- Indi Chocolate has opened while construction coordination with Little Fish and Old Stove continue in MarketFront

Capital Projects
- MarketFront Project Completion and Development Agreement Deliverables documentation submitted to Office of the Waterfront
- Prepared bid recommendations for repair of North Arcade and Desimone Bridge roofs, installation of commercial storage units in MarketFront, and installation of walk-in cooler in MarketFront garage
- Term Architect selected
Parking
- Garage revenue exceeded budget projections for July 2017
- Revenue from the surface parking lots remains ahead of YTD projections
- Additional parking spots have opened on the top floor of the new garage
- New audio warning system has been received and is awaiting installation

Maintenance and Facilities
- Continued tracking MarketFront items including two minor leaks adjacent to planters, one near Steinbrueck/Native Park and one at the top of the steps outside the Senior Artist units
- Addressed vacant apartment turns rate to bring units back on the market
- Processed 203 tons of garbage, 791 yds of mixed recycling, 261 yds of compost, and 34 tons of fish ice melted in June

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

Finance and Asset Management Committee - Key Actions and Discussion
- Reviewed Financial Statements for July 2017
- Provided 2018 Budget schedule
- Chief Seattle Club presented their revised business proposal for a license agreement at MarketFront
- Crossing guard program at Western Ave and Virginia St was reviewed for implementation in summer 2018
- A brief update on options for the Constituency office was provided
- Approved, but not moved to Consent Agenda, Proposed Resolution 17-39: License Agreement – Chief Seattle Club
- Approved Proposed Resolution 17-41: Authorization for Contract Authority – Install Commercial Storage Units in MarketFront garage
- Approved Proposed Resolution 17-43: Employee Medical and Dental Coverage 2017-2018
- Approved Proposed Resolution 17-44: Lease Proposals for August, 2017

MARKETFRONT
- Committee members agreed to change the name to Market Connections and identified city-wide projects to focus on conducting outreach and following project status
- An update on experimental MarketFront programming was provided in advance of submitting a use agreement with the Market Historical Commission
- Indi Chocolate is open and tenant improvements continue with Old Stove and Little Fish
### PDA Employee August 2017 Anniversaries:

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METRIC 1
Commercial Sales Comparison (thru June 2017)

FOOD

MERCANTILE

RESTAURANTS
Section III:

Key Presentations &
Supporting Documents
EXTENTS OF MARCH 2017 DESIGN (59,600 SF)
EXTENTS OF UPDATED CONCEPT (41,200 SF)
UPDATED CONCEPT PROGRAM

- SEATTLE AQUARIUM
- PIKE PLACE MARKET FRONT
- BNSF TRACKS
- WATERFRONT LANDINGS
- ELLIOTT WAY
- WESTERN AVENUE
- PIKE PLACE MARKET PARKING
- HERITAGE HOUSE
- FIX/ MADORE RESIDENCES
- NORTH OVERLOOK
- OVERLOOK/ QUICK FOOD
- CAFE TERRACE/ SPECIAL EVENTS
- SOUTH OVERLOOK
- SOUTH STAIRS
- WEST ELEVATOR
- WEST OVERLOOK
- PASSAGE
UPDATED CONCEPT GRADING
NORTH SOUTH SECTION

VAR. 2'-6" 18'-5" 2'-6" VAR.

CAST-IN-PLACE CONCRETE PAVING

EPS FILL, SSD

FASCIA

SECTION

Updated Overlook Walk Concept - 19
NORTH SOUTH SECTIONS

SECTION A

SECTION B
Updated Overlook Walk Concept - 22
SERVICES AGREEMENT

THIS SERVICES AGREEMENT (this “Agreement”) is entered into as of this 1st day of January, 2013, by and between the Pike Place Market Preservation & Development Authority, a Washington public development authority corporation created pursuant to RCW 35.21.725 et seq. and chartered pursuant to Seattle Municipal Code Ch. 3.110 (the “PDA”) and the Market Foundation, a Washington nonprofit corporation (“the Foundation”).

RECITALS

WHEREAS, the PDA was created in 1973 by the City of Seattle, Washington (the “City”) to redevelop, own and manage Pike Place Market (the “Market”) for the purpose of preserving the historic qualities of the Market, assuring its economic viability, and promoting good management and harmonious relationships among Market users; and

WHEREAS, the PDA Charter specifies a PDA purpose to preserve and expand the Market’s residential community, especially for low-income persons; and

WHEREAS, the Charter further directs that the PDA shall promote the survival and predominance of small shops, marginal businesses, thrift shops, arts and crafts, farmers and other services essential to the functioning of the Market; and

WHEREAS, the PDA has a long history of facilitating the delivery of critical human service needs to Market residents and the Market community; and

WHEREAS, the PDA provides low and moderate income housing in Market buildings and provides below-market rate rental space in the Market to social service agencies including the Pike Market Medical Clinic, Pike Market Senior Center, Pike Market Food Bank, and Pike Market Child Care & Preschool; and

WHEREAS, the Charter recognizes that the PDA will provide a structure for working with other public and private parties to accomplish the stated Charter purposes; and

WHEREAS, in the early 1980s, federal funding supporting many of the PDA’s human services programs was significantly curtailed; and

WHEREAS, the Foundation was created in 1982 to assist the PDA in fulfilling the purposes set forth in the Charter, and to support the Market and the human service agencies that provide services to residents of the Market community; and

WHEREAS, the Foundation is a duly formed nonprofit and recognized as a 501(c)(3) charitable corporation; and

WHEREAS, the Foundation provides a mechanism for private individuals and entities to make tax deductible contributions to support the Market’s housing and human services programs, heritage programs and farmer and community relief programs; and
WHEREAS, the Foundation has been successful over the years in raising significant funds to support the Market housing and human services programs through such campaigns as the annual Care for the Market Luncheon and the Sunset Supper event, various capital campaigns to fund capital improvements to Market facilities, and by securing public and private grants; and

WHEREAS, the Foundation is governed by a board of directors independent of the PDA and maintains its own management and administrative functions; and

WHEREAS, the PDA desires to contribute certain resources and support to the Foundation, in exchange for the Foundation’s agreement to provide certain fundraising services and support to the PDA, all on the terms and subject to the conditions hereinafter set forth.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants in this Agreement, the parties hereto agree as follows:

1. FOUNDATION COMMITMENTS AND OBLIGATIONS:

The Foundation agrees to provide the following services to support the PDA and it’s chartered mission:

1.1 Fundraising and Campaigns.

1.1.1 The Foundation shall support the PDA mission and the Market by:

(a) Conducting annual fundraising campaigns to provide operations support and increase capacity for programs that benefit the residents of market housing and for the low-income population in the downtown area and for one or more of the following Market Agencies: Pike Market Medical Clinic, Pike Market Senior Center, Pike Market Food Bank, Pike Market Child Care & Preschool and Heritage House.

(b) Conducting such capital campaigns, as the Foundation and the PDA deem to be necessary to fund capital improvements at the Pike Market Medical Clinic, Pike Market Senior Center, Pike Market Food Bank, Pike Market Child Care & Preschool and low-income housing.

(c) Provide support for entrepreneurial enterprises including small businesses, workforce development, farmers and arts and crafters.

(d) Periodically providing grant writing assistance for the PDA, upon request by the PDA Executive Director.
(e) Assisting with capital or operating campaigns as the Foundation and the PDA deem to be necessary for Market preservation and development efforts including PC1N.

1.1.2 The Foundation agrees to accept gifts and donations made to or for the benefit of the PDA.

1.2 Annual Needs Assessment and Recommendations
The Foundation will conduct an annual review of social service needs, including unmet and emerging needs and provide reports and recommendations to the PDA on the following annual schedule:

- FEBRUARY / MARCH - Service Provider Fund Applications, including annual reports
- APRIL - "Cut the Pie" Grant Awards
- MAY/JUNE - MF Report to PDA on Annual Grants and Emerging Needs
- SEPTEMBER-NOVEMBER -Budget allocation of PDA funds/infrastructure support
- DECEMBER - PDA Annual Plan Adoption, including emerging needs discussion; and,

1.3 Market Heritage Exhibits. The Foundation shall be primarily responsible the maintenance of all existing heritage exhibits that remain for accessible for the public throughout the Market.

1.4 Market Fresh Coupon Program. The Foundation shall coordinate the Market Fresh Coupon program to provide low-income Market residents and residents of low-income buildings near the Market with access to fresh produce from Market vendors and farmers, and endeavor to raise funding for that program in such amounts as the Foundation may deem to be appropriate.

1.5 Special Activities. The Foundation shall consider, based upon available resources, assisting the PDA with the planning and coordination of special activities from time to time.

1.6 Fundraising Benchmarks. In performing the obligations set forth in Section 1.1 above, the Foundation shall raise annually a net amount that is at least equal to the sum of: (i) the fair market value of the license for office space (based on the lease of other similar Market office space) for the same period; and (ii) any personnel expenses paid by the PDA pursuant to Section 2.2. below; and less any Foundation funds expended to support the programs and activities described in Sections 1.3 through 1.5 above.

1.7 Accounting and Annual Report.
1.7.1 The Foundation shall establish accounting systems and segregated accounts by which to track donations, gifts, and revenue received from any and all Foundation activities conducted on behalf of the PDA pursuant to this Agreement.

1.7.2 The Foundation shall provide the PDA with an annual report no later than six (6) months following March 31 of each year, which report shall include an accounting of: (i) for each fundraising event or campaigns conducted pursuant to Section 1.1, the total dollar amounts raised, identification of individual donors and associated contributions (if known), and the associated Foundation expenditures; (ii) a description of any activities performed by the Foundation pursuant to Section 1.3, including associated Foundation expenditures; and (iii) a description of any activities performed by the Foundation pursuant to Section 1.5, including associated Foundation expenditures.

1.8 Nonprofit Status.

1.8.1 The Foundation represents and warrants that it is a nonprofit corporation duly organized, validly existing and in good standing in the State of Washington. The Foundation further represents and warrants that it is duly maintained as a 501(3)(c) tax exempt organization.

1.8.2 The Foundation shall maintain its nonprofit and tax exempt status at all times during the term of this Agreement.

2. PDA COMMITMENTS AND OBLIGATIONS:

The PDA agrees to provide the following resources to the Foundation to support the Foundation’s efforts on behalf of the PDA:

2.1 License to Use Office Space. The PDA hereby provides the Foundation with a license to use certain office space, as described in Exhibit A attached hereto and hereinafter described as the “Foundation Office Space”, to facilitate the Foundation’s delivery of the commitments and obligations described in Section 1 of this Agreement.
2.2 Compensation of Select Personnel.

2.2.1 Subject to annual budget approval by the Governing Council of the PDA, the PDA shall fund the salary and benefits for the Foundation’s Executive Director. The benefits offered to the Foundation Executive Director shall be commensurate with the benefits offered to the PDA Executive Director including reimbursement for direct business related expenses (e.g. cell phone/smart phone usage and travel expenses).

2.2.2 Subject to annual budget approval by the Governing Council of the PDA, the PDA may, from time to time, fund the salary and benefits, as deemed reasonable and appropriate by the Governing Council, for additional Foundation employees.

2.3 Personnel Resources.

2.3.1 For employees not covered by Section 2.2, the PDA shall, at the expense of the Foundation, include Foundation employees in the PDA payroll and benefits systems and provide Foundation employees with benefits on the same basis as provided to PDA employees.

2.3.2 The PDA shall also offer Foundation employees the opportunity to participate in PDA-sponsored employee training programs (e.g. computer systems, management systems) on the same basis as PDA employees.

2.4 Fundraising Support. Subject to the approval of the PDA Executive Director, which approval shall not be unreasonably withheld, the PDA shall provide the Foundation with the following for purposes of supporting fundraising event and activities: (i) nonexclusive use of the Market name and logo; and (ii) use of Market facilities on a rent-free basis.

3. TERM AND TERMINATION:

3.1 Term. The initial term of this Agreement shall commence upon full execution and shall expire on December 31, 2017. Thereafter, the Agreement shall continue on a year-to-year basis, subject to the termination rights contained in this Section 3.

3.2 Termination. Either party may terminate this Agreement at any time (a) upon thirty (30) days written notice to the other party or (b) upon fifteen (15) days written notice for any breach of a material term of the Agreement by the other party, where the breaching party has failed to cure or otherwise eliminate the circumstance constituting the cause for termination by the end of such fifteen (15) day period.

4. INDEMNIFICATION:

4.1 PDA’s Indemnity. The PDA hereby agrees to indemnify, save harmless and defend the Foundation from any and all losses, claims, actions or damage suffered by any person or entity by reason of or resulting from any act or omission of the PDA or any of its officers, agents, employees, or invitees in connection with the PDA’s performance under this Agreement, but only to the extent such claims, actions, costs, damages or expenses are caused by the negligence of the PDA, its authorized officers, agents, employees or invitees. The
indemnification provided for in this section shall survive any termination or expiration of this Agreement. This indemnification provision is the result of mutual negotiation.

4.2 **Foundation’s Indemnity.** The Foundation hereby agrees to indemnify, save harmless and defend the PDA from any and all losses, claims, actions or damaged suffered by any person or entity by reason of or resulting from any act or omission of the Foundation or any of its officers, agents, employees, or invitees in connection with the Foundation’s performance under this Agreement, but only to the extent such claims, actions, costs, damages or expenses are caused by the negligence of the Foundation, its authorized officers, agents, employees or invitees. The indemnification provided for in this section shall survive any termination or expiration of this Agreement. This indemnification provision is the result of mutual negotiation.

5. **GENERAL PROVISIONS.**

5.1 **Governing Law; Jurisdiction and Venue.** This Agreement shall be governed by and interpreted under the laws of the State of Washington applicable to agreements made and to be performed in Washington, exclusive of its conflict of law rules. The parties hereby irrevocably and unconditionally submit in any legal action or proceeding relating to the Agreement to the non-exclusive general jurisdiction of the courts of the State of Washington located in King County and the courts of the United States located in the Western District of Washington, and, in any such action or proceeding, consent to jurisdiction in such courts and waive any objection to the venue in such courts.

5.2 **No Third-Party Beneficiaries.** This Agreement shall not confer any rights or remedies upon any person or entity other than the parties hereto and their respective successors and permitted assigns.

5.3 **Survival.** The indemnification, representations, warranties, covenants, and indemnities made in this Agreement or made in writing pursuant hereto shall survive the Closing, and any investigations of the matters covered thereby, by or on behalf of any party to whom they are made.

5.4 **Notices.** Any notice under or relating to this Agreement shall be given in writing and shall be deemed sufficiently given and served for all purposes when personally delivered, or given by machine-confirmed facsimile, or three (3) business days after a writing is deposited in the United States mail, first-class postage or other charges prepaid and registered, return receipt requested, addressed as follows:

*If to the PDA:*  
Pike Place Market Preservation & Development Authority  
85 Pike Street #500  
Seattle, WA 98101  
Attn.: Chair, Governing Council
Either party may alter the address to which communications or copies are to be sent by giving notice of such change of address in conformity with the provisions of this Section for the giving of notice.

5.5 Binding Nature of Agreement; No Assignment. This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, except that no party may assign or transfer its rights or obligations under this Agreement without the prior written consent of the other party hereto, which consent shall not be unreasonably withheld.

5.6 Entire Agreement; Waivers and Amendments. This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof and thereof and supersedes all prior agreements or undertakings, written or oral, of the PDA or the Foundation, relating to the subject matter hereof and thereof. The failure of any party to insist on the performance of any of the terms and conditions of this Agreement shall not be construed as a waiver or relinquishment of any rights granted hereunder or of the future performance of such term, covenant or condition, but the obligations of the parties with respect thereto shall continue in full force and effect. This Agreement may be amended or supplemented only by a written instrument signed by the party against whom the amendment or supplement is sought to be enforced.

5.7 Headings. The section headings in this Agreement are for convenience only; they form no part of this Agreement and shall not affect its interpretation.

5.8 Counterparts. This Agreement may be executed simultaneously or in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument. Delivery of facsimile copies of executed signature pages shall constitute an appropriate form of delivery hereunder.

5.9 Status of PDA. The Nonprofit hereby acknowledges that the PDA is organized pursuant to Seattle Municipal Code § 3.110 and RCW 35.21.660, 35.21.670, and 35.21.730-.755. RCW 35.21.750 provides as follows: “All liabilities incurred by such public corporation, commission, or authority shall be satisfied exclusively from the assets and properties of such public corporation, commission or authority and no creditor or other person shall have any right of action against the city, town, or county creating such corporation, commission, or authority on account of any debts, obligations, or liabilities of such public corporation, commission, or authority.”

*(the remainder of this page has been intentionally left blank)*
SIGNATURE PAGE – SERVICES AGREEMENT

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

PDA:
PIKE PLACE MARKET PRESERVATION AND DEVELOPMENT AUTHORITY
By

NONPROFIT:
MARKET FOUNDATION
By

K:\22437\8800\1DLS\DLS_A208A3
SECOND SUPPLEMENT TO SERVICES AGREEMENT

THIS SECOND SUPPLEMENT TO SERVICES AGREEMENT (the "Second Supplement") is entered into as of this __th day of __, 2014, by and between the Pike Place Market Preservation & Development Authority, a Washington public development authority corporation created pursuant to RCW 35.21.725 et seq. and chartered pursuant to Seattle Municipal Code Ch. 3.110 (the "PDA") and the Market Foundation, a Washington nonprofit corporation ("the Foundation or PPMF").

RECITALS

WHEREAS, the PDA and the Foundation entered into that Services Agreement dated __, 2014, wherein the PDA committed to contribute certain resources and support to the Foundation, in exchange for the Foundation’s agreement to provide certain fundraising and event services to the PDA; and

WHEREAS, the Services Agreement documents the Foundation’s commitment to assist the PDA with fundraising activities to support the PDA’s chartered purposes; and

WHEREAS, in Section 1.5 of the Services Agreement, the Foundation agreed to assist the PDA with the planning and coordination of special activities from time to time; and

WHEREAS, the Pike Place Market (the “Market”) was established in 1907; and

WHEREAS, the PDA plans to build the Pike Place Market Waterfront Entrance (PPMWE) on the PC1N site; and

WHEREAS, the Market Foundation plans to conduct a capital campaign titled The "MarketFront Campaign to build the PPMWE" ("MarketFront") to support the construction of the PPMWE that will involve numerous community activities in celebration of the development of the Market’s PC1N property; and

WHEREAS the Market Foundations “MarketFront Campaign to build the PPMWE” will include related fundraising activities and events, as well as programs to raise awareness regarding the Market’s social services and community programs; and

WHEREAS, the PDA as requested, pursuant Section 1.1.1b of the Services Agreement, that the Foundation assist the PDA with the fundraising for, and the planning and coordination of, the MarketFront Campaign to build the PPMWE; and

WHEREAS, the PDA and the Foundation have developed and agreed upon a detailed budget related to the MarketFront Campaign to build the PPMWE, a copy of which is attached hereto as Exhibit A (the “Campaign Budget”); and

WHEREAS, the PDA and the PPMF wish to set forth their mutual commitments and responsibilities with regard to the MarketFront Campaign to build the PPMWE.
AGREEMENT

NOW, THEREFORE, in consideration of the foregoing and the mutual covenants in this Agreement, the parties hereto agree as follows:

1. FOUNDATION COMMITMENTS AND OBLIGATIONS:

The Foundation agrees to provide the following services to support the MarketFront Campaign to build the PPMWE:

1.1 Fundraising and Sponsorship. The Foundation shall assume primary responsibility for fundraising activities (including securing sponsors) and will endeavor to raise the funds necessary to implement the Campaign Budget. As described and outlined in the attached Campaign Plan, Budget and Fundraising Cash Flow, Exhibit A.

1.2 MarketFront Campaign Accounting, Reporting and Approvals.

1.2.1 The Foundation shall establish and maintain segregated accounts by which to track donations, gifts, revenue, and expenditures related to the Campaign Budget and all MarketFront Campaign activities.

1.2.2 The Foundation shall accept and account for all MarketFront Campaign sponsorship funds and any other related contributions or donations, and shall deposit the same into Foundation accounts as established pursuant to Section 1.2.1.

1.2.3 The Foundation shall provide the PDA with a monthly report, which report shall include an accounting of: (i) for each MarketFront Campaign activity, the total expenditures, any revenues (including donations, contributions, and sponsorship funds), and identification of individual donors and associated contributions (if known); and (ii) for any MarketFront Campaign contribution, donation, or sponsorship that is unrelated to a specific MarketFront Campaign event, the total amount of any such donation, contribution, or sponsorship funding and identification of individual donors and associated contributions (if known).

1.2.4 MarketFront Campaign events and activities. The Foundation shall assume primary responsibility for planning, coordinating, and implementing the following MarketFront Campaign events and activities which may include, but are not limited to, the following: (i); Arcade Lights (2015 & 2016) (ii) Campaign Launch (iii) Groundbreaking ceremony and activities; and (iv) Grand Opening Ceremony and activities. The Foundation shall comply with the Campaign Budget in performing the duties under this Section 1.3.

1.2.5 Approvals. The Foundation will submit all materials, events plans, communications and activities to the PDA for approval prior to implementation. As needed and required, the Foundation will also present campaign elements to the PDA Council for review and approval including but not limited to: donor recognition, building naming or place naming opportunities, temporary and/or permanent installations related to the campaign.
1.3. MarketFront Campaign Events and Activities

1.3.1 In addition to the events specified in Section 1.3 above, the PPMF shall assume primary responsibility for planning, coordinating, and implementing all MarketFront Campaign events for the community and donors. The PPMF shall comply with the Campaign Budget in performing the duties herein.

1.3.2 The PPMF shall coordinate the on-site and internet sales of MarketFront donor recognition items for deposit in the appropriate MarketFront accounts.

1.3.3 Marketing, Media and Public Relations. PPMF will manage all marketing efforts supporting the MarketFront Campaign & events in coordination with PDA. All marketing materials, donor opportunities, events and PR plans are subject to approval of the PDA consistent with section 1.2.5 above.

1.3.4 Community Outreach. The PPMF shall manage all community outreach of the MarketFront Campaign in coordination with PDA.

1.3.5 Commissioning of Public Art. The PPMF shall coordinate the commissioning of Public Art pieces for the PPMWE. The PPMF shall assume primary responsibility for planning, coordinating, and implementing all aspects of the art including contracting with the artists and fundraising for the installations. The PDA shall comply with the Campaign Budget in performing the duties under this Section 2.2. The PPMF shall retain ownership of the Public Art pieces and any trademark licenses secured related to the public art. Use and/or third party licensing of public art related marks shall be subject to review and approval by the PDA.

2. PDA COMMITMENTS AND OBLIGATIONS:

The PDA agrees to provide the following services to support the MarketFront Campaign:

2.1 Events and Marketing. The PDA shall provide financial and in-kind support of PPMF events and marketing activities related to the MarketFront Campaign. Financial support in the amount of $90,000 in direct salaries is included in the proposed 2015 Budget and equivalent direct salary support shall be included in the proposed 2016 PDA Annual Budget. If Campaign related expenses are incurred by the PDA, they shall forward all invoices to the Foundation for payment from the MarketFront Campaign accounts. Any additional amounts related consultant’s work shall be paid from MarketFront Campaign funds and shall be consistent with the Campaign Budget.

2.2 Campaign Planning and Execution. The PDA shall provide financial and in-kind support of campaign planning execution of the MarketFront Campaign. Financial support in the amount of $68,000 in direct salaries is included in the proposed 2015 Budget and equivalent direct salary support shall be included in the proposed 2016 PDA Annual Budget. If
Campaign related expenses are incurred by the PDA, they shall forward all invoices to the Foundation for payment from the MarketFront Campaign accounts. Any additional amounts related consultant’s work shall be paid from MarketFront Campaign funds and shall be consistent with the Campaign Budget.

3. MARKETFRONT CAMPAIGN ACCOUNTING AND REPORTING:

3.1 The PDA shall provide PPMF with an invoice for services related to the PPMWE project for which the funds are being spent by the PDA as the project manager beginning Dec. 2015.

3.2 The PPMF is solely responsible for managing necessary approvals, contracts, fundraising and financial transactions related to Public art and artists selected through a public process consistent with the requirements outlined in the February 2013 MOU between the City of Seattle and the PDA for development of the PC1N site, now known as PPMWE.

4. PLEDGE CONFORMATION AND DISTRIBUTION OF CAMPAIGN REVENUE:

4.1 Pledge Confirmation. The PPMF will cooperate with the PDA in confirmation of all significant pledges including review by the City of Seattle Finance Director, or designee, consistent with the MOU between the PDA and City of Seattle.

4.2 Excess Funds. The parties agree that, to the extent that there is any excess revenue resulting from the MarketFront Campaign, such revenue shall be retained by the Foundation and shall be used to consistent with the Foundation’s commitments and obligations pursuant to the Services Agreement.

4.3 Transfer of Funds. The PPMF shall make a minimum of 2 (two) annual payments to the PDA in the amount of $3 million each, one on December 31, 2015 and one on December 31, 2016. In event that the full amount is not available for transfer, the PDA will be obligated to address the shortfall through project phasing, scope reduction, interim financing or other cost-saving measures.

4.4 Funding Shortfall. The PPMF will provide a minimum of 90 days written notice should fundraising efforts fall materially short of established goals or confirmed pledges.

4.5 The parties agree that if the PPMWE project halts indefinitely for any reason, money raised for the project from individuals and private foundations will be held by the PPMF in endowment for a period of two years. Should the project delay or halt indefinitely the PPMF shall return pledges or seek donor approval to re-allocate funding for other projects, service needs or revised MarketFront program and project.
5. **SUPPLEMENT TO SERVICES AGREEMENT:**

This Second Supplement is subject to the Services Agreement and all of the terms of the Services Agreement shall continue in full force and effect, and are hereby incorporated in this Second Supplement. Except as specifically set forth in this Second Supplement, the terms of the Agreement shall remain in full force and effect.

**SIGNATURE PAGE – SECOND SUPPLEMENT TO SERVICES AGREEMENT**

IN WITNESS WHEREOF, the parties have executed this Second Supplement as of the day and year first above written.

PDA: [Signature]  
PIKE PLACE MARKET PRESERVATION AND DEVELOPMENT AUTHORITY  
By [Signature]

NONPROFIT:  
MARKET FOUNDATION  
By [Signature]
EXHIBIT A
MarketFront Campaign Plan, Budget and Cash Flow
Capital Campaign Plan

“Pike Place Market deserves to live on, as a link with Seattle’s past, a meaningful and much-loved part of its present, and a place of unlimited possibilities for its future.”

Victor Steinbrueck, ‘Market Sketchbook’ 1968
Introduction

The upcoming completion of Pike Place Market’s historic district with the development of the Waterfront Entrance is an important opportunity for the Pike Place Market Foundation to expand upon the heart of what we do in our community. The Market is a model for how a diverse neighborhood - a mixed income community with a broad range of uses and residents - can stimulate a dynamic, economically viable downtown. A campaign for this new project not only allows the Market to increase its economic impact it also improves our community for local residents, businesses, farmers, artists and neighbors alike.

The mission of The Market Foundation is to preserve the traditions and diversity of the Pike Place Market neighborhood. A capital campaign for the Market’s Waterfront Entrance is an important opportunity for the Market to complete its 40-year vision of the 1970s Urban Renewal and to address the emerging needs of our community. The Market Foundation has set a $9 million fundraising goal to fund $6 million in project cost, as well as $3 million to support the expansion of social services, public art installations, The Market Foundation endowment and campaign costs.

PLANNING

In order to begin planning our campaign goal of $9 million we began by looking at The Market Foundation’s history of capital projects as well the timing and climate for fundraising in our region. We began preparing internally for this campaign by making some strategic changes to our staff and leadership as well as analyze our fundraising history and donor potential. This research and planning is detailed in this report.

Capital Campaign History

Since its inception in 1982, The Market Foundation has raised and granted nearly $19 million to support the human services, heritage and capital projects at Pike Place Market. On average we raise $1 million annually to support a network of social services to support our low-income neighbors who live in and around the Market. We have more than 23,000 donors on record.

Below is a list of past large-scale projects completed by The Market Foundation. In all cases, these funds for special projects were raised over and above the annual funds needed to maintain ongoing support for social service programs in the Market.

- **Market Tile Campaign (1984-86):** Sold 45,400 tiles inscribed with donor names and raised $1,575,000 to fund the replacement of the Market floor. Additional funds were added to The Market Foundation’s reserve fund.

- **Care for the Market Campaign (1994-96):** Raised $3.1 million for capital improvement projects, including human service expansion and restoration of thirteen of the Market’s historical buildings.

- **Pigs on Parade (2001):** Created 170 Rachel the Piggy Bank replicas designed by local artists and displayed on downtown Seattle streets throughout the summer. Raised $1.5 million to seed The Market Foundation’s endowment.

- **Pike Place Market Centennial Celebration (2007) -** raised $750,000 in corporate sponsorship for Centennial Celebration activities.

- **Social Service Expansion (2006-08):** Raised $4 million to expand the Pike Market Medical Clinic, build a new Pike Market Senior Center and 64 new apartments for seniors and renovate 40 existing apartments.
- **Campaign for the Market Levy (2009):** Raised $400,000 to launch a citywide levy campaign for the Market’s renovation resulting in $73 million for the Market.

- **Pike Market Preschool renovation and expansion (2012):** Raised $1.5 million to design a new, expanded preschool in the Market.

**Climate and Timing**

This is a unique moment for the Pike Place Market. It comes after 40 years of dreams for this Market site and is made possible by the demolition of the Alaskan Way Viaduct and the transformation of Seattle’s central waterfront. Although this campaign came with little time to prepare, we are embracing this once-in-a-lifetime opportunity for the Market to complete its vision, increase its economic impact and meet the critical needs of our downtown neighbors.

The climate for a successful campaign is right as interest and focus on the Pike Place Market is at an all-time high. Local, handmade, fresh, organic and authentic are values that are top-of-mind for our region and of high importance for tourists alike. Recognition of these values and the Pike Place Market brand is extremely high. The Market is positioned well in the transformation of Seattle’s downtown as it sits in the middle of the central waterfront planning and the Pike/Pine corridor improvements. Since the levy-funded renovations were completed in 2012, the Pike Place Market has made collaboration and outreach with our downtown neighbors a priority.

The Pike Place Market Foundation currently has limited brand awareness in the general community, and sees this increased support of Pike Place Market as a unique opportunity to build awareness of the work of The Market Foundation. Leveraging this opportunity has been supported by increased collaboration with Market Foundation and PDA staff on messaging, outreach and events.

Challenges to the climate for a successful campaign include the high volume of projects in development or under consideration in the downtown core. We will compete for attention, time and donors with a number of very well planned and big projects such as the Waterfront redevelopment, The Seattle Aquarium expansion, tunnel building, Pike/Pine corridor improvements, the Parks levy, and other social service capital campaigns.

Despite all of these projects competing for space on the civic agenda, we are fortunate that the Market’s project is poised to move quickly and is scheduled to be completed before many of the other construction projects move out of development phase. Timing of our project becomes both a motivator and a challenge. We must move quickly to achieve the goal, but not rush to conclusions that do not meet the mission of Pike Place Market. Overwhelmingly, all of the people involved in our campaign planning believe that we must move forward to capture this moment and maximize benefit for the future of Pike Place Market.

**Organizational Strength & Campaign Leadership**

In 2012, the Pike Place Market Foundation hired a new Executive Director, Lillian Hochstein, who brought with her more than a decade of capital campaign leadership experience. Although this was a significant transition as the 25-year Executive Director retired, the organization has transitioned to a different leadership style and culture shift toward strengthening its ability to raise significant funds well into the future, while maintaining the decades-long involvement of many of its donors.

The Pike Place Market Foundation exists to address the needs in the Pike Place Market community. Over the past 32 years the organization has conducted numerous fundraising appeals and strategies, produced countless events and sought out entrepreneurial opportunities to varying degrees of success. Both the board and staff have embraced a movement toward a stronger culture of philanthropy and community building.
This has meant a significant shift in staffing structure and focus and on the board’s role and commitment to fundraising.

The Pike Place Market Foundation’s internal shift to focus on raising more money through major gifts started with a structural shift after an internal audit. It was determined that our staff spent too much time on small events, tours, workplace giving and other activities that produced a low-level of return.

The staffing model changed to shift the goals and strategies for all of the positions within the organizations. For example, the development manager shifted from annual appeals to major gifts and a focus on individual donor engagement, the event manager is working to maximize sponsorship and fundraising potential for all events in the Market and our public relations and communications strategy is focused on what compels donors to engage and give to the Pike Place Market Foundation. We continue to refine both our fundraising strategies to maximize our return on investment and assess our internal systems to maximize efficiencies. We have also increased staffing by one full-time employee to coordinate daily communications and fundraising activities and have added an AmeriCorps VISTAs to support research, increased volunteer management and event support.

In addition to strengthening our staffing we have also worked intentionally with our Board of Directors to strengthen the culture of fundraising and engagement. This work started with a full-day Board training by fundraising consultant Susan Howlett in October 2012. This training helped our board reframe their focus from an event invite structure to an individual engagement strategy to increase donor retention and move donors to higher giving levels.

**Campaign Leadership Experience**

The Market Foundation’s Executive Director, Lillian Hochstein, returned to The Market Foundation in 2012 after spending 13 years leading the fundraising and community relations efforts at Wellspring Family Services and FareStart. Both organizations went through significant growth periods during her tenure including major capital campaigns. She successfully led the fundraising teams at FareStart to raise $10.5 million to create the training facility and restaurant on Westlake Avenue and Wellspring Family Services to raise $14.5 million for the new family support center on Rainer Avenue South. Lillian’s first term at the Pike Place Market Foundation was as the events manager in 1997. She holds a Bachelor’s Degree in Political Science & Social Work from Seattle Pacific University and a Master’s Degree in Public Administration from Seattle University. As of January 2014, Lillian has shifted some of her operations responsibilities to The Market Foundation’s Operations Manager so she can devote 60% of her time to the capital campaign to help build The Foundation’s long-term capacity.

Patricia Gray is The Market Foundation’s Public Relations & Capital Campaign Manager and brings 10 years of non-profit communications and fundraising experience with a proven track record of improving public awareness and engagement of social issues. She led the community relations, branding and campaign promotions at FareStart and Wellspring Family Services during both of the organizations’ capital campaigns. She has also worked in fundraising at the University of Washington Alumni Association and served on the board of ROOTS Young Adult Shelter. Prior to her nonprofit career, she was a journalist in Indiana, The Netherlands and locally for Real Change Newspaper. Patricia has a Journalism and Telecommunications degree from Ball State University.

Christi Beckley, The Market Foundation’s Fund Development Manager, has 15 years of individual and major gift strategy experience and proven achievement of exceeding annual goals. She also brings extensive experience in board and leadership development aimed at motivating volunteers to be active and engaged in reaching fundraising goals. Her past work involved starting new campaigns and initiatives as well as building deeper relationships with current supporters and donors. Prior to joining The Market Foundation team she worked as Major Gifts Director at the YMCA of Greater Seattle and Executive Director at the American Cancer Society - King County District. She was raised in Seattle and graduated from Western Washington University.
The Pike Place Market Foundation board is 35 members strong and actively engaged in the organization’s advocacy and fundraising strategies. The board is comprised of leaders in the business and civic community and draw on a strong network to help make our fundraising events successful and solicit major gifts. Many of our board members have stepped into leadership roles for this capital campaign and are actively recruiting new board members to add to the capacity and skillset of the board as we build our internal leadership for this capital campaign.

Dozens of community volunteers and members of the Market community have also stepped up to join our Capital Campaign Committees.

**Case for Support**

Pike Place Market’s Waterfront Entrance completes the 40-year vision for the renewal of Seattle’s historic market. This project is made possible by the removal of the Alaskan Way Viaduct and the need to replace parking along the waterfront allowing the Market to expand its mission for farmers, small businesses and the community alike.

This is the most-significant transformation of the Market since the “Save the Market” campaign in the 1970s and the opportunity for the next generation to participate in the legacy of what is commonly called “The Soul of the City.” This project is also the first visible piece of the larger redevelopment of the downtown Waterfront and adds critically-needed social services and housing to support our low-income community in downtown Seattle.

This unique project meets a number of touch points for local philanthropists: civic pride, heritage and legacy, the expansion of social services and low-income housing, in addition to public art.

We have tested these various impact statements with our lead donors and continue to evolve and personalize our case for support depending on the interests of our donors.

*See full Case Statement for more information*

**Research & Planning**

Through database analysis we determined that The Market Foundation could support a $6 Million lead gift goal with current and past donors. The process involved prospect research that looked at Market giving, but also giving history to other organizations and campaigns.

Outreach began in June 2013 to identify and reach out to stakeholders who are identified as people that we need to connect with that can carry the messages of the campaign forward and help the foundation achieve the goals. We learned through these conversations that although excited, people have many questions. Our role has been to educate them.

Given the history of capital campaigns at the Market we know there is a strong demand for donor giving opportunities at a modest and very accessible giving level. The Community Campaign phase is intended to build Market ambassadors to help engage the wider public. Only a small percentage of donors to this campaign will be existing donors to The Market Foundation. The goal of the Community Campaign is $3 Million with the built-in potential to raise up to $6 Million.
The Market Foundation has also engaged a financial planning consultant to assist in long-term forecasting to plan for the impact of the campaign in terms of new revenue streams, new expenses, new programs and increased demands on the existing and investment planning.

**LEAD GIFTS CAMPAIGN**

Raising large gifts first, helps build the momentum and give the campaign strength and credibility with the general public. The Market Foundation is positioned to do this by building off of existing donor relationships with top philanthropists in our community.

**Strategy:**

The lead gifts goal of $6 Million makes up nearly 70% of our overall campaign goal. The beginning phase includes securing major gifts from early endorsers and securing gifts from key “inner circle” constituents. The focus will then shift to continuing to raise funds at the $10,000 level or above. Raising the majority of the donations needed to fund construction of the project through lead gifts will also allow the majority of the community phase gifts to be targeted for the expansion of social services.

Leadership from this phase is coming from the Lead Gifts Committee made of up 7 board members and led by Harry Caraco and Michel Brotman. The initial focus is on our top prospects with a target of securing 10 gifts at $100,000. Monthly meetings with the committee along with progress reports every two weeks are crucial to the plan. The staff team meets weekly to review progress on lead gift asks and set tasks for each week.

Naming opportunities for each lead gift level will be determined for the following possible areas: housing, neighborhood center, promenade, housing courtyard, upper plaza, mid plaza, lower plaza and art installations.

Specific elements of the lead gifts phase include the following:

- **Board Campaign** - led by board members Randa Minkarah and John Pierce with a goal of 100% participation with $200,000 raised.
- **Grants** - primarily led by staff using board connections and influence. The goal is to secure significant gifts from the philanthropic and corporate leaders in the region.
- **House and Market Parties** - Parties are designed to engage and educate lead gift prospects about the campaign and give them the opportunity to support it. Hosting parties allows us to leverage key relationships, build excitement and reach a larger population of people. Staff will lead this approach with support from a party planning committee - the board and lead gift committee focus on invitations to key prospects.
- **10 for $100,000** - led by the lead gifts committee with the goal of securing 10 gifts of $100,000 from our top prospect list.

**Target Audience:** see detailed prospect chart

- **Board** - Each Board Member’s personal financial commitment to the campaign ensures buy-in and illustrates internal support and leadership to the community.
- **Top 100 donors** - We will reach out to this group so they have the opportunity to be early endorsers of the campaign.
- **Key Stakeholders** - This group includes the PDA Council, Board alumni, Friends of the Market, Friends of the Waterfront and downtown community/business leaders. Engagement opportunities will be created so each is aware of the campaign and has the chance to contribute to it.
- **Grants** - We are targeting past capital grantors, known granting sources, and family and corporate foundations.
• **Major Gifts Prospects** - For this group we will focus on the people most strongly align with Board Members’ and Top Donors’ circles of influence, and who are able to provide substantial support. This group also includes the neighboring high-rise residents.

• **Past Capital Donors** - Our existing database has strong potential for re-engaging past major donors - we will mine the database based on past giving as well as potential.

**Tactics:**

- Build a comprehensive prospect list
- Create a plan for top prospects that includes ask amounts, timing of asks, best ask & a case for each (building, housing, social service, capacity building, art, heritage)
- Determine board member connections and assign best solicitor for each top prospect
- Secure Honorary Campaign Chair
- Develop party/event engagement plan and schedule
- Track moves management engagement progress and activity status

**Timeline:**

Jan. 2014 - Dec. 2015: [see detailed timeline]

- 100% Top Prospects Contacted February 28, 2014
- Board Campaign Completed by March 30, 2014
- Market and House Parties held between May 2014 and September 2014
- 50% of lead gifts asked by September 2014
- $2M in pledges secured by December 31, 2014
- 100% of lead gifts asked by May 2015
- 100% of pledged secured by December 31, 2015

**COMMUNITY CAMPAIGN**

The community gifts portion of the campaign is an opportunity for thousands of Market supporters to be part of the legacy that is Pike Place Market. As it was declared by Seattle City Council Member Thomas Plummer Revelle in 1907 “This Market is Yours ... It is for you to defend, protect and uphold ...” Following this same sentiment the community gifts portion of this campaign is intended to be accessible and democratic for all of Seattle to participate.

There is a history of more than 100 years of citizen advocacy and fundraising behind the vision and values of Pike Place Market. In 1984 - 1986 more than 45,000 personalized donor tiles were purchased to fund the restoration of the Market floor. Since then, The Market Foundation has successfully led a number of donor naming campaigns to fund other capital improvements throughout the Market. Thirty years later up to 20 people per day call or walk into the Market inquiring about the location of their named tiles and just as many people asking how they can buy one of their own. There is great demand for new naming opportunities in the Market.

The Community Campaign will raise $3 million in philanthropic support for the completion of Pike Place Market’s Waterfront Entrance in donations ranging from $250 - $5,000. The long-term goal of the community
gifts portion of the capital campaign is to not only raise funds for the project but to also create lifelong supporters of Pike Place Market Foundation.

**Strategy:**
The Community Campaign is designed to engage a board base of support to invest in Pike Place Market beyond our current donor database. The Market Foundation is consulting with local marketing and technology firms Wexley School for Girls and Slalom Consulting to create a compelling and highly visible campaign to engage the public in this project. At the same time, project architects at The Miller Hull Partnership are designing donor naming opportunities for both lead and community gifts to be integrated in the design. All of the elements in the Community Campaign are designed with the potential to expand donor giving opportunities to achieve stretch financial goals within the larger $9 million campaign.

The long-term goal of this campaign is to build ongoing investment and support to keep the community engaged in the mission of the Pike Place Market Foundation. A local marketing research firm, Brand Explorations is conducting a series of focus groups to explore the concept of “membership” to Pike Place Market to help The Market Foundation determine if this is an attractive renewal concept to bring supporters back year-after-year.

**Target Audience:**
**Goal:** develop a sense of ownership and pride among key stakeholders.

- **Ambassadors:** large team of volunteers to help engage the wider public in this campaign
- **Market Merchants & Community:** leverage the unique opportunities of every merchant or community member in the Market to help share information and recruit donors to the campaign.
- **Market Neighbors:** people who live and/or work downtown have a heightened interest in its continuing success as a community. Develop outreach strategies to reach downtown workers and residents.
- **Seattle at-large:** reach every person in Seattle and the region to re-invest in the Market they love.
- **Tourists & Visitors:** lowest priority demographic, yet still viable for in-Market donation opportunities.

**Tactics:**
- Develop communications plan to create broad-based appeal and support for the project.
- Build unique and accessible donor recognition opportunities for thousands of donors to participate.
- Leverage local and national celebrities who visit the Market to support the campaign.
- Create an outreach team to inform the public about the Waterfront Entrance project in the Market and at events around Seattle.
- Build easy-to-use online platform and a group of online ambassadors to leverage organic marketing opportunities online and via social media.
- Build a renewable donor mechanism to keep donors engaged post-campaign.

**Timeline:**
March 2014 – June 2016: See detailed Timeline

- March -September 2014: Project launch and awareness-raising
- September 2014 - December 2015: Community donation call-to-action
- 25% of community gifts secured by December 31, 2014
- 50% of community gifts secured by March 31, 2015
• 100% of community gifts secured by December 31, 2016
• January 2016: Construction Complete
• June 2016: Grand Opening Celebration
## Market Foundation
### Campaign Budget

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<td>(213,834)</td>
<td>(1,250)</td>
<td>(3,500)</td>
</tr>
<tr>
<td><strong>10 Community Cash Received</strong></td>
<td>(3,737,814)</td>
<td>(213,834)</td>
<td>(1,250)</td>
<td>(3,500)</td>
</tr>
<tr>
<td><strong>11 Total Pledged Cash Collected</strong></td>
<td>(6,515,998)</td>
<td>(213,834)</td>
<td>(1,250)</td>
<td>(3,500)</td>
</tr>
<tr>
<td><strong>12 Pledge Funding To Be Collected for Project</strong></td>
<td>2,484,462</td>
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<tr>
<td><strong>13 Designated Pledges</strong></td>
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</tr>
<tr>
<td><strong>14 Beginning Pledge Balance</strong></td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>15 Public Art Signed Pledges Received</strong></td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>16 Public Art Cash Received</strong></td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>17 In Kind Donations</strong></td>
<td></td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>18 Total Designated Pledges</strong></td>
<td></td>
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<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>19 Total Pledge Funding to be Collected</strong></td>
<td></td>
<td>0</td>
<td>0</td>
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</tr>
<tr>
<td><strong>20 Opening Campaign Cash Balance</strong></td>
<td>213,834</td>
<td>213,834</td>
<td>215,084</td>
<td>218,584</td>
</tr>
<tr>
<td><strong>21 Pledge Collections</strong></td>
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<td>213,834</td>
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<td>3,500</td>
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<td><strong>23 Bad Pledge Allowance</strong></td>
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</tr>
<tr>
<td><strong>24 Campaign Expenses</strong></td>
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<td>0</td>
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<td>1. <strong>Capital Campaign Fund</strong></td>
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<td></td>
</tr>
<tr>
<td>2. Beginning Pledge Balance</td>
<td>1,902,400</td>
<td>1,937,658</td>
<td>1,990,239</td>
<td>2,028,209</td>
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<td>4. Anticipated Signed Pledges Received</td>
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<tr>
<td>5. State Funding</td>
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</tr>
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<td>160,000</td>
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<td>(1,167)</td>
<td>(5,501)</td>
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<td>1,990,239</td>
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<td>14. <strong>Beginning Pledge Balance</strong></td>
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<tr>
<td>15. <strong>Public Art Signed Pledges Received</strong></td>
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<td>16. <strong>Public Art Cash Received</strong></td>
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<td></td>
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<tr>
<td>17. <strong>In Kind Donations</strong></td>
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<td>18. <strong>Total Designated Pledges</strong></td>
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<td>1,990,239</td>
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<td>1,178,530</td>
<td>1,235,139</td>
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<td>23. Bad Pledge Allowance</td>
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<td>(17,386)</td>
<td>(17,386)</td>
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<td>2,311,036</td>
<td>2,178,109</td>
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<tr>
<td>4 State Funding</td>
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<td></td>
</tr>
<tr>
<td>5 Community Pledged Pledges</td>
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<tr>
<td>6 Total Pledged Pledges</td>
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<td>2,311,036</td>
<td>2,178,109</td>
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<td>(128,843)</td>
<td>(128,053)</td>
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<td>(132,927)</td>
<td>(126,510)</td>
<td>(123,141)</td>
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<tr>
<td>12 Opening Campaign Cash Balance</td>
<td>1,134,566</td>
<td>1,219,626</td>
<td>1,296,042</td>
<td>1,367,841</td>
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<td>126,510</td>
<td>123,141</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>15 Total Pledged Pledges to Be Collected</td>
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<td>1,219,626</td>
<td>1,296,042</td>
<td>1,367,841</td>
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<td>(17,486)</td>
<td>(17,486)</td>
<td>(17,486)</td>
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<td>(38,125)</td>
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<td>18 Total Pledged Pledges to be Collected</td>
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<td>(1,000,000)</td>
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<tr>
<td>19 Total Pledged Pledges</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>20 Ending Capital Campaign Cash Balance</td>
<td>1,219,626</td>
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<td>Feb-17</td>
<td>Mar-17</td>
<td>Apr-17</td>
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<tr>
<td>Capital Campaign Fund</td>
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<td></td>
</tr>
<tr>
<td>2 Signed Pledges Received</td>
<td></td>
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<td></td>
<td></td>
</tr>
<tr>
<td>3 Anticipated Pledges Received</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>4 State Funding</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 Community-Signed Pledges Received</td>
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<td></td>
</tr>
<tr>
<td>7 Cash Pledged Received</td>
<td>(417)</td>
<td>(2,084)</td>
<td>(417)</td>
<td>(1,945)</td>
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<td>8 Cash State Funding</td>
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<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>9 Community Cash Received</td>
<td>(417)</td>
<td>(2,084)</td>
<td>(417)</td>
<td>(1,945)</td>
</tr>
<tr>
<td>10 Total Pledged Cash Collected</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>11 Pledge Funding To Be Collected for Project</td>
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<td>2,492,327</td>
<td>2,499,820</td>
<td>2,487,875</td>
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<tr>
<td>13 Public Art Signed Pledges Received</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>14 Public Art Cash Received</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td>15 In Kind Donations</td>
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<td></td>
</tr>
<tr>
<td>16 Total Designated Pledges</td>
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<td>0</td>
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<td>0</td>
</tr>
<tr>
<td>17 Pledge Funding to be Collected</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18 Opening Campaign Cash Balance</td>
<td>(1,465,511)</td>
<td>(1,463,913)</td>
<td>(1,500,648)</td>
<td>(1,519,650)</td>
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<td>19 Anticipated Pledge Collections</td>
<td>417</td>
<td>2,084</td>
<td>417</td>
<td>1,645</td>
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<tr>
<td>20 Bad Pledge Allowance</td>
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<td></td>
</tr>
<tr>
<td>21 Campaign Expenses</td>
<td>(18,819)</td>
<td>(18,819)</td>
<td>(18,819)</td>
<td>(18,819)</td>
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<tr>
<td>22 Charity Donor Art Expenses</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>23 PDA Payments</td>
<td>(1,463,913)</td>
<td>(1,500,648)</td>
<td>(1,519,650)</td>
<td>(1,535,924)</td>
</tr>
</tbody>
</table>
1st Amendment to 2nd Supplement of the Services Agreement By and Between the PDA and PPMF.

Consistent with PDA Council Resolution 17-03 the 2nd Supplement to the Services Agreement between the PDA and PPMF shall be amended to reflect a decrease in the total funding by $110,000 and an extension of the due date for final payment for the remaining balance of $2,890,000 to July 1, 2017.

Section 4.3 of the 2nd Supplement to the Services Agreement is replaced and amended as follows:

**Section 4.3 Transfer of Funds.** PPMF shall make a minimum of 2 (two) payments to the PDA for a total amount of $5,890,000, with an initial payment on December 31, 2015 and a final payment on July 1, 2017. In the event that the full amount is not available for transfer, the PDA will be obligated to address the shortfall through project phasing, scope reduction, interim financing or other cost-saving measures.

AGREED:

[Signatures]

Ben Franz-Knight  Date
PDA Executive Director

Lillian Sherman  Date
PPMF Executive Director
Section IV:

Consent Agenda Items
Authorization for Contract Authority – Replace North Arcade and Desimone Bridge Roofs
August 2017

WHEREAS, the Pike Place Market Preservation and Development Authority (PPMPDA) was chartered by the City of Seattle pursuant to RCW 35.21.730 et. Seq with the mission of promoting enterprises essential to the functioning of the Pike Place Market, including the preservation and expansion of the low-income residential community, the promotion and survival of small businesses, and the expansion of services to the public market and community; and,

WHEREAS, in order to maintain the viability of the Pike Place Market buildings the PPMPDA has determined that both North Arcade and Desimone Bridge roofs are at the end of their useful life cycle, and are on the “30 Year Capital Needs Assessment” for replacement; and,

WHEREAS, the PPMPDA has executed a bid process to replace the North Arcade and Desimone Bridge roofs; and,

OW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Cobra Roofing, in an amount not to exceed $407,299.54, for the purpose of replacing both roofs.

The funds for this project will be drawn from the Capital Projects COMNAR GL 163250-00.

Gloria Skouge, Secretary/Treasurer

Date

Date Approved by Council:
For:
Against:
Abstained:
Proposed Resolution 17-40
Authorization for Contract Authority – Replace North Arcade and Desimone Bridge Roofs
August 2017

Proposed Resolution Costs: $407,299.54

Current Budget: $500,000

Project: Replace North Arcade and Desimone Bridge Roofs

Account: Capital Projects

Accounting Code: 163250-00

Project Description: Replace North Arcade Metal roof and Desimone Bridge roofs with a 20 year warranted roof system

Scope: The purpose of this project is to install new roofing systems on the North Arcade and Desimone Bridge.

Bid Process: Project was advertised in the Daily Journal of Commerce for one week

- Cobra Roofing $369,936 ($407,299.54 with 10% Contingency)
- Cadence $412,875.00
- NW Roofing Unresponsive
- Snyder Roofing Unresponsive
- SSI Construction Unresponsive
Authorization for Contract Authority – Install Commercial Storage Units in MarketFront Garage
August 2017

WHEREAS, the Pike Place Market Preservation and Development Authority (PPMPDA) was chartered by the City of Seattle pursuant to RCW 35.21.730 et. Seq with the mission of promoting enterprises essential to the functioning of the Pike Place Market, including the preservation and expansion of the low-income residential community, the promotion and survival of small businesses, and the expansion of services to the public market and community; and,

WHEREAS, in order to maintain the viability of the Pike Place Market buildings the PPMPDA has determined that the Storage Area in the MarketFront Garage has the room to install Secure Commercial Storage Units; and,

WHEREAS, the PPMPDA has executed a bid process to install storage units in the Storage Room; and,

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Engineered Products in an amount not to exceed $16,047.48 for the purpose of installing storage units.

The funds for this project will be drawn from the MarketFront Post Construction COMMAR GL 165014-00.

Gloria Skouge, Secretary/Treasurer

Date

Date Approved by Council:

For:

Against:

Abstained:

PROPOSED RESOLUTION 17-41
Proposed Resolution 17-41
Authorization for Contract Authority – Install Commercial Storage Units in MarketFront Garage
August 2017

Proposed Resolution Costs: $16,047.08

Current Budget: $20,000

Project: Install Commercial Storage Units

Account: Capital Projects

Accounting Code: 165014-00

Project Description: Install four (4) commercial storage units, for a total of 908 sq. ft. in the MarketFront Garage Storage Room.

Scope: The purpose of this project is to install new commercial storage units for the tenants in the MarketFront Building.

Bid Process: Bid process: Solicited four bids received three

- **Engineered Products** $14,588.25 ($16,047.48 with 10% Contingency)
- **Easyup Storage Systems** $14,841.48
- **All Fence Co.** $16,269.48
- **Alpine Fence** Unresponsive
Authorization for Contract Authority – MarketFront Walk-In Cooler
August 2017

WHEREAS, the Pike Place Market Preservation and Development Authority (PPMPDA) was chartered by the City of Seattle pursuant to RCW 35.21.730 et. Seq with the mission of promoting enterprises essential to the functioning of the Pike Place Market, including the preservation and expansion of the low-income residential community, the promotion and survival of small businesses, and the expansion of services to the public market and community; and,

WHEREAS, in order to maintain the commercial viability of the MarketFront, the PPMPDA has determined the installation of a commercial walk-in cooler is vital to the success of its tenants and internal departments. This unit will be available for lease to all commercial vendors needing it for their operations. Additionally, the PPM Farm Program will be using parts of it for their community programs; and,

WHEREAS, the PPMPDA has executed a competitive bid process to perform the necessary scope to install a walk-in cooler on the 4th floor of the MarketFront garage; and,

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Mobile Cooler Rentals Inc. in an amount not to exceed $49,213 for the execution of work necessary to accomplish scope.

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

_____________________________  ________________________________
Gloria Skouge, Secretary/Treasurer  Date

Date Approved by Council:

For:  
Opposed:  
Abstained:
Account: 165014-00

Project: MarketFront Commercial Walk-in Cooler

Project Scope: Execution of all necessary supervision and installation scope needed for the erection of new walk-in cooler on the 4th floor parking of MarketFront.

Proposed Schedule: September 2017

Project Support:
- MarketFront does not have walk-in cooler for its commercial tenants
- Proposed unit will be 430 sf in size located on the 4th floor of the MarketFront parking garage.
- Proposed cooler to become a shared leased facility to commercial tenants and PDA’s own Farm Program.
- The PDA has several coolers leased to commercial tenants throughout other buildings in the market.

Bid Process:
- Five (5) Contractors were solicited. Three (3) Contractors responded with qualified bid.
  - Mobile Cooler Rentals: $42,794 ($49,213 w/ Taxes and 15% Contingency)
  - Horeco: $46,340
  - Dick’s Restaurant Supply: $48,804
  - Hoover Commercial Refrigeration Commercial Refrigeration: Declined
  - Eastside Ice Machines: Unresponsive
Employee Medical and Dental Coverage 2017-2018
August 2017

NOW, THEREFORE, BE IT RESOLVED, that the PDA Council authorizes the PDA Executive Director or his designee, to enter into contracts with Regence BlueShield for employee medical coverage, SunLife Insurance for employee life insurance and Washington Dental Service for employee dental coverage for 2017-2018 policy year in the amount not to exceed $889,000.

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<tr>
<th>Coverage</th>
<th>Amount</th>
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<td>Life Insurance</td>
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<tr>
<td>Dental</td>
<td>$44,000</td>
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<tr>
<td>Total</td>
<td>$889,000</td>
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</table>

A cushion to account for a flux in number of employees was taken into account.

_______________________________
Gloria Skouge, Secretary/Treasurer

Date

Date Approved by Council:
For:
Against:
Abstained:
# PROPOSED RESOLUTION 17-44

## Lease Proposals

**AUGUST 2017**

<table>
<thead>
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Gloria Skouge, Secretary/Treasurer

Date Approved by Council:

For:
Against:
Abstained:
Establishment of Executive Director Hiring Committee  
August 2017

WHEREAS, the PDA is a public corporation responsible for the efficient development and operation of the Market and for the effective provision of services designed to preserve and promote the economic health of the Market and its tenants consistent with the Urban Renewal Plan, the Historic District Ordinance and Guidelines, the PDA Charter, deed restrictions, and other City and State ordinances and laws; and,

WHEREAS, due to the resignation of its current Executive Director, the PDA Council needs to hire an able replacement; and,

WHEREAS, towards this objective, the PDA Council wishes to establish a process that will best ensure a fully qualified person is found for this important job; and,

NOW, THEREFORE, BE IT RESOLVED, that the PDA Council does hereby approve the following resolution:

1. An Executive Director Hiring Committee (EDHC) consisting of six current PDA Councilmembers is hereby formed, and shall continue in existence until a new Executive Director is hired on terms approved by the full Council and accepts such employment.

2. The EDHC shall establish a plan and timeline to perform its work, including consideration of engaging a search firm to assist it in finding quality candidates, and shall identify and interview possible candidates.

3. In establishing its plan and in performing its duties, EDHC shall ensure that all appropriate input and viewpoints are considered in the hiring process, and shall keep not only the Council but the Market Community reasonably apprised if its progress.

4. The EDHC shall act with due care and deliberate speed, and shall recommend to the Council not less than two and not more than five candidates that it deems qualified for and ready for the position.

5. The EDHC shall consist of Councilmembers Rico Quirindongo, Jim Savitt, Gloria Skouge, Colleen Bowman, Matt Hanna, and Mark Brady. These Councilmembers shall serve on the EDHC until either the committee completes its work per paragraph 1. Above, or the resignation or the removal of a committee member by vote of majority of the Council.

Gloria Skouge, Secretary/Treasurer

Date

Date Approved by Council:
For:
Against:
Abstained:
PROPOSED RESOLUTION 17-46

Approval to Rename MarketFront Committee
August 2017

WHEREAS, the PDA is a public corporation responsible for the efficient development and operation of the Market and for the effective provision of services designed to preserve and promote the economic health of the Market and its tenants consistent with the Urban Renewal Plan, the Historic District Ordinance and Guidelines, the PDA Charter, deed restrictions, and other City and State ordinances and laws; and,

WHEREAS, the MarketFront construction project is now completed and programming is being monitored by the Market Programs Committee; and,

WHEREAS, the MarketFront Committee now believes their focus should be expanded to explore external civic and development projects that may have an effect on the business and character of Pike Place Market; and,

NOW, THEREFORE BE IT RESOLVED that the Council Chair, with the agreement of the Executive Committee has recommended the renaming of the MarketFront Committee to Market Connections Committee.

Committee Chair Vice Chair
Market Connections Rico Quirindongo Colleen Bowman

The focus of the Market Connections Committee will include, but is not limited to, tracking the following projects and initiatives:

- One Center City
- Pike | Pine Renaissance
- Center City Connector Streetcar
- Victor Steinbrueck/Native Park Connections
- Pike Street Hillclimb
- Visibility of the Downunder and Western Ave shops
- MarketFront integration
- Overlook Walk and Park
- Informal relationship with Seattle Aquarium
- Adjacent property development

_______________________________
Gloria Skouge, Secretary/Treasurer

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

New Business Items
# PROPOSED RESOLUTION 17-39

## License Agreements
**AUGUST 2017**

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Gloria Skouge, Secretary/Treasurer

Date

**Date Approved by Council:**

For:

Against:

Abstained:
PROPOSED RESOLUTION: 17-47

Approval of Collective Bargaining Agreements for Maintenance, Security, Facilities, Parking and Residential Bargaining Units
August 2017

WHEREAS, the PDA is a public corporation responsible for the efficient development and operation of the Market and for the effective provision of services designed to preserve and promote the economic health of the Market and its tenants consistent with the Urban Renewal Plan, the Historic District Ordinance and Guidelines, the PDA Charter, deed restrictions, and other City and State ordinances and laws; and,

WHEREAS, Teamsters Local Union No. 117 was certified by the State Public Employees Relations Commission as the bargaining agent and representative of certain PDA Maintenance, Security, Facilities, Parking and Residential staff; and,

WHEREAS, the PDA’s bargaining representatives in negotiations with Union representatives have drafted a proposed contract agreement which has been approved by the Union; and,

NOW, THEREFORE, BE IT RESOLVED, that the PDA Council approves the contract between the PDA and Teamster Local 117 for the PDA Maintenance, Security, Facilities, Parking and Residential Manager bargaining units, for a term of three years, from October 1, 2016 to September 30, 2019, as ratified by the represented PDA staff and directs the Executive Director to execute the contract on behalf of the PDA.

Gloria Skouge, Secretary/Treasurer

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

PDA Committee Minutes
Market Programs Committee Meeting Minutes

Pike Place Market Preservation and Development Authority (PDA)
Tuesday, August 8th, 2017
4:00 p.m. to 6:00 p.m.
The Classroom

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

Other Council Members Present:

Staff Present: Ben Franz-Knight, Emily Crawford, Aliya Lewis, Kalyn Kinomoto, Scott Davies, David Dickinson, Zack Cook, James Cornell, John Turnbull, Karin Moughamer

Others Present: Chris Scott, Howard Aller, Mark Brady, Ann Magnano, Richard Martin, Megan Kim

The meeting was called to order at 4:05 p.m. by Patrice Barrentine, Vice Chair.

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

   B. Approval of the July 11th, 2017 Market Programs Committee Meeting Minutes
      On page two, the sentence should be amended to read “Patrice Barrentine recommended a pedestrian counter at MarketFront in the future.”
      The July 11th, 2017 Minutes were approved as amended by acclamation.

II. Announcements and Community Comments
    Howard Aller complimented the satellite farm programs. They are close, easy to get to and have a good selection.

III. Programs and Marketing Director's Report
    Emily Crawford reviewed the current Metro transit marketing campaign featuring farms and the 110th anniversary. That campaign will run through September 16th. In addition, ads are running on KKNX and paid social ads running from July 24th to just before Labor Day. 110th Anniversary events were noted including on August 12th a concert by Caspar Babypants to raise funds for the child care center, on August 17th there will be a John Stemets exhibits and a symposium at 2 pm on that same day, and Sunset Supper on Friday, August 18th.

    Crawford thanked the Marketing team of Kalyn Kinomoto, Aliya Lewis and Scott Davies on their work on the 2017 holiday campaign. This year 20-second videos are being produced featuring holiday items. These videos will be available in a Dropbox for the media to download.
Patrice Barrentine asked if there would be more innovative ideas, such as the 20-second videos, now that the Marketing budget has been reduced for the remainder of 2017.

IV. Reports and Discussion Items
A. Farm Program Update
Zack Cook provided an overview of the main farm programs currently underway for the 2017 season.

There are currently five Farmers Markets managed by Pike Place Market:
- City Hall, Tuesday
- Denny Regrade, Tuesday
- PPM Evening Market, Wednesday
- South Lake Union, Thursday
- 1st Hill, Friday

Sales at existing locations, year-over-year for the last five years, shows that South Lake Union has a steep growth, City Hall and 1st Hill are a little below 2016 but that is due to a slow start to the growing season, and PPM Evening Market is up a little bit compared to 2016.

A comparison of Denny Regrade and Microsoft sales (Denny Regrade replaced the Microsoft campus) showed that Microsoft sales were flat for the last few years while Denny Regrade is out performing Microsoft compared to last year. Zack noted that Amazon is opening several new buildings over the next few years so the hope is that sales will continue to rise.

Patrice Barrentine asked if there were any concerns about the Farmers Market program. Zack responded that the Evening Farmers Market remains a challenge, noting that there are a lot of tourists in the Market on Wednesday evening. The First Hill Market isn’t performing as strongly as hoped, but it’s still a relatively new market.

Zack complimented the farm team and believes this is due to the implementation of the three, six-month paid internships.

Farm to Go CSA
- The program has a new coordinator, Sidra Schkerke
- 186 shares/week delivered to 8 locations
  - 109/week are sold at market rate
  - 77/week are sold as food access shares
- $22,494 paid to 15 participating farms to date
- The program is supported by a 2-year $55,000 grant

Farm Development
- Applied for a King Conservation District Regional Food System Grant for Individual Development Account, find out in October.
- One more EQIP High Tunnel application approved
- Sampling at City Hall Farmers Market and Evening Farmers Market. The Market has a sampling permit, however a farmer would have to spend $980 to obtain one and sampling has been shown to increase sales.
Planning workshops on land access with Tilth Alliance and food safety with WSDA for the fall and winter.

Colleen Bowman asked if there are plans to do chef demonstrations in the Market, possibly in the new MarketFront pavilion. Zack responded that not a lot of local people were engaging with the chefs and conversations are taking place to develop ways to engage with people through cooking demonstrations.

Patrice Barrentine commented that sampling is a great way to increase sales and believes the Individual Development Grant is a great opportunity, especially for Mung farmers.

Food Access

- **Bonus Card Program**, allows EBT card shopping year round. People can use their EBT at the highstalls in the winter and receive a 50% discount, paid for by Phinney Grants administered by the City. From Jan-May, $11,719 in matching dollars.
- **Farmers Market Fresh Bucks** - $2,022 in matching $’s so far this year.
- **WIC/Senior FMNP Matching Program** - $520 in matching $’s, however $1,100 had been received today
- **1,736 pounds of produced donated to the Food Bank**
- **Education Programs (Abbie)**
  - 47 classes in Atrium Kitchen
  - Monthly Market Meal, Avista started the program but now the program is managed by Tracy Post, a local caterer. The program is now self-sustaining.

Rapid Market Assessment, conducted the week of July 31, 2017

**City Hall**

- Comments included “More prepared food” and “Longer season.”
- How far did you travel to come to the Market? 83.7% came from less than 3 blocks
- Primary reason for visiting the market. Nearly 30% said fruit, followed by veggies, flowers and the atmosphere.
- How much have you (or will you) spend at the market? 35% said $6-10 and 34% said $11-20
- How often do you shop at farmers markets in general? 1-3 times per month

**Evening Market**

- Comments included “Better Market flow” and “More unique vendor options and variety.”
- How far did you travel to come to the Market? Nearly 70% more than 10 blocks, however there is a small percentage that are coming from the surrounding neighborhood.
- Primary reason for visiting the market. Roughly 25% said the atmosphere. Fruit, veggies, and flowers were all less than 5%
- How much have you (or will you) spend at the market? 22% said $11-20
- How often do you shop at farmers markets in general? The majority responded less than once per month, indicating it’s probably mostly tourists walking through the Evening Market.
Colleen Bowman suggested another question to consider is “How did you get to the market?”

Zack wrapped up the presentation with an infographic on Farmers Markets in 2016.

Ben Franz-Knight concluded the Farm Program presentation by presenting some ideas on where the Evening Market program might go in the future to meet the goal of increasing farmer profitability.
- CSA is working well
- Consider moving programming to the MarketFront Pavilion to create an exciting atmosphere since the street doesn’t seem to be doing that.
- Bring back chef demos by highlighting an item found in the weekly CSA and create a program around that. Market partnerships, beer, wine, and music could create a desirable event for locals.

David Ghoddousi commented he liked the idea of experimenting with moving programs to the MarketFront Plaza, tying it to Market merchants, and bringing back chef demos.

Colleen Bowman feels that it’s tradition to have the farmers on the cobblestone street, but recognizes there is a directive to experiment and try new things.

Patrice Barrentine thought there is potential for morning CSA pickup to the MarketFront Pavilion, which would allow people to buy additional items to go with what’s in the CSA. Adding flowers to a CSA might also be a nice addition. She also wondered if the Evening Market would perform better if offered in the off season when there aren’t a lot of tourists.

Zack Cook talked about his goals for the CSA in the future. This year 180-200 shares, and next year the goal is 230-250 shares. The challenge is to find the right balance that maximizes farmer revenue and staff expenses. Shares about 250 will require conversations on where to pack, cooler space, additional staff, etc.

Colleen Bowman asked what the constraints on growth are. Zack responded there is a farmer educational component to working on a CSA program. Ben Franz-Knight added that it’s managing the growth carefully to not incur additional costs or staff time.

Patrice Barrentine asked what the time and labor reduction would be in not having the Evening Market and if that could be put into the CSA program. She also inquired about CSA add-on options. Zack responded that is now possible due to a grant that support the Farm to Go software which will be tested or implemented next season.

B. Green Star Program
David Dickinson introduced two of the Pike Place Market RE-Team projects for 2017: The MarketFront recycling bins and first annual Green Star Award. The recycling bins, which are entirely made from recycled materials, are doing their job but there remains some challenge in the public identifying the right receptacle for their trash.

The Green Star Awards are made up of two awards: The Sustainable Business Impact Award recognizes overall impact of sustainable business practices and the Sustainable Business
Inspiration Award recognizes the nominee’s demonstrated creativity and/or dedication as evinced by their sustainable business practices.

Four Market vendors helped to create the physical green star award, including Joshua Swanson (glass artist), Kris Sacksteder (woodworker), Karen Kvernnes (sand etching) and Charles Saul (laser etching).

The Sustainable Business Impact Award went to Pike Place Fish Market and the Sustainable Business Inspiration Award went to Miranda Marks, owner of Rubber Revolution.

The Second Annual Green Star Awards will launch spring 2018 and the application and judging process for next year will incorporate feedback from this year’s participants and judging panel.

C. Sammamish Farm

Ben Franz-Knight introduced an opportunity for Pike Place Market to enter into a no cost Use Agreement (lease) with King County to manage the Sammamish River Farm. The land currently is farmed by five farmers, three of which are Pike Place Market vendors. Pike Place Market would step in as the property manager, collect a modest rent from the farmers and revenue would be used to make improvements to the land. There is potential for grant opportunities to underwrite the cost of administration.

It is outside the historic district and would require approval from the King County Council. Packet includes a map of the farm and two documents. This opportunity would help small farmers be more successful in their efforts.

Franz-Knight reviewed the handouts including a plot map and a letter and agreement for a similar arrangement between King County and Tilth Alliance. The associated costs would be annual fees for the tax parcel, water and sustainable remediation totaling $255.45.

David Ghoddousi inquired why Tilth isn’t managing the farm.

Patrice Barrentine, who works for King County, recused herself from the conversation, but introduced two King County Employees: Richard Martin, manages the agriculture forestry incentives unit and Megan Kim who manages the agricultural leasing program for King County.

Richard Martin reviewed the relationship with Tilth Alliance at the Greenriver Farm, stating that it’s been successful. Tilth Alliance has a south King County focus and entering into the Sammamish Valley community would require building relationships so they are not interested at this time. In addition, Pike Place Market already has existing relationships with at least three of the farmers currently working that land.

Zack Cook noted that many of these farmers are entering into second or third generation of farming the land and this opportunity could help ensure that continues.

David Ghoddousi asked who has been managing the land up to this point.
Richard Martin responded that for the last 25 years the county has been working directly with the farmers. The County has deferred to the farmers and will step in when staffing and resources allow.

Ghodddousi and Martin continued to discuss the merits of a separate entity stepping in to work directly with the farmers. Richard Martin believes it is to the benefit of the farmer to have an outside organization step.

Ben Franz-Knight summarized what he heard Ghoddousi ask of the project, which are that he would like to see:

- Cost assessment
- Assessment of potential risks
- Analysis of the true benefit, which Franz-Knight believes to be an increase in farmer profitability.

Ghodddousi continued to question why Pike Place Market PDA would step in to manage a property that has proven success for the farmers for over 25 years.

Colleen Bowman would also like to:

- Define specific goals for the project
- Analyze the PDA’s responsibilities and liabilities
- Review farm financials at FAM
- Create a draft of the agreement to continue the conversation

Megan Kim offered to send the most recent Use Agreement with Seattle Tilth noting the goals have changed due to receiving a recent grant. She also mentioned that in order for the County to enter into a No Cost Use Agreement there needs to be a public benefit.

Ben Franz-Knight recommended this topic be discussed again at the next Market Programs Committee meeting before being presented at full Council for consideration.

Richard Martin added that even though the farmers have been successful that doesn’t mean they couldn’t be more successful if they had the technical support the County isn’t able to provide.

Colleen also inquired if there are some basic tenant standards the County has provided. Ben Franz-Knight responded that yes, those do exist.

David Ghoddousi asked what the budget is and requested the financials for review.

Megan Kim provided some highlights of what is included in the Lease Agreement, noting that $150 per acre is charged to farmers resulting in roughly $3,000 in revenue for the entire farm. Kim went on to discuss the public benefits associated with Tilth Alliance managing the Greenriver Farm which include increased farmer education and the introduction of organic practices.
Zack Cook reiterated the close relationship between Pike Place Market and farmers at the Sammamish Farm and believes this could be a great opportunity.

Richard Martin noted the location of the farm is located on the other side of the Sammamish River from Chateau Ste. Michelle in Woodinville and that this river does not flood (but can be wet.)

V. Action Items
None

VI. Resolutions to be added to Consent Agenda
None

VII. Public Comment
Ann Magnano commented that the Sammamish Farm is a fabulous opportunity for the Pike Place Market and the farmers.

There was clarification on how many farmers currently work the land and how many of them have a relationship with Pike Place Market. There are five leases, supporting 15 farmers, and three of those have a relationship with Pike Place Market

Magnano went on to say she believes this is a natural move for Pike Place Market and it builds upon the work that Steve Evans stared. She encourages the PDA to continue reviewing the proposal in order to get more money in farmer’s pockets.

VIII. Concerns of Committee Members
David Ghoddousi requested more information on how Pike Place Market is going to make a difference for the farmer.

Colleen Bowman commented there could be marketing opportunities and envisions great cross-promotional opportunities. Bowman would also like to know what the staffing costs would be to run this program.

IX. Adjournment
The meeting was adjourned at 5:38 p.m. by Patrice Barrentine, Vice Chair

Meeting minutes submitted by:
Karin Moughamer, Executive Administrator
Monday, August 14th, 2017
4:00 p.m. to 6:00 p.m.
Classroom

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

Other Council Members Present: Paul Neal

Staff/ Consultants Present: Patricia Gray, John Turnbull, Ben Franz-Knight, Karin Moughamer

Others Present: Chris Scott, Howard Aller, Bob Messina, Joan Paulson, Mark Brady

The meeting was called to order at 4:05 pm by Rico Quirindongo, Chair.

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

      Gloria Skouge entered the meeting at 4:25 pm

   B. Approval of the MarketFront Committee June 12th, 2017 Minutes
      The June 12th, 2017 meeting minutes were approved by acclamation.

II. Announcements and Community Comments
Patricia Gray provided an update on Market Commons construction. Market Foundation plans to move in by the end of the week. There were a few delays due to condition of the slab as well as adding HVAC to the scope, but the original budget was maintained. Doors will be open to the public by the end of August and there will be a series of Open Houses in September with community members.

Joan Paulson commented that in relation to the revision of the committee name the committee should undertake an analysis of short and long term projects taking place in Seattle, make a list of the unknown, such as November elections in 2017 and 2018, and monitor the projects Downtown Seattle Association and Chamber of Commerce support. With regards to MarketFront experimental projects, the committee needs to take a year-long approach to account for seasonality. Joan asked for a process similar to Daystall regulations. She noted that the term plaza should not be used and asked to hear feedback from Daystall on the configurations. Lastly, Joan recommended the naming of buildings should be open to public review.

Bob Messina sent a message to SDOT asking to retain the overhanging pedestrian crosswalk sign over Western Ave (under the skybridge that is being removed). SDOT responded stating they are
studying it and Bob requests the PDA to keep an eye on the process and requested the sign be retained.

III. Reports & Discussion Items

A. Review of Committee Name and Focus

Rico Quirindongo opened up a conversation on renaming the committee to expand the focus beyond MarketFront as a result of building completion and the many changes facing downtown Seattle and the waterfront in the coming years. The below is a list of projects that could be reviewed by this committee:

- One Center City
- Pike | Pine Renaissance
- Center City Connector Street car
- Victor Steinbrueck/Native Park Connections
- Pike Street Hillclimb
- Visibility of the Downunder and Western Ave shops
- MarketFront integration
- Overlook Walk and Park
- Informal relationship with Seattle Aquarium
- Adjacent property development (1st and Pike 17-story new construction with not a lot of parking)

David Ghoddousi asked if parking should be included. Rico Quirindongo responded that anything related to asset management is funneled through Finance and Asset Management Committee.

David Ghoddousi asked if MarketFront construction updates would continue to be provided at these committee meeting.

Rico Quirindongo outlined his thoughts on moving forward.

Ben Franz-Knight recommended, without a quorum, to summarize today’s conversation, noting the aspects that were considered, and provide a report at Executive Committee. The Executive Committee could then make a recommendation or decide on the new committee name of scope.

Rico Quirindongo asked for clarification on committee size. Ben Franz-Knight responded there is no set number and a conversation continued resulting in agreement that a committee of 5 or 6 people is preferred.

The Committee agreed that Market Connections is the recommended new name. Other names suggested include Market and the Neighborhood, Market Plus, The Market Adjacencies.

Rico Quirindongo confirmed that Committee name, focus, and composition will be discussed at Executive Committee.

B. MarketFront Experimental Programming
Ben Franz-Knight introduced the Market Experimental Programming presentation. What is included in the presentation is a draft of what will be submitted to the Market Historic Commission as part of the MarketFront umbrella use permit for 2018.

Rico Quirindongo asked for clarification on what the blanket permit covers. Ben Franz-Knight responded that the permit would cover uses for the entire open space that aren’t covered in the lease hold properties. This would be a one-year temporary use permit.

John Turnbull began the presentation by noting that data collection is ongoing and it will take a full year to understand MarketFront programming. Under the MHC guidelines, the public has access to MarketFront a minimum of 12 hours per day. The space can be closed, but a city special use permit needs to be acquired and at all times at least one passage from east to west needs to remain open.

MarketFront primary uses:

- **Wood Desk:** Public open space, occasional performances, private events in the evening
- **North Pavilion:** flexible outdoor covered space with plumbing and power – special events, crafts and food demonstrations, local producers, community uses, rentals for private events and fundraisers
- **Pavilion:** Primary use for daystalls under current daystall rules – craft seniority, occasional evening private events and fundraisers.
- **Bridge Deck:** possible artisanal food vendors (pre-packaged), public open space, specialty themed exhibits, and performer location. Isn’t currently being utilized for programming but several food vendors are being considered for the future.

Daystall usage is the primary activity for the main pavilion. The north pavilion is a possible location for programmed special events up to three days in duration. An example is a partnership with Seattle Made this fall.

Zig-Zag daystall formation appears to be most popular. It provides vendors the most visibility and customer interaction. The least popular is the standard daystall linear format with the tables lined up under the lighting as installed.

Ben Franz-Knight commented that overall the feedback has been positive. Daystall tenants have more table space and interviews for new vendors are under way. Tenants that have wanted to be in the pavilion have had a chance to be in the space.

John Turnbull noted that fall will be a time to see how the space fares in foul weather and an opportunity to invite food vendors into the north pavilion.

John Turnbull continued by noting that work is underway to identify a company to manage MarketFront programs. Ben Franz-Knight commented the general approach is to develop site use fees and contract with an entity to manage private event space. This will minimize the amount of management overhead and ultimately a more positive experience for the user.

Rico Quirindongo asked if the Service Use Agreement would include provisions for Market use of the space. Ben Franz-Knight responded yes.
Limitations and restrictions includes:

- MarketFront will not be a commercial product promotion location.
- It will not be used for direct political campaigning related to any specific person or ballot issue except with PDA approval.
- Media and commercial filming or photographing must obtain licensing agreement from the PDA.
- No events involving amplified music unless related to a specific special use permit.
- No fixed or permanent location will be provided to a specific business or community organization and all displays used in any promotion must be portable and able to relocate on a daily basis.

Colleen Bowman asked if there are limitations to hosting educational organizations. Ben Franz-Knight stated that educational organizations could be allowed to host events at the north end of the pavilion.

Rico Quirindongo suggested a radio show called “Farm Talk” be hosted on the north end of the pavilion.

David Ghoddousi recommended keeping the bridge deck open and not over programming it.

Colleen Bowman recommended health and wellness programs could be hosted in the morning, which, if they are free and open to the public, Ben Franz-Knight believes would be allowed under the use permit.

Rico Quirindongo asked how the PDA would identify a company to manage events and programming. Ben Franz-Knight stated that the PDA would start with seeking recommendations and once selected, would enter into an initial 30-60-90-day contract. Site use fees would be brought before Committee of Council.

Rico suggested hearing from the programs committee on the relationship between potentially competing usage of the space.

Colleen Bowman commented that what has been discussed at Market Programs Committee is the creation of a set of metrics, such as audience size, pedestrian flow, who the audience is, so that events can be compared. Additional metrics related to events hosted by an outside organization could include community impact, how many people attended, was it a burden for the PDA, what revenue was generated, and was the fee proper.

Colleen Bowman asked if MHC will have any issues with the proposal.

John Turnbull believes there will be some points to negotiate.

IV. Action Items and Reports
None.

V. Items for the Consent Agenda
None.
VI. Public Comment
Howard Aller commented that the committee size should not be less than four. He asked the Committee to consider including the word “development” in the name.

Bob Messina suggested creating a temporary bathroom sign at MarketFront until the permanent signs are installed after Old Stove is completed.

Joan Paulson reminded the Committee that in 2018 the Hildt-Lacata will need to be renewed and no outreach has been done to date. In addition, closing the events department is detrimental to producing events in the Economy Building.

Mark Brady recommended better understanding how best to use the space before entering into a Service Use Agreement.

VII. Concerns of Committee Members
Colleen Bowman asked when the Hildt-Lacata agreement is up. Ben Franz-Knight responded it’s up for renewal in 2019 and that outreach, planning, development and recommendations will take place in 2018.

David Ghoddousi asked for an update on the MarketFront tenants, Steinbrueck Park, and MarketFront finish work.

Ben Franz-Knight stated that Honest Biscuits and Indi Chocolate are open. Construction is going well with Old Stove. Little Fish construction is delayed and there are some concerns. Ben is meeting with Little Fish later in the week. Design options are being considered for handrails on the new deck and recommendations will be made at an upcoming meeting. The park permit is almost complete and work should begin this week on Steinbrueck Park access.

Rico Quirindongo asked to have a general report each month, now through December, on the following items:

- Scheduled programming
- Parking revenue
- Victor Steinbrueck Park connection
- Progress of Tenant Improvements
- Outstanding warranty issues for MarketFront construction

Colleen Bowman asked if there is a way to have all of the various outreach presentations on projects that have an impact on the Market compiled into one calendar. David Ghoddousi asked to add in current and future construction projects.

Rico Quirindongo suggested selecting a few projects to follow closely but that creating one complete list would be a challenge.

Rico Quirindongo asked for a conversation on what elements are considered for the Service Use Agreement. Ben Franz-Knight responded the contract itself is not something the Council would
review, but the policy around site use fees and expectations around responsibilities could be discussed.

Lastly, Rico brought up conducting a wayfinding study, which had previously been tabled, suggesting it could be a retreat topic. Colleen Bowman pointed out that there is some overlap between MarketFront and Market Programs and that Emily Crawford is doing some work on wayfinding.

VIII. Adjournment
The meeting was adjourned at 5:17 p.m. by Ray Ishii, Chair

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

Tuesday, August 15th, 2017
4:00 p.m. to 6:00 p.m.
Classroom

Committee Members Present: Ray Ishii, David Ghoddousi, Jim Savitt, Gloria Skouge

Other Council Members Present: Paul Neal

Staff/ Consultants Present: Kristi Beattie, Colleen Echohawk, John Turnbull, Jennifer Maietta, Matt Holland, Ben Franz-Knight, Sabina Proto, Erica Bates, Jay Schalow, Karin Moughamer

Others Present: Chris Scott, Howard Aller, Bob Messina, Joan Paulson, Mark Brady, Lacey, Jennifer An, Steve Morello, Nick Setten

The meeting was called to order at 4:03 pm by Ray Ishii, Chair.

I. Administration
   A. Approval of the Agenda
      The agenda was approved by acclamation.
      Jim Savitt entered into the meeting at 4:09 pm.

   B. Approval of the Finance & Asset Management Committee July 18th, 2017 Minutes
      The July 18th, 2017 meeting minutes were approved by acclamation.

II. Announcements and Community Comments
    Howard Aller commented that subdividing the Market Newsletter office does not provide adequate space for the Constituency.

    Joan Paulson commented that the closing of the Events Department will have a detrimental effect on the Market and asks the PDA to consider keeping events department staff.

III. Reports & Discussion Items
    A. Review of the Financial Statements for July 2017
       Sabina Proto reviewed the balance sheet and accounts receivable for the month of July. Current assets decreased from June due to wrapping up WASH construction. Restricted cash also decreased due to semi-annual portion of the interest on PDA 2015 bonds. The current liabilities decreased, mostly in Accounts Payable. Long-term debt decreased due to payment on the PDA 2009 bond. The current year Operating Result is $1,957,212.

       The Accounts Receivable Balance Sheet was reviewed. There was an increase from the prior month and none of the accounts receivable is of any concern with regard to delinquencies.
The PDA Operating Statement was reviewed, noting that it’s revised per the Resolution passed last month. The total revenue YTD at the end of July was $10,542,795, under budget by $115,857. Parking revenue for July did very well and by the end of the year there is hope it will be above the revised budget. Total Operating Expense YTD was $7,981,975 which is $481,322 under budget. Operations and utilities are under budget due to MarketFront non-operational during the first two quarters. That variance will most likely shrink as we approach end of the year. Net Operating Result for the end of July was $2,560,820, which is $365,465 over budget. The PDA is up to date with the payments on debt and Pension Plan contribution and on track of budgeted contribution to CRRF.

The following points were highlighted on the footnotes to the Operating Statement:

- Commercial revenue is over budget by $19,136 due to increases in base rent for retail and common area.
- Residential revenue is slightly under budget.
- Day Stall revenue is under budget in all categories, mostly due to bad weather resulting in delay in farm produce.
- Surface parking revenue is on track
- Garage revenue is under budget by $112,116
- Events revenue is under budget by $5,654
- Miscellaneous revenue over budget in security contracts, investment income, and under budget in filming revenue due to turning down offers that aren’t in alignment with the Market character and values.
- Operating Expenses overall under budget, except Commercial.

The Percent Rent spreadsheet was reviewed and is under budget by $3,719.


Ray Ishii has asked Ben Franz-Knight and Sabina to create a cover memo each month and starting next month, only items with significant variance will be highlighted. If it’s routine or within expectations, the written report will suffice.

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

B. 2018 Budget Schedule

Ben Franz-Knight introduced the 2018 Budget Review and Approval schedule, noting that the full council approval will take place in October, one month earlier than in years past. Initial presentations from department directors and managers will begin in September.

Sabina Proto noted that all managers already have the materials needed to start the budget process and welcomes suggestions for the budget process. The calendar is as follows:

- September 11, Community Budget Meeting
- September 19, Presentation of 2018 Proposed Final Budget at FAM
- September 27, Special FAM meeting, Budget Discussion and Public Comments
- October 17, FAM regular meeting
- October 26, PDA Council, budget approval

Ray Ishii encouraged Council members to attend as many of these meetings as possible.

C. Chief Seattle Club License
Ben Franz-Knight introduced Colleen Echohawk and the following presentation is in support of the Chief Seattle Club License Agreement.

Colleen Echohawk introduced a new program, Native Works, and was joined by two of her colleagues, Lacy, the art coordinator and trainer, and Jennifer An, project consultant.

Chief Seattle Club’s (CSC) mission is to provide a sacred space to nurture, affirm, and renew the spirit of urban Native peoples. CSC provides 84,000 meals annually, showers, laundry, and mail services. They offer nursing care, mental health providers, legal assistance, exercise programs, job training, and spiritual services. In addition they host a drum circle and an art program. A lot of their services serve homeless individuals and native people are 7 times more likely to be homeless.

Native Works will offer high quality Native products at the Pike Place Market. We will provide work opportunity and vocational rehabilitation to members of the Chief Seattle Club and support authentic Native expression at the Market.

Trauma –Informed Workforce Development
- Chief Seattle Club serves over 1,000 unique members a year and over a third of which are currently experiencing homelessness.
- The majority of our members do not have work experience and little professional training.
- Chief Seattle Club members experience high rates of trauma.
- Native Works will offer trauma-informed vocational rehabilitation
  - Interview processes that are gentle and non-threatening
  - “Soft-skills” training
  - Banking
  - Understanding environment for individuals who are experiencing chronic homelessness.

Examples of the products to be sold were shared with the Council and meeting attendees. Colleen reiterated that the goal is to have easy-to-make items that anyone can make with very little training or experience.

The value to Pike Place Market is that these items are authentic, handmade, Native arts and crafts, made by Native peoples.

Jim Savitt asked which items in the Market are being stolen. A conversation continued on examples of items being sold at the Market that feature stolen Native designs or Native technology as well as cultural appropriation and use of the word “stolen.”
Ben Franz-Knight noted that cultural appropriation is a conversation that is happening across the country and there are Market tenants, such as Louis Gong, that are participating in those conversations.

Kristi Beattie asked how the funds will be distributed. Colleen responded that funds will go to paying CSC members.

D. Crossing Guard Program and Western and Virginia
Ben Franz-Knight provided a brief update on the effort to manage the intersection at Virginia and Western to aid in the safe crossing of pedestrians and in the flow of vehicles. The Market can now apply for a Type 13 permit and hire trained and certified flaggers to manage this crosswalk and intersection at peak times during the summer. The PDA will be applying for this permit and costs will be consistent with what has already been allocated in the budget.

David Ghoddousi mentioned the SDOT study noting it’s one of the safest intersections in the city. Ben Franz-Knight provided background on that study with the recommendation that installation of a traffic light at that intersection would likely increase traffic speed and reduce safety. Franz-Knight believes the program would cost roughly $10,000-12,000, starting in the summer of 2018.

Ray Ishii asked if there is cost sharing options with some of the businesses north of the Market. Ben Franz-Knight said that could be explored.

E. W/MBE Contracting Update
Bob Beckstrom provided background on how businesses get on the Small Works Roster in order to bid on work at the Market as well as how the PDA advertises opportunities. In 2017 approximately 200 M/WBE were contacted (utilizing the State of Washington Office of Minority & Women Business Enterprises) and invited to apply to be on the Roster. 23 companies applied and seven are currently active in Market projects.

Ray Ishii asked for the current value of W/MBE contracts compared to total of all contracts.

Ben Franz-Knight responded that number can be calculated for 2017.

Jim Savitt stated the information the Committee is interested in is are W/MBE business doing work for the Market and how does that compare to all the work being done.

F. Constituency Office Space
Ben Franz-Knight provided an update on new office space for the Constituency. Ben had a conversation with Gary Goedecke, head of the Merchants Association, who has a low-cost lease for the Market News space in 1st and Pine building. Goedecke has agreed to a division of the office space and Ben will work with John Turnbull to develop a floorplan and will share those with the Merchants Association and Constituency members. The floorplan will meet ADA needs.

IV. Action Items
Bob Beckstrom introduced proposed resolution 17-40 which states that:
WHEREAS, the Pike Place Market Preservation and Development Authority (PPMPDA) was chartered by the City of Seattle pursuant to RCW 35.21.730 et. Seq with the mission of promoting enterprises essential to the functioning of the Pike Place Market, including the preservation and expansion of the low-income residential community, the promotion and survival of small businesses, and the expansion of services to the public market and community; and,

WHEREAS, in order to maintain the viability of the Pike Place Market buildings the PPMPDA has determined that both North Arcade and Desimone Bridge roofs are at the end of their useful life cycle, and are on the “30 Year Capital Needs Assessment” for replacement; and,

WHEREAS, the PPMPDA has executed a bid process to replace the North Arcade and Desimone Bridge roofs; and,

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Cobra Roofing, in an amount not to exceed $407,299.54, for the purpose of replacing both roofs.

The funds for this project will be drawn from the Capital Projects COMNAR GL 163250-00.

David Ghoddousi moved the proposed resolution and Jim Savitt seconded the motion.

David Ghoddousi asked if these funds are included in the 2017 capital projects budget and Bob responded that it was budgeted and pre-approved for 2017.

Bob Beckstrom noted that it is 4,500 sq. ft of roof that extends from City Fish all the way to Virginia St and the Desimone Bridge (roughly two blocks.) Construction will take place from end of September to end of October. Business as usual during construction but no parking along Pike Place.

For: Jim Savitt, David Ghoddousi, Ray Ishii, and Gloria Skouge
Against: 0
Abstain: 0

Proposed Resolution 17-40 passed by a vote of 4-0-0.

B. Proposed Resolution 17-41: Authorization for Contract Authority – Install Commercial Units in MarketFront Garage

Bob Beckstrom introduced proposed resolution 17-41 which states that:

WHEREAS, the Pike Place Market Preservation and Development Authority (PPMPDA) was chartered by the City of Seattle pursuant to RCW 35.21.730 et. Seq with the mission of promoting enterprises essential to the functioning of the Pike Place Market, including the preservation and expansion of the low-income residential community, the promotion and survival of small businesses, and the expansion of services to the public market and community; and,
WHEREAS, in order to maintain the viability of the Pike Place Market buildings the PPMPDA has determined that the Storage Area in the MarketFront Garage has the room to install Secure Commercial Storage Units; and,

WHEREAS, the PPMPDA has executed a bid process to install storage units in the Storage Room; and,

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Engineered Products in an amount not to exceed $16,047.48 for the purpose of installing storage units.

The funds for this project will be drawn from the MarketFront Post Construction COMMAR GL 165014-00.

David Ghoddousi moved the proposed resolution and Gloria Skouge seconded the motion.

David Ghoddousi asked if this was also included in the 2017 budget. Ben Franz-Knight responded that the funds for this resolution and the next resolution is included in the MarketFront post construction cost budget.

Jim Savitt asked for clarification on how post construction costs are accounted for in the budget. Sabina Proto responded Post Construction is an account code contained within the MarketFront construction budget. The funds for this resolution and the next are accounted for in MarketFront construction coming in at or under budget.

David Ghoddousi asked how much money is in the MarketFront Post Construction account.

Sabina Proto responded there will be a final reconciliation but she could not say at that moment how much is currently in the account. Those numbers will be provided in September.

For: Jim Savitt, David Ghoddousi, Ray Ishii, and Gloria Skouge
Against: 0
Abstain: 0

Proposed Resolution 17-41 passed by a vote of 4-0-0.


Bob Beckstrom introduced proposed resolution 17-42 which states that:

WHEREAS, the Pike Place Market Preservation and Development Authority (PPMPDA) was chartered by the City of Seattle pursuant to RCW 35.21.730 et. Seq with the mission of promoting enterprises essential to the functioning of the Pike Place Market, including the preservation and expansion of the low-income residential community, the promotion and survival of small businesses, and the expansion of services to the public market and community; and,

WHEREAS, in order to maintain the commercial viability of the MarketFront, the PPMPDA has determined the installation of a commercial walk-in cooler is vital to the success of its tenants
and internal departments. This unit will be available for lease to all commercial vendors needing it for their operations. Additionally, the PPM Farm Program will be using parts of it for their community programs; and,

WHEREAS, the PPMPDA has executed a competitive bid process to perform the necessary scope to install a walk-in cooler on the 4th floor of the MarketFront garage; and,

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Mobile Cooler Rentals Inc. in an amount not to exceed $49,213 for the execution of work necessary to accomplish scope.

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

Gloria Skouge moved the proposed resolution and David Ghoddousi seconded the motion.

For: Jim Savitt, David Ghoddousi, Ray Ishii, and Gloria Skouge
Against: 0
Abstain: 0

Proposed Resolution 17-42 passed by a vote of 4-0-0.

D. Proposed Resolution 17-43: Employee Medical and Dental Coverage 2017-2018
Erica Bates introduced proposed resolution 17-43 which states that:

NOW, THEREFORE, BE IT RESOLVED, that the PDA Council authorizes the PDA Executive Director or his designee, to enter into contracts with Regence BlueShield for employee medical coverage, SunLife Insurance for employee life insurance and Washington Dental Service for employee dental coverage for 2017-2018 policy year in the amount not to exceed $889,000.

- Medical Coverage $790,000
- Life Insurance $55,000
- Dental $44,000

$889,000

A cushion to account for a flux in number of employees was taken into account.

David Ghoddousi moved the proposed resolution and Gloria Skouge seconded the motion.

David Ghoddousi asked how many employees this plan covers. Erica Bates responded 107 people.

Ray Ishii asked if the coverage is the same. Erica Bates said the coverage and carriers are the same.

For: Jim Savitt, David Ghoddousi, Ray Ishii, and Gloria Skouge
Against: 0
Abstain: 0
Proposed Resolution 17-43 passed by a vote of 4-0-0.

V. Property Management
A. Residential Property Management Report
John Turnbull noted that residential vacancies are improving. Western Avenue Senior Housing received a big donation of furnishings and equipment from the Boeing Employees Fund, which are mostly unpacked and distributed in the buildings. The residential buildings just finished summer celebrations. A two-month work project for geriatric medicine and exercise just finished up at Stewart House. It was managed by a student volunteer and may continue in the future.

Ray Ishii asked why there are tenants already moving out of Western Avenue Senior Housing (which just opened). John Turnbull responded some tenants are in general non-compliance and although property managers have been working with them, it’s not working out.

VI. Public Comment
Bob Messina asked what the original color of the Desimone Bridge roof was 41 years ago. He would not like the color of the new roof changed to match the color of the MarketFront Pavilion and as much as possible it should match the original color.

Joan Paulson commented that on the Arcade is was 3-tab roofing and originally there was no cover on the Desimone Bridge. John Turnbull suspected it was originally an off-the-shelf green.

In addition, Joan reiterated her opinion that disbanding the events department is detrimental to the organization and vital to the function of the Economy building.

Steve Morello recommended a needs assessment on what the Constituency office space should be or needs to be before any decisions need be made. The current office is not welcoming, does not accommodate the staff and is totally unacceptable.

VII. Closed Session
The Committee Chair stated that the committee would go into closed session at 5:16 p.m. to discuss the property management report and return into open session at approximately 5:31 p.m.

The committee entered into closed session at 5:18 p.m.

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

B. Review of Lease Proposals
   i. New Tenant – The Drink Den, 1516 Western Ave
   ii. New License – Chief Seattle Club, 1901 Western Ave/Pavilion
   iii. Lease Renewal – Brooke Westlund Studio & Gallery, 1514 Western Ave
   iv. Lease Renewal – El Mercado Latino, 1514 Pike Pl #5
   v. Lease Renewal – Raven’s Nest Treasures, 85 B Pike Pl
   vi. Lease Renewal – Pure Food Fish, 1515 Pike Pl

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

The committee entered into open session at 5:46 p.m.

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

VIII. Open Session
A. Proposed Resolution 17-39: License Agreements

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<tr>
<th>Tenant</th>
<th>Term</th>
<th>Start Date</th>
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<tbody>
<tr>
<td>Chief Seattle Club</td>
<td>One (1) Year</td>
<td>September 1, 2017</td>
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<tr>
<td>(Colleen Echohawk)</td>
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<tr>
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<td>Brooke Westlund Studio &amp; Gallery</td>
<td>Five (5) Years</td>
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<tr>
<td>Pure Food Fish</td>
<td>Ten (10) Years</td>
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David Ghoddousi moved the proposed resolution and Gloria Skouge seconded the motion.

Jim Savitt noted that the Committee has not reviewed the License Agreement and asked that the Council have a chance to review it, redacted, prior to execution.

Proposed Resolution 17-39 passed by a vote of 4-0-0.

B. Proposed Resolution 17-44: Lease Proposals – August 2017

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David Ghoddousi moved the proposed resolution and Gloria Skouge seconded the motion.

Jim Savitt noted the lease with Raven’s Nest will not include the provisions Matthew Steinbrueck requested via the email sent to the Committee. If that is the understanding of the Committee, then he agrees to vote in favor of the proposed resolution above.
For: Jim Savitt, David Ghoddousi, Ray Ishii, and Gloria Skouge
Against: 0
Abstain: 0

Proposed Resolution 17-44 passed by a vote of 4-0-0.

IX. Resolutions to be added to the Consent Agenda
• Proposed Resolution 17-41: Authorization for Contract Authority – Install Commercial Storage Units in MarketFront Garage
• Proposed Resolution 17-43: Employee Medical and Dental Coverage 2017-2018
• Proposed Resolution 17-44: Lease Proposals – August 2017

Jim Savitt suggested that 17-39 not be on the consent agenda, noting that there was lots of discussion around this License Agreement when presented at full Council earlier in the year. In addition, Jim asked if the full License Agreement with the financial information redacted, could be made available to full Council in August.

Proposed Resolution 17-39 will not be moved to the Consent Agenda.

X. Concerns of Committee Members
David Ghoddousi would like to see regular updates on parking garage metrics, more than the financials that are included in the monthly report, and comparisons between years.

Jim Savitt stated that he does not believe a needs assessment should be undertaken with regards to the Constituency office, rather, the Constituency should be consulted to ensure the space that is provided is adequate to their needs. If the Constituency is not satisfied they should return to FAM.

Jim Savitt asked for PDA staff to conduct an investigation into whether there are vendors selling stolen Native America goods. The Market should not be selling stolen goods. After the investigation he asked Ben Franz-Knight to report back to FAM in September.

Gloria Skouge asked if the arrows in the old garage as you enter on level 5 could be repainted to increase visibility and reduce confusion on traffic directions. Better signage could help too.

XI. Adjournment
The meeting was adjourned at 5:55 p.m. by Ray Ishii, Chair

Meeting minutes submitted by:
Karin Moughamer, Executive Administrator
Wednesday, August 23, 2017
4:30 p.m. to 5:45 p.m.
Goodwin Library

Committee Members Present: Matt Hanna (Chair), Ray Ishii, Rico Quirindongo, Gloria Skouge, David Ghoddousi, Betty Halfon

Other Council Members Present: Mark Brady

Staff Present: Ben Franz-Knight, Karin Moughamer

Others Present: Howard Aller, Chris Scott, Joan Paulson

The meeting was called to order at 4:34 p.m. by Matt Hanna, Chair.

I. Administration
   A. Approval of the Agenda
      The agenda was approved by Acclamation.
   B. Approval of the July, 19th, 2017 Executive Committee Meeting Minutes
      The July 19th, 2017 Executive Committee Meeting Minutes were approved by Acclamation.

II. Announcements and Community Comments
    Joan Paulson commented on the typo on Proposed Resolution 17-46. “Once” should be “One.”

III. Council Chair’s Report
    Matt Hanna introduced proposed resolution 17-45 which states that:

    WHEREAS, the PDA is a public corporation responsible for the efficient development and operation of the Market and for the effective provision of services designed to preserve and promote the economic health of the Market and its tenants consistent with the Urban Renewal Plan, the Historic District Ordinance and Guidelines, the PDA Charter, deed restrictions, and other City and State ordinances and laws; and,

    WHEREAS, due to the resignation of its current Executive Director, the PDA Council needs to hire an able replacement; and,

    WHEREAS, towards this objective, the PDA Council wishes to establish a process that will best ensure a fully qualified person is found for this important job; and,

    NOW, THEREFORE, BE IT RESOLVED, that the PDA Council does hereby approve the following resolution:
1. An Executive Director Hiring Committee (EDHC) consisting of six current PDA Councilmembers is hereby formed, and shall continue in existence until a new Executive Director is hired on terms approved by the full Council and accepts such employment.

2. The EDHC shall establish a plan and timeline to perform its work, including consideration of engaging a search firm to assist it in finding quality candidates, and shall identify and interview possible candidates.

3. In establishing its plan and in performing its duties, EDHC shall ensure that all appropriate input and viewpoints are considered in the hiring process, and shall keep not only the Council but the Market Community reasonably apprised if its progress.

4. The EDHC shall act with due care and deliberate speed, and shall recommend to the Council not less than two and not more than five candidates that it deems qualified for and ready for the position.

5. The EDHC shall consist of Councilmembers Rico Quirindongo, Jim Savitt, Gloria Skouge, Colleen Bowman, Matt Hanna, and Mark Brady. These Councilmembers shall serve on the EDHC until either the committee completes its work per paragraph 1. Above, or the resignation or the removal of a committee member by vote of majority of the Council.

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

Matt Hanna noted that the first meeting was held just prior to Executive Committee, wherein the first hiring firm consultant was interviewed.

For: Matt Hanna, Gloria Skouge, David Ghoddousi, Ray Ishii, Rico Quirindongo, and Betty Halfon
Against: 0
Abstain: 0

Proposed Resolution 17-45 passed by a vote of 6-0-0.

Matt Hanna continued with an update on the Services Agreement between the PDA and Market Foundation. Ben Franz-Knight noted he will provide a report at full council outlining the agreement, followed by closed session to discuss the financial terms. Matt Hanna and Ben Franz-Knight met with Marshall Foster at the office of the Waterfront with regards to the Pike|Pine improvements. Matt noted a productive conversation that also discussed the Overlook Walk and PDA concerns related to Pike|Pine improvements, 1st Ave Streetcar, and loading and unloading in and around the Market. Lastly Matt stressed how important it will be for the Market Connections (previously MarketFront) Committee to keep an eye on the changes happening downtown and the concerns noted above.

Ray Ishii asked what the timeline is for finalizing the Market Foundation Services Agreement.

Matt Hanna stated that input is required from the full Council on the Term Sheet. That input will then be provided to the Foundation which will result in a draft agreement to be shared with the Foundation and Council simultaneously. It will be a collective effort by Council, Staff and attorneys to provide input.

Betty Halfon asked to review the current agreement and current drafts. Matt Hanna noted that the Council packet will include the existing services agreement, the second amendment, and the Term Sheet will be included in closed session.
IV. Committee Chair’s Report

A. MarketFront
Rico Quirindongo noted two key issues from the meetings: 1. Renaming the committee to Market Connections, and 2.) the presentation by John Turnbull on experimental MarketFront programming. Rico noted the short term use agreement is being presented to the Market Historical Commission tonight. He highlighted some key aspects of the presentation including the discussion of hiring an outside vendor to manage Market programs in the Pavilion space, as well as other spaces in the Market.

A conversation continued on entering into a service contract to manage third-party events at the Market, including outreach being conducted to select the outside entity and metrics used to access success. Matt Hanna suggested the retreat could be a good place to discuss how the space is currently being used, what is working. Ben Franz-Knight noted that no third-party events are being planned on the MarketFront until 2018.

A conversation continued on the possible terms of the Use Agreement, timeline, and how to address a short-term agreement that allows flexibility to end the contract if it’s not working. Obligations for events scheduled in the Economy Building are being handled by PDA staff.

Ben Franz-Knight will brief the Council on the status of the Service Agreement. In advance of that agreement being drafted, the Council will review the policy framework, which will include fees, rules and regulations. PDA staff will manage this as a Service Contract. Ben envisions this entity will be self-motivated and handle marketing, within the guidelines provided, in order to book clients.

Rico Quirindongo concluded with noting the request for a standing report on:
- Scheduled programming
- Parking revenue
- Victor Steinbrueck/Native Park connection
- Progress of Tennant Improvements
- Outstanding warranty issues for MarketFront construction – beginning in November this will be important to track by PDA Operations and Commercial Departments.

B. Market Programs
Betty Halfon asked Ben Franz-Knight to update the Committee as she was not at the Market Programs Committee. Ben provided an overview of the Farm Program, including a conversation around the Wednesday night Evening Farmers Market and the possible addition of community activities to draw in a local audience. In addition there was a presentation and conversation around the PDA entering into an agreement with King County to manage Sammamish Farm.

Betty Halfon would like the Council to address the lack of farmer participation and how to get more farmers selling in the Market and more people buying local produce.

Lastly, a conversation on what committee will manage the renewal of the Hildt-Lacata agreement, which is up for renewal in 2019, with planning taking place in 2018. Matt Hanna suggested Market Programs could be a place to solicit feedback and manage the conversation, but substantive work will be done by the Council.
C. Finance & Asset Management
Ray Ishii reviewed the agenda highlighting that the budget process has started and will conclude in October with full Council approval, one month earlier than usual. The Chief Seattle Club presentation sparked a lot of discussion. Ray noted the strong language used by the presenter suggesting there are goods being sold by Market vendors are stolen. The Council asked Ben Franz-Knight to investigate and report back to FAM.

A conversation continued to clarify and discuss the intent of the comment, suggesting it was used in the context of cultural appropriation of Native designs and technologies, versus how it was stated with the use of the word “stolen.”

Matt Hanna asked if it might not be helpful to follow-up with the presenter to clarify the semantics of the term “stolen” versus appropriation without permission.

Ray Ishii continued by discussing the crossing guard program at Western Ave and Virginia St, the presentation on the W/MBE, but noting the lack of data presented, which Ben Franz-Knight will gather prior to the next meeting, and the conversation on the Constituency office space. Proposed Resolutions 17-40, 17-41, 17-42, 17-43, and 17-44 passed and were moved to Consent Agenda. Resolution 17-39, License Agreement with Chief Seattle Club was approved unanimously but the Committee recommended it be presented at full Council under New Business.

A discussion on whether to include Proposed Resolution 17-39, License Agreement with Chief Seattle Club, as a New Business Item or adding it to Consent Agenda followed. Matt Hanna is concerned about already having a full agenda at full Council. Ben Franz-Knight suggested having a discussion in closed session regarding the terms and then voting on the Proposed Resolution.

D. Executive Director Hiring Committee
Rico Quirindongo provided an update on the meetings that have taken place over the last two weeks, reiterating that the Committee is tasked with finding a new Executive Director within three months, or by mid-November. The first of four hiring firm interviews took place today, the remaining three will happen on August 30th. The Committee has a weekly standing meeting and will cancel as needed.

Rico asked to schedule a Thursday morning conference call to discuss consulting firm candidates and to hold a spot on the full council agenda to present the Committee’s recommendation. The goal is to get a consultant on board as soon as possible and then outline a schedule to share with the community and council.

V. Executive Director’s Report
Ben Franz-Knight noted that during full council a closed session will take place to discuss the union contract, which was received today. The proposed resolution will be presented next week as well. A meeting is pending to talk about trademark license renewal with Starbucks. The permit and indemnity agreement are in place to move forward with connecting MarketFront to Victor Steinbrueck/Native Park. That work should take approximately two days and are waiting to mobilize the three contractors to do the work.
David Ghoddousi asked if the Starbucks line management can be included in the trademark license renewal. Ben Franz-Knight stated that is a separate conversation.

David Ghoddousi asked what the timeline for entering into an agreement with the cooling stacks and if it would be completed by October. Matt Hanna believes more discussions need to occur with regards to Overlook Walk and waterfront construction which will extend beyond October. Ben Franz-Knight acknowledged the obligation to relocate the cooling stacks in the Development Agreement close-out letter.

VI. Committees and Appointments

A. Proposed Resolution 17-46: Approval to Rename the MarketFront Committee

Matt Hanna introduced proposed resolution which states that:

WHEREAS, the PDA is a public corporation responsible for the efficient development and operation of the Market and for the effective provision of services designed to preserve and promote the economic health of the Market and its tenants consistent with the Urban Renewal Plan, the Historic District Ordinance and Guidelines, the PDA Charter, deed restrictions, and other City and State ordinances and laws; and,

WHEREAS, the MarketFront construction project is now completed and programming is being monitored by the Market Programs Committee; and,

WHEREAS, the MarketFront Committee now believes their focus should be expanded to explore external civic and development projects that may have an effect on the business and character of Pike Place Market; and,

NOW, THEREFORE BE IT RESOLVED that the Council Chair, with the agreement of the Executive Committee has recommended the renaming of the MarketFront Committee to Market Connections Committee.

<table>
<thead>
<tr>
<th>Committee</th>
<th>Chair</th>
<th>Vice Chair</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market Connections</td>
<td>Rico Quirindongo</td>
<td>Colleen Bowman</td>
</tr>
</tbody>
</table>

The focus of the Market Connections Committee will include, but is not limited to, tracking the following projects and initiatives:

- One Center City
- Pike | Pine Renaissance
- Center City Connector Streetcar
- Victor Steinbrueck/Native Park Connections
- Pike Street Hillclimb
- Visibility of the Downunder and Western Ave shops
- MarketFront integration
- Overlook Walk and Park
- Informal relationship with Seattle Aquarium
- Adjacent property development
David Ghoddousi moved the proposed resolution and Ray Ishii seconded the motion.

Betty Halfon noted her concerns on changing the name, however, upon discussion, is in agreement with the name change.

For: Matt Hanna, Gloria Skouge, David Ghoddousi, Ray Ishii, Rico Quirindongo, and Betty Halfon
Against: 0
Abstain: 0

Proposed Resolution 17-46 passed by a vote of 6-0-0.

VII. Public Comment
Joan Paulson recommended adding Port of Seattle, expansion of the Convention Center, the viaduct as a point of discussion, ferry terminal expansion to the charge of Market Connections Committee. Joan asked if there will there be a retreat this year and asked if the Hildt-Lacata agreement will be discussed in 2017 or 2018.

VIII. Resolutions to be added to the Consent Agenda
- Proposed Resolution 17-45: Establishment of Executive Director Hiring Committee
- Proposed Resolution 17-46: Approval to Rename the MarketFront Committee

IX. Concerns of Committee Members
Betty Halfon noted the lack of artwork on the Plaza and would like to revisit the topic again. Betty suggested a councilmember be involved in the discussion, in addition to the Market Foundation Executive Director.

David Ghoddousi would like to see a monthly report on MarketFront merchants, programming, tenant improvements, construction warranties, etc. This report will take place at Market Connections.

Rico Quirindongo believes removal of the viaduct should have been added to Resolution 17-46, but there are other projects contained in the list that covers that topic.

X. Adjournment
The meeting was adjourned at 5:48 p.m. by Matt Hanna, Chair.

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

Wednesday, August 23rd, 2017
2:30 p.m. to 4:00 p.m.
Elliott Bay Room

Committee Members Present: Rico Quirindongo (Chair), Matt Hanna, Gloria Skouge, Colleen Bowman (via phone), Jim Savitt, Mark Brady

Other Council Members Present:

Staff/ Consultants Present: Fred Pabst, Scott Rabinowitz, Karin Moughamer, Erica Bates

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

The meeting was called to order at 2:35 pm by Rico Quirindongo, Chair.

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

II. Announcements and Community Comments
    Howard Aller noted that the consultant had not arrived yet.

III. Interview: Fred Pabst, Herd Freed Hartz
    Fred Pabst and Scott Rabinowitz both partners from Herd Freed Hartz introduced themselves.

Fred Pabst began by noting that there is no blue-print process for conducting an executive director search. He continued by describing a general process which starts with front end work and the position specification, which acts as a screening instrument and a marketing tool that tells the story of the work vision. This work will include all the voices that need to be heard during the process – internal and external stakeholders and the client identifies the target list for them to reach out to. The position specification acts as a colander through which all candidates will be filtered through to create as level a playing field as possible from an inclusiveness standpoint. The position statement will not be made public until the Council has approved it.

Fred continued by outlining outreach efforts which is direct recruiting. They may post it on a few platforms, but the right candidate is most likely not looking for a job but is doing good things for their organization and after several conversations becomes comfortable with the idea of a new challenge. All of this it working towards the strongest, most diverse candidate possible.

Fred handed out information on two recent projects: The Port of Seattle Executive Director role and King County Library Director. These are two public organizations with heavy community
Jim Savitt asked them to provide an example of a project that most closely resembles the Pike Place Market search.

Fred Pabst started by saying the Pike Place Market is a unique entity. It’s a historic organization where the stakeholders are so varied. The King County Library Director is a similar search based on the variety of patrons they serve, is similar. But that is based on local experience of walking through the Market for over 20 years and seeing all the changes. Fred stated that this is a very unique and exciting possibility for the firm.

Scott Rabinowitz added that in some ways the structure of the Port of Seattle, in terms of reporting to a Council or Commissioners, and having a variety of goals in terms of real estate, asset management, community outreach, programs and services, iconic and historic aspects of the physical space, lends itself to a similar type of search. Other clients include Pacific Science Center, Space Needle, Pilchuck School of Glass, and the CEO of BECU.

Jim Savitt asked what their process is for reviewing applications.

Scott responded that it’s their responsibility to provide a subset of 12-15 for the Council to review with the goal of selecting 4-5 finalists to meet with. They suggested working backwards from a completion date to set the calendar.

Fred Pabst added that the biggest challenge in working with a board and councils is scheduling and trying to coordinate around already set Council meetings and reverse engineering a calendar based on that. The first meeting after the position statement is created is called a candidate calibration meeting to review early candidates. The next meeting is to review semi-finalists to winnow down to interviews, which will involve stakeholders. The typical process takes 90 days but within 37 days they have usually identified the person that will be hired.

Jim Savitt asked Fred and Scott to imagine they are on the PDA Council and to provide examples of what they believe are the crucial skills and experiences required of this individual.

Scott Rabinowitz and Fred Pabst responded someone who is going to honor the vision of the organization, help guide it into the future, and make existing stakeholders feel like they are a person they are working with, not for. Someone who is open minded, truly listening, and a fantastic communicator.

Mark Brady asked how many clients the firm is currently engaged with. Fred Pabst responded the firm is eight people, with one located in Portland. They currently have 18 active searches. Fred and Scott would be the partners working on the search and would not hand it off to junior staff. Fred continued to talk about their experience and how the firm operates.

Matt Hanna reflected on the qualities Ben Franz-Knight currently brings to the position and asked how they go about the outreach process and engage with a candidate that might not be looking for a change. Fred Pabst would start by asking the Council what are similar types of agencies, starting by looking at the west coast, and identifying people who might have a
connection to Seattle but not currently living here. The question will be the Council identifying what are the key qualities that are needed for this position right now.

Matt Hanna continued by asking what scares them about undertaking this project and how would you overcome those challenges.

Scott Rabinowitz is looking to identify someone that will honor the past within a rapidly changing city. They are not experts in historic Market leadership searches. Fred added that this is a big public position and the search has to go well, which means they can’t miss a thing, and that can be nerve wracking.

Gloria Skouge talked about the complexity of the Executive Director position and Scott Rabinowitz discussed how a complex outreach and job search is an exciting challenge.

Colleen Bowman asked how they continue their relationship with clients such as being brand ambassadors and a long term partner for recruitment. Fred Pabst shared his experience working with clients in the dairy sector and the continued relationship with specific clients helping them to build their teams. It allows them to learn the culture of an organization and makes them feel like they are part of the team.

Rico Quirindongo asked for clarification on how they conduct their outreach and candidate screening. Scott and Fred responded they conduct outreach within their networks that aren’t necessarily looking but that would be a good fit for the position. They will work with the organization to get recommendations on places that have worked well in the past, and post there. They have a very wide net to get the largest, most diverse candidate pool possible.

Rico followed-up by asking if all applications could be provided for review, not just the 12-15 they select as semi-finalists. Fred responded yes. It’s up to the Council to say how involved they want to be in the candidate review. They will schedule regular meetings, recommending every two weeks, to provide updates on the process.

Rico Quirindongo asked them to speak about how to handle opportunities for the community to meet candidates. An open forum can be rough on candidates and precludes any candidate that is doing their best for the process to remain confidential. Their recommendation is to create an external panel that has a chance to meet the candidates, in addition to the PDA leadership team. These meetings are facilitated, with questions provided in advance.

Jim Savitt asked for clarification on how the position is posted. Scott responded they will post to places recommended by the PDA, the PDA should post it on their website. They confirmed the position will be visible but that most of the work will come through direct marketing.

Jim followed-up by asking for their thoughts on the benefits of having the firm be local or hiring a national firm that has more contacts. Fred Pabst responded they have the ability to be as national or international in the search as the Council wants them to be. A benefit of having a local firm is the ability to talk about what it’s like to live in Seattle to someone who is considering relocating. Social media has transformed the executive search field. Where the value lies in a consultant is the ability for them to build the relationship with a candidate. They have access to a proprietary database that is international and they have built their own
personal networks in cities across the country. They focus on the story, and communicating that story of the position, to their networks.

Scott Rabinowitz asked what the compensation for the position is and what is important to the Council in working with a partner during the search.

Rico Quirindongo said they aren’t ready to talk about compensation. This is a hugely important position and the relationship with the search firm needs to be personal.

Jim Savitt noted that the PDA is a combination of the government, a non-profit, and a shopping mall, but more the government than anything else. The public has a major expectation in what the Market does and it works the best when that expectation is honored. Jim is most interested in the finding of the candidates.

Matt Hanna noted that what is important to him is that the consultant is creative in their search.

IV. Community Comments
Howard Aller suggested that Ben Franz-Knight be involved in the selection, based on the notion that what the Council is looking for is another Ben.

Joan Paulson commented that the candidate be grounded in common sense and not change for the sake of change. The Market is not an island and it needs to be nurtured and enhanced. That only happens with a sense of history and the tools for how it got there. She recommended that there should be measurable goals and to pay attention to the changes in city government in 2018. Over the last four years an imbalance in jobs versus infrastructure has taken place. She asked what the Councils’ expectations are for this position in 2018 and to hold a forum and ask different stakeholders what their expectations are.

Chris Scott commented that any candidate that is interviewed be familiar with the Charter as a foundation moving forward, as well as the By Laws of the Constituency. He hopes that any candidate that is chosen has the same qualities of community relationship building as the current Executive Director has.

V. Concerns of Committee Members
Jim Savitt asked how many other firms will be interviewed.

Rico Quirindongo responded that three other firms will be interviewed next week and will confirm once finalized. That means a longer meeting on August 30th.

The Committee agreed to start the meeting at 3 pm instead of 4 pm. Erica Bates will confirm interview times.

VI. Adjournment
The meeting was adjourned at 4:01 p.m. by Rico Quirindongo, Chair

Meeting minutes submitted by:
Karin Moughamer, Executive Administrator
Section VII:

Financials & Additional Enclosures
# PIKE PLACE MARKET PDA
## BALANCE SHEET
### July 31, 2017

<table>
<thead>
<tr>
<th>ASSETS</th>
<th>Note</th>
<th>Current Month</th>
<th>Prior Month</th>
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</thead>
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<td>Rental Accounts Receivable</td>
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<td>Mise Accounts Receivable</td>
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<td>5,268,168</td>
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<td>Market Buildings</td>
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<td>Equipment</td>
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<td>Less Accumulated Depreciation</td>
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<td><strong>32,958,386</strong></td>
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<table>
<thead>
<tr>
<th>LIABILITIES &amp; CAPITAL</th>
<th>Note</th>
<th>Current Month</th>
<th>Prior Month</th>
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<tr>
<td><strong>Current Liabilities</strong></td>
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<td>Accounts Payable</td>
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<td>635,000</td>
<td>635,000</td>
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<tr>
<td>Interest Payable Accrued</td>
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<td>Accrued Payroll, Vacation &amp; Taxes</td>
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<td>622,284</td>
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<td>Accrued Business Taxes</td>
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<td>Security Deposits</td>
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<td><strong>60,223,739</strong></td>
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<td>N/P City of Seattle - Creamery Lot</td>
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<td>455,000</td>
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<td>QB2 Deferred Master Lease Payment</td>
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<td>QB3 Deferred Master Lease Payment</td>
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<td>Current Portion - Long Term Debt</td>
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<td>(635,000)</td>
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<tr>
<td><strong>Total Long Term Debt</strong></td>
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<td><strong>60,223,739</strong></td>
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<tr>
<td><strong>Capital</strong></td>
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<tr>
<td>Contributed Capital</td>
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<td>Prior Years' Results</td>
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<td>Current Year Result</td>
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<td>Non-Operating Revenues</td>
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<td><strong>TOTAL ASSETS</strong></td>
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<td><strong>TOTAL LIABILITIES AND CAPITAL</strong></td>
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<td><strong>209,750,976</strong></td>
<td><strong>210,508,041</strong></td>
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## Account Receivable

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<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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<tr>
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<tr>
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<td>HUD Subsidy</td>
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<td>1,582,328</td>
<td>1,544,734</td>
<td>245,773</td>
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</tbody>
</table>
## PIKE PLACE MARKET PDA - OPERATING BUDGET COMPARISON STATEMENT

**Period Ending July 31, 2017**

<table>
<thead>
<tr>
<th>Note</th>
<th>REVENUE</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>2017 Revised Budget</th>
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</thead>
<tbody>
<tr>
<td></td>
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<td></td>
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<td>(14,799)</td>
<td>(17)</td>
<td>0.0%</td>
<td>(4,942)</td>
<td>(4,933)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Residential</td>
<td>1,599,922</td>
<td>1,605,821</td>
<td>(5,899)</td>
<td>-0.4%</td>
<td>229,998</td>
<td>228,613</td>
<td>2,814,614</td>
</tr>
<tr>
<td></td>
<td>Daystayl</td>
<td>620,752</td>
<td>649,595</td>
<td>(28,843)</td>
<td>-4.4%</td>
<td>139,319</td>
<td>148,075</td>
<td>1,184,300</td>
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<tr>
<td></td>
<td>Surface Parking</td>
<td>112,181</td>
<td>108,470</td>
<td>3,711</td>
<td>3.4%</td>
<td>14,249</td>
<td>15,495</td>
<td>185,957</td>
</tr>
<tr>
<td></td>
<td>Garage</td>
<td>1,377,085</td>
<td>1,489,201</td>
<td>(112,116)</td>
<td>-7.5%</td>
<td>351,281</td>
<td>32,344</td>
<td>2,503,453</td>
</tr>
<tr>
<td></td>
<td>Events</td>
<td>119,051</td>
<td>126,200</td>
<td>(7,149)</td>
<td>-5.7%</td>
<td>16,259</td>
<td>17,753</td>
<td>126,200</td>
</tr>
<tr>
<td></td>
<td>Market Foundation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>-</td>
<td>25,000</td>
</tr>
<tr>
<td></td>
<td>Miscellaneous Revenue</td>
<td>268,491</td>
<td>253,171</td>
<td>15,320</td>
<td>6.1%</td>
<td>31,956</td>
<td>51,453</td>
<td>416,974</td>
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<tr>
<td></td>
<td>TOTAL REVENUE</td>
<td>10,542,795</td>
<td>10,658,652</td>
<td>(115,857)</td>
<td>-1.1%</td>
<td>1,837,411</td>
<td>1,666,401</td>
<td>18,821,615</td>
</tr>
<tr>
<td></td>
<td>EXPENSES</td>
<td></td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>Property Management</td>
<td>792,224</td>
<td>777,015</td>
<td>(15,209)</td>
<td>-2.0%</td>
<td>107,857</td>
<td>116,778</td>
<td>1,307,215</td>
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<tr>
<td></td>
<td>Parking</td>
<td>318,970</td>
<td>350,691</td>
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<td>9.0%</td>
<td>54,192</td>
<td>42,569</td>
<td>582,068</td>
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<tr>
<td></td>
<td>Operations</td>
<td>2,689,894</td>
<td>2,866,813</td>
<td>176,919</td>
<td>6.2%</td>
<td>392,978</td>
<td>406,375</td>
<td>4,873,824</td>
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<td></td>
<td>Utilities</td>
<td>1,570,457</td>
<td>1,727,930</td>
<td>157,473</td>
<td>9.1%</td>
<td>289,961</td>
<td>284,001</td>
<td>3,103,997</td>
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<tr>
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<td>Insurance</td>
<td>259,431</td>
<td>265,080</td>
<td>5,649</td>
<td>2.1%</td>
<td>39,507</td>
<td>6,640</td>
<td>491,281</td>
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<tr>
<td></td>
<td>Administration</td>
<td>1,397,562</td>
<td>1,475,555</td>
<td>77,993</td>
<td>5.3%</td>
<td>176,550</td>
<td>192,593</td>
<td>2,371,175</td>
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<tr>
<td></td>
<td>Marketing &amp; Programs</td>
<td>953,437</td>
<td>1,002,213</td>
<td>48,776</td>
<td>4.8%</td>
<td>170,759</td>
<td>181,238</td>
<td>1,709,097</td>
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<td>TOTAL OPERATING EXPENSES</td>
<td>7,981,976</td>
<td>8,463,297</td>
<td>481,322</td>
<td>5.7%</td>
<td>1,231,804</td>
<td>1,230,194</td>
<td>14,428,757</td>
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<tr>
<td></td>
<td>NET OPERATING RESULTS</td>
<td>2,560,820</td>
<td>2,195,355</td>
<td>365,465</td>
<td>16.6%</td>
<td>605,607</td>
<td>436,207</td>
<td>4,392,858</td>
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<tr>
<td></td>
<td>DEBT SERVICE</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Bond Principal and Interest Payment PDA</td>
<td>276,738</td>
<td>276,738</td>
<td>-</td>
<td>0.0%</td>
<td>39,534</td>
<td>39,534</td>
<td>474,416</td>
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<td>2015 PDA Bond Series A&amp;B</td>
<td>847,147</td>
<td>847,147</td>
<td>-</td>
<td>0.0%</td>
<td>121,021</td>
<td>121,021</td>
<td>1,452,250</td>
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<td></td>
<td>TOTAL DEBT SERVICE</td>
<td>1,123,885</td>
<td>1,123,885</td>
<td>-</td>
<td>0.0%</td>
<td>160,555</td>
<td>160,555</td>
<td>1,926,666</td>
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<td></td>
<td>RESERVES - DESIGNATED</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Pension Contribution</td>
<td>345,000</td>
<td>345,000</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
<td>-</td>
<td>345,000</td>
</tr>
<tr>
<td></td>
<td>L&amp;H Interest to Reserve</td>
<td>102</td>
<td>93</td>
<td>9</td>
<td>9.7%</td>
<td>15</td>
<td>15</td>
<td>164</td>
</tr>
<tr>
<td></td>
<td>TOTAL DESIGNATED RESERVES</td>
<td>345,102</td>
<td>345,093</td>
<td>9</td>
<td>0.0%</td>
<td>15</td>
<td>15</td>
<td>345,164</td>
</tr>
<tr>
<td></td>
<td>Net Results after Debt Service &amp; Reserves</td>
<td>1,091,833</td>
<td>726,377</td>
<td>365,456</td>
<td>50.3%</td>
<td>445,037</td>
<td>275,637</td>
<td>2,121,028</td>
</tr>
<tr>
<td></td>
<td>CAPITAL RESERVE CONTRIBUTION</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Contribution - Capital Projects/CRRF</td>
<td>1,091,833</td>
<td>726,377</td>
<td>365,456</td>
<td>0.0%</td>
<td>445,037</td>
<td>275,637</td>
<td>2,121,028</td>
</tr>
<tr>
<td></td>
<td>TOTAL RESERVES &amp; CONTRIBUTIONS</td>
<td>1,091,833</td>
<td>726,377</td>
<td>365,456</td>
<td>50.3%</td>
<td>445,037</td>
<td>275,637</td>
<td>2,121,028</td>
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</tbody>
</table>
### Note 1: Commercial Revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>2017 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total</td>
<td>Actual</td>
<td>% YTD Comm</td>
<td>Jul</td>
</tr>
<tr>
<td>Base Rent - Retail</td>
<td>30.4%</td>
<td>2,055,016</td>
<td>31.8%</td>
<td>2,024,150</td>
</tr>
<tr>
<td>Base Rent - Office</td>
<td>5.0%</td>
<td>326,889</td>
<td>5.1%</td>
<td>332,053</td>
</tr>
<tr>
<td>Prep Space</td>
<td>0.5%</td>
<td>35,549</td>
<td>0.6%</td>
<td>35,350</td>
</tr>
<tr>
<td>Common Area</td>
<td>19.3%</td>
<td>1,233,971</td>
<td>19.1%</td>
<td>1,210,625</td>
</tr>
<tr>
<td><strong>Total Rent Revenue</strong></td>
<td></td>
<td>3,651,425</td>
<td></td>
<td>3,602,178</td>
</tr>
<tr>
<td>Percentage Rent (1)</td>
<td>35.7%</td>
<td>2,227,281</td>
<td>34.5%</td>
<td>2,231,000</td>
</tr>
<tr>
<td>Direct Utilities</td>
<td>7.2%</td>
<td>456,934</td>
<td>7.1%</td>
<td>482,907</td>
</tr>
<tr>
<td>Storage/Cooler</td>
<td>1.6%</td>
<td>102,888</td>
<td>1.6%</td>
<td>105,350</td>
</tr>
<tr>
<td>Tenant Work Reimbursements</td>
<td>0.1%</td>
<td>5,240</td>
<td>0.1%</td>
<td>6,727</td>
</tr>
<tr>
<td>Late Fees</td>
<td>0.2%</td>
<td>16,361</td>
<td>0.2%</td>
<td>12,831</td>
</tr>
<tr>
<td><strong>Total Commercial Revenue</strong></td>
<td></td>
<td>6,460,129</td>
<td>100%</td>
<td>6,440,993</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>2017 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total</td>
<td>Actual</td>
<td>% YTD Res</td>
<td>Jul</td>
</tr>
<tr>
<td>Residential Rents</td>
<td>98.2%</td>
<td>1,576,640</td>
<td>98.3%</td>
<td>1,578,562</td>
</tr>
<tr>
<td>Laundry Net of Taxes</td>
<td>0.7%</td>
<td>7,984</td>
<td>0.5%</td>
<td>9,126</td>
</tr>
<tr>
<td>Other (1)</td>
<td>1.1%</td>
<td>15,298</td>
<td>1.0%</td>
<td>18,133</td>
</tr>
<tr>
<td><strong>Total Residential Revenue</strong></td>
<td></td>
<td>1,599,922</td>
<td>100%</td>
<td>1,605,821</td>
</tr>
</tbody>
</table>

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

### Note 3: Daystall Revenue

<table>
<thead>
<tr>
<th>Description</th>
<th>2017 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total</td>
<td>Actual</td>
<td>% YTD Day</td>
<td>Jul</td>
</tr>
<tr>
<td>Daily Craft</td>
<td>61.7%</td>
<td>383,816</td>
<td>61.8%</td>
<td>389,000</td>
</tr>
<tr>
<td>Daily Farmer</td>
<td>20.9%</td>
<td>135,590</td>
<td>21.8%</td>
<td>140,500</td>
</tr>
<tr>
<td>Remote Markets</td>
<td>4.2%</td>
<td>18,840</td>
<td>3.0%</td>
<td>27,500</td>
</tr>
<tr>
<td>Cooler / Locker Rent</td>
<td>7.3%</td>
<td>48,380</td>
<td>7.8%</td>
<td>49,100</td>
</tr>
<tr>
<td>Permits, market bags &amp; other</td>
<td>2.1%</td>
<td>19,668</td>
<td>3.2%</td>
<td>21,995</td>
</tr>
<tr>
<td>Late Fees</td>
<td>1.3%</td>
<td>6,525</td>
<td>1.1%</td>
<td>7,500</td>
</tr>
<tr>
<td>Specialty Crop Block Grant</td>
<td>2.3%</td>
<td>7,933</td>
<td>1.3%</td>
<td>14,000</td>
</tr>
<tr>
<td><strong>Total Daystall Revenue</strong></td>
<td></td>
<td>620,752</td>
<td>100%</td>
<td>649,595</td>
</tr>
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</table>
### Note 5  Surface Revenue

<table>
<thead>
<tr>
<th></th>
<th>2017 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total</td>
<td>Jul % YTD</td>
<td>Jul % YTD</td>
<td>Variance</td>
</tr>
<tr>
<td>Surf Rev</td>
<td></td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Surface Revenue Net of Taxes</td>
<td>153.8%</td>
<td>211,073</td>
<td>188.2%</td>
<td>166,880</td>
</tr>
<tr>
<td>City Share of Revenues</td>
<td>-53.8%</td>
<td>[98,892]</td>
<td>-88.2%</td>
<td>[58,410]</td>
</tr>
<tr>
<td>Surface Parking Net of Taxes &amp; City Share</td>
<td>100%</td>
<td>112,181</td>
<td>100%</td>
<td>108,470</td>
</tr>
</tbody>
</table>

### Note 6  Garage Revenue

<table>
<thead>
<tr>
<th></th>
<th>2017 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total</td>
<td>Jul % YTD</td>
<td>Jul % YTD</td>
<td>Variance</td>
</tr>
<tr>
<td>Gar Rev</td>
<td></td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Parking Revenue Net of Taxes</td>
<td>99.5%</td>
<td>1,366,070</td>
<td>99.2%</td>
<td>1,479,576</td>
</tr>
<tr>
<td>Parking Reimbursement</td>
<td>0.5%</td>
<td>11,015</td>
<td>0.8%</td>
<td>9,625</td>
</tr>
<tr>
<td>Total Garage Revenue</td>
<td>100%</td>
<td>1,377,085</td>
<td>100%</td>
<td>1,489,201</td>
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</table>

### Note 7  Events Revenue

<table>
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<tr>
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<th>2017 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total</td>
<td>Jul % YTD</td>
<td>Jul % YTD</td>
<td>Variance</td>
</tr>
<tr>
<td>Evt Rev</td>
<td></td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Conference Rooms net of tax</td>
<td>97.2%</td>
<td>116,706</td>
<td>98.0%</td>
<td>120,200</td>
</tr>
<tr>
<td>Ticket Revenue</td>
<td>2.8%</td>
<td>2,345</td>
<td>2.0%</td>
<td>6,000</td>
</tr>
<tr>
<td>Total Events Revenue</td>
<td>100%</td>
<td>119,051</td>
<td>100%</td>
<td>126,200</td>
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</table>

### Note 8  Miscellaneous Revenue

<table>
<thead>
<tr>
<th></th>
<th>2017 Total Budget</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total</td>
<td>Jul % YTD</td>
<td>Jul % YTD</td>
<td>Variance</td>
</tr>
<tr>
<td>Gar Rev</td>
<td></td>
<td></td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Security Service Contracts</td>
<td>14.0%</td>
<td>37,387</td>
<td>13.9%</td>
<td>25,980</td>
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<td>Management Fees(1)</td>
<td>28.4%</td>
<td>42,376</td>
<td>15.8%</td>
<td>42,275</td>
</tr>
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<td>Investment Income/Interest</td>
<td>13.0%</td>
<td>78,476</td>
<td>29.2%</td>
<td>34,461</td>
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<tr>
<td>Film-License Revenue</td>
<td>6.7%</td>
<td>6,26</td>
<td>2.2%</td>
<td>23,000</td>
</tr>
<tr>
<td>Other Revenues(2)</td>
<td>37.9%</td>
<td>109,626</td>
<td>40.8%</td>
<td>127,455</td>
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<td>Total Miscellaneous Revenue</td>
<td>100%</td>
<td>268,491</td>
<td>100%</td>
<td>253,171</td>
</tr>
</tbody>
</table>

(1) Management fees from LaSalle Senior Housing LLC and Western Avenue Senior Housing
(2) Other Revenues includes Constituency Revenue, Misc taxable & Non-taxable Revenue, Key and Access Cards, Trademark/Royalties, Market Tours and Rummage Hall less sales tax.
<table>
<thead>
<tr>
<th>Note 9</th>
<th>Property Management Expenses</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Actual</td>
<td>% PM Exp</td>
<td>Budget</td>
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<tr>
<td></td>
<td>Commercial</td>
<td>270,496</td>
<td>24.3%</td>
<td>249,734</td>
</tr>
<tr>
<td></td>
<td>Residential</td>
<td>371,898</td>
<td>33.5%</td>
<td>372,830</td>
</tr>
<tr>
<td></td>
<td>Day Stall</td>
<td>149,830</td>
<td>13.5%</td>
<td>154,451</td>
</tr>
<tr>
<td></td>
<td>Surface Parking</td>
<td>39,687</td>
<td>3.6%</td>
<td>47,415</td>
</tr>
<tr>
<td></td>
<td>Garage</td>
<td>279,283</td>
<td>25.1%</td>
<td>303,276</td>
</tr>
<tr>
<td></td>
<td>Total Property Management</td>
<td>1,111,194</td>
<td>100%</td>
<td>1,132,706</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note 10</th>
<th>Operations Expenses</th>
<th>YTD ACTUAL</th>
<th>YTD BUDGET</th>
<th>YTD 2017</th>
</tr>
</thead>
<tbody>
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<td></td>
<td>Actual</td>
<td>% Ops Exp</td>
<td>Budget</td>
</tr>
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<td></td>
<td>Facilities</td>
<td>1,053,196</td>
<td>23.3%</td>
<td>1,143,347</td>
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<tr>
<td></td>
<td>Security</td>
<td>864,731</td>
<td>19.1%</td>
<td>901,161</td>
</tr>
<tr>
<td></td>
<td>Maintenance</td>
<td>651,039</td>
<td>14.4%</td>
<td>705,714</td>
</tr>
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## 2017 Calendar Year

### Percentage Rent Revenue By Month of Sales

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## 2015 Calendar Year

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## 2014 Calendar Year

### Percentage Rent Revenue By Month of Sales

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Capital Replace Reserve Fund Balance

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**Budget 2017 Contribution:**

- Capital Reserve - PDA and Gar: 2,121,028/1,091,833

**Capital Projects Spending:**

- 2016 projects carried over to 2017: (386,092)/(405,909)
- 2017 capital projects: (1,700,009)/(844,052)

- Total: (2,086,092)/(1,249,961)

**CRRF Capital Reserve Balance:** 9,349,648/9,156,584
## CAPITAL PROJECTS REPORT

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<th>2017 Budget Allocation</th>
<th>2017 Total Budget</th>
<th>LTD Expenses</th>
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<th>Resolution</th>
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### MISCELLANEOUS (Tenant Compensations and Commercial Tenant Improvements)

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### CONTINGENCY

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### A&E - ARCHITECTURAL, ENGINEERING, DESIGN & APPLICATION CONTRACTING - OUTSOURCED

### CAPITAL INVENTORY

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Some improvement on turn over with eight (8) move-ins during August, however vacancies continue above projected 3%. Focus is on turning over Section 8 units as quickly as possible (greatest rent). The lagging turnover in Livingston Baker will show improvement at the end of August.

**Highlights**

Three resident summer picnics were hosted by staff and WAVE (a Cable TV provider) at Western Avenue/Lasalle, Market House/Sanitary Market and Stewart House/Livingston Baker.
Livingston Baker –

Notice sent to all residents that remaining HUD regulations on rent and income limits for the building will expire this fall. Potential to increase rent but propose to keep at rates considered low-income/affordable for Seattle (60 to 80% of AMI). This will not affect rents for tenants with Section 8 subsidies. We will provide special consideration for three tenants who have lived in the building over 10 years paying the lower rent limits without subsidies.

Western Avenue Senior Housing –

Have received, unpacked and distributed most of the new furnishings and equipment paid for by the generous grant from Boeing Employees. With the volume of new equipment, we needed all hands in the residential department to help out. The funding provides microwaves for every unit, and inventory of bed-bug resident furniture for resident use, general building equipment and new furnishings for outdoor decks and patios.

Garbage services have begun with activation of new utility billing account (finally). Work is also underway to improve functionality of shared elevator use with the garage.

Working with a couple of tenants who will be leaving the building in the next month and making units ready for quick turnover to new residents on the waiting list.

Stewart House

Continue to operate with staff fill-in for manager on family leave. Have reinforced efforts on pest control with a couple chronic and acute infestations, requiring extraordinary effort by pest service staff and PDA staff as well.

HUD approved rent increase for Stewart House effective this fall.

Staff training – Fair Housing Workshops scheduled for this fall
Programs and Events

Bookings tapering off – expect little more than current reservations through end of year, as reflected in revised budget.
Sunset Supper 2017- Friday, August 18 –
  - exceeded $350k fundraising goal- 95 vendors up from 89 in the 2016; 21 Market Businesses
    - ChefSteps, White Swan Public House, Hitchcock Restaurant, Marée Bistro & Bar, Fran’s Chocolates
    - Fun Fact: Old Stove Brewing had a record breaking night as people were drawn to the music right above the
  - Guests – Hosted more than 1400 guests; 200 more than 2016. Notable guests included the current mayor, a former mayor (Charlie Royer) and a potential future mayor (Jenny Durkan)

Upcoming events:
Cooking with Class – Sept. 14 @ Salty’s on Alki. PPMF expects to net $100k
Behind the Table – Oct. 20 – produced by the Market Producers; proceeds around $40k for the Market Safety net.

Market Charms & Bronze Hoofprints
Summer Interns helped 500 Pike Up! donors locate Charms and Hoofprints on the MarketFront plaza and helped raise $168,000 in Charm, Hoofprint and Billie pin donations since Grand Opening. Phase two installation of Charms and Hoofprints is planned for early October.

The Market Commons
After significant construction delays caused by HVAC and plumbing, construction is planned to be complete on August 28. Thanks to Boeing Employees, $100k worth of new equipment and furniture will be moving in starting August 29

The Market Commons ribbon cutting opening is scheduled for Sept. 19, followed by a donor event in early October; throughout the month of September all agencies and programs will have individual open houses for their constituencies to engage in the programing.
A full report to the PDA council is planned for November.

The PPMF board of directors has engaged Luma Consulting in a strategic planning process as we move in a post-Pike Up campaign era. We anticipate having a strategic plan complete before the end of 2017.

Agency/Program News:
  - Preschool is planning for a playground renovation in 2018. The PPMF will assist in raising specific funds for the project.
  - WASH and other Market residences received $192k worth of new gear including new Microwaves, furniture for the patio and rooms.
• Over the summer, the Market hosted 5 additional Vista Volunteers in the farm program, preschool and
food bank. The 4 Vista’s that are with us year round will all cycle off in Oct, so we are in the process of
recruiting new volunteers.
• The Market Community Safety Net has provided 11 small grants this summer; 3 were used to house
homeless Seniors who are active participants in the Senior Center, 1 was to provide training for a
senior center member to become employed as a flagger and 7 assisted members of the market craft
community working through financial hardship – in one case assisting a vendor who lost 90% of their
inventory in an accident and in another case providing support when all of the vendors photography
equipment was stolen.

Other News:
• The PPMF received a $20k grant from 4Culture to renovate the Public Market neon sign. This
award will be collected by the PDA as the work is complete.
Pike Place Market Celebrates 110th Anniversary

On the public market’s first day, August 17, 1907, crowds of shoppers seeking fresh produce and bargains descended upon the new marketplace. The first farmer sold out of produce within minutes. August 17, 2017, marks the 110th anniversary of Pike Place Market’s historic founding. In honor of the 110th anniversary, Market characters will be featured in short videos across social media platforms with the hashtag #PikePlacePeople. Bus ads promoting both the Evening Farmers Market and 110th are up and running.

CASPAR BABYPANTS CONCERT & FUNDRAISER

Saturday, August 12, 6-7 p.m. | MarketFront Pavilion

Dance, clap and sing along while supporting a local cause with everyone’s favorite kindie rocker Caspar Babypants, performing for the first time in the new Pike Place MarketFront Pavilion. Donations are encouraged to support Pike Market Childcare and Preschool, serving families of all income levels since 1982. Caspar Babypants’ brand new album, Jump for Joy, will be available for purchase, as well as original artwork by Pike Place Market artist Kate Endle.

JOHN STAMETS "PORTRAIT OF A MARKET" PHOTO EXHIBIT

Thursday, August 17, 6:30-8:30 p.m. | Arcade

Honoring the work and life of local photographer John Stamets, this walking tour features 20 panoramic Widelux photos from his 1987 book Portrait of a Market, displayed throughout the Market Arcade at the original locations that they were taken. The large-format photos capture the vitality and abundance of Pike Place in the mid-1980s. The twilight tour will provide an opportunity for people to document their own history of the Market. At each location where the photos are displayed, visitors can shoot photos showing the Market’s past and its continued vitality in the present.

The exhibit is made possible by generous contributions from the Stamets Family, Friends of the Market, Pike Place Market Preservation and Development Authority, and King Conservation District.

SUNSET SUPPER

Friday, August 18, 7:30 p.m. | MarketFront Pavilion

Celebrate the 110th as you sip and savor your way through many of the region’s best restaurants, wineries, breweries and distilleries while meeting local chefs and winemakers. It will be a night to remember, complete with a raffle and dancing under the stars. The Pike Place Market Foundation is offering a ticket deal specifically for Market Insiders — 110 tickets for $110. To purchase tickets visit bit.ly/SUNSETSUPPER and enter promo code "110MARKET" (2 ticket limit).

If you are interested in volunteering contact Lindsey Falkenberg: 206-774-5255 or volunteer@pikeplacemarket.org. Volunteers receive a ticket offer for one volunteer ticket at $50 and one companion ticket at $75. Only volunteers who are finished with their shift by 9 p.m. are able to attend the event. The funds raised benefit the mission of the Pike Place Market Foundation and support the thriving, caring community at Pike Place Market. This year our goal is to raise $350,000 for the Market community.

Find more information about these events online at pikeplacemarket.org/market-events
Green Star Award Winners

Congratulations to both Old Stove Brewing Company and Honest Biscuits for getting their businesses open and operational for the MarketFront Grand Opening celebration, as well as indi chocolate and Little Fish for having a presence at the June 29th event. Old Stove will continue to operate both their First Avenue location and temporary tap room until they are fully operational in the completed MarketFront space, estimated to be open late fall or early winter of 2017. indi chocolate is now open for business in the MarketFront. Little Fish has started construction and will continue to build out the canning and restaurant operation anticipated to be open by the end of 2017. Amazing work everyone!

Congratulations to the winners of the inaugural Green Star Awards!

Pike Place Fish was selected as the winner of the Sustainable Business Impact Award for their substantial and continual efforts for overall sustainable business practices and education.

Craftsperson Miranda Marks, owner of Rubber Revolution, was selected as the winner of the Sustainable Business Inspiration Award for her creativity in upcycling rubber out of landfills and into durable wallets, bracelets, keychains and more.

David Dickinson, Daystall and Arts Program Manager, presented the trophies Thursday, July 20.

Thank you to Market craftspeople Joshua Swanson, Kris Sacksteder, Chuck Saul and Karen Kvernenes for their collaboration in designing and creating the trophies.

For more information about the Green Star Awards, the PDA’s RE-Team, and what made these Market business leaders stand out, visit our website.

Downtown Conventions
August 4-9
Independent Jewelers Organization Semi-Annual Meeting
2,250 attendees

August 18-21
Urban Expositions, LLC Summer Gift Show
6,000 attendees

August 24-27
EMDR International Association EMDRIA Annual Conference 2017
1,000 attendees

September 9-13
American Association of Nurse Anesthetists 2017 Annual Meeting
3,325 attendees

Staff Comings & Goings
Welcome Aboard to Custodians Daniel Dunlap and Charles Taylor. Farwell and best wishes to Dianna Goodsell (Marketing).