Waterfront Redevelopment Committee Meeting Agenda

Date: Monday, October 13th, 2014
Time: 4:00 p.m. – 6:00 p.m.
Location: Atrium Loft
Committee Members: Jackson Schmidt (Chair), Patrick Kerr (Vice-Chair), James Savitt, Betty Halfon, John Finke, Rico Quirindongo and David Ghoddousi.

4:00pm I. Administrative: 
A. Approval of Agenda
B. Approval of the Waterfront Redevelopment Committee August 11th, 2014 Meeting Minutes

4:05pm II. Announcements and/or Community Comments

4:10pm III. Closed Session
A. Development Agreement - PC-1 North (Closed Session Per (RCW42.30.110 (1)(b)))

4:40pm IV. Key Issues and Discussion Items
A. PPM-WE Donor Art Update on Fundraising
   I. Action Item: Proposed Resolution 14-61: Pike Place Market Waterfront Entrance Donor Art Design Approval
B. PPM-WE - Flow of Funds Update
B. PPM-WE - CD Cost Estimates at 50%

5:35pm V. Action Items and Reports
A. Action Item: Proposed Resolution 14-62: Approval of First Amendment to Cooperative Agreement with WSDOT
B. Report from Stakeholders Group

5:45pm VI. Items for the Consent Agenda

5:50pm VII. Public Comment

5:55pm VIII. Concerns of Committee Members

6:00pm IX. Adjournment
Monday, August 11th, 2014
4:00 p.m. to 6:00 p.m.
Elliott Bay Room

Committee Members Present: Jackson Schmidt, John Finke, Betty Halfon, Rico Quirindongo

Other Council Members Present: Gloria Skouge

Staff Present: Ben Franz-Knight, Tamra Nisly, Lillian Hochstein, David Dickinson, Patricia Gray, Dianna Goodsell

Others Present: Howard Aller, Haley Land, Grace Leong, David Miller, Bob Messina, Carrie Holmes, Justine Kim, Joan Paulson, Wendy Paul

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

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

   B. Approval of the Waterfront Redevelopment June 23rd, 2014 Meeting Minutes.
      The minutes were approved by Acclamation

II. Announcements and Community Comments
Haley Land stated that we have had a lot of discussion about the Canopy in the Daystall Community. He noted that there was an action item included on the meeting’s agenda regarding the approval for the construction documents for design elements in the PPMWE; the Roof Plaza Canopy was included in part with the resolution proposal. Haley discussed some of the concerns still expressed by the community regarding the view from the bridge. He mentioned about the Final Council vote on the PPMWE design and providing appropriate time for feedback from the community and time for the design adjustments if needed.

Rico Quirindongo entered in at 4:10 p.m.

Joan Paulson noted that she brought up at an issue at the previous WRC meeting regarding noise levels from the Viaduct structure and that issue would interact with the canopy. She stated that the noise levels are going to be excessive as long as the Viaduct is still up; this needs to be part of the design, which needs to be resolved. She separately commented on the way the tables are set up in the PPMWE Plaza layout which is not traditional to the arcade setting; she added that lighting is not factored into this design.
III. Key Issues and Discussion Items

A. Pike Place Market Waterfront Entrance Project Update
   I. Final Canopy Design & Down Under Stair Configuration

   David Miller from Miller Hull Architects presented on the project updates to the Pike Place Market Waterfront Entrance design including a project update on the Final Canopy design and an update on the Down Under Stair Configuration; a copy of the PPMWE presentation was included with the PDA Council meeting records. David Miller reviewed the PPMWE Plaza Terrace design which included vendor feedback from May, 2014. Part of the vendor feedback received included; year round operation and weather protection, permanent stand behind tables, view preservation, connection to bridge, storage for carts, public art, safety, performance space, public seating and good signage. There was a brief review of the Plaza PV Roof design with skylights and also a review of the vendor storage layout for the storage lockers. David briefly reviewed the Central Stair plan with the Silos configured in the overall Central Stair design.

   There was a discussion that followed from the Committee

B. PPM -WE Donor Art

   Lillian Hochstein, Market Foundation Executive Director and Patricia Gray, Capital Campaign Manager presented on the Pike Place Market Waterfront Entrance Donor Art Opportunities; a copy of the presentation was included with the PDA Council meeting records. Lillian discussed the three main donor art opportunities which included; Community Gifts - Market Charms, Lead Donor Mosaic Art Recognition and Billie’s Hoof Print Trail. The Market Charms would be crafted out of Mill-Run Aluminum which would mimic galvanized steel. The donor opportunity would include 18,000 donors at $250 per charm; the charms would be available to purchase on October 30th.

   Lillian discussed the layout of the Market Charms at the PPMWE including the look and feel of the charm design. The Lead Donor Mosaic would include handmade tiles by Market Artist Clare Dohna with opportunities of lead gift recognition of $10K plus.

   Lastly the Hoof Prints would be designed similarly to the bronze food prints on Pike. There would be opportunity for 1,200 hoof prints at the $5k donor range from Western Avenue to the Market Plaza.

   There was a discussion that followed by the committee.

C. Pike Place Market -Waterfront Entrance Flow of Funds Update

   Justine Kim, Project Manager from Shiels Obletz Johnsen (SOJ) presented an update on the Pike Place Market Waterfront Entrance Flow of Funds Update; a copy of the PPMWE Flow of Funds update was included with the meeting minute’s record.

IV. Key Issues and Discussion Items

A. Action Item: Proposed Resolution 14-53: Pike Place Market Waterfront Entrance (PC1N) - Construction Documents - Housing, Commercial and Parking

   Ben Franz-Knight introduced the resolution which states that 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 ("the Market"), including the preservation and expansion of the low-income residential community, the promotion of survival of small businesses, and the expansion of services to the public market community; and, WHEREAS the PPMPDA’s Charter states, “The purpose of the PDA is to provide a legal entity under RCW 35.21.730, et seq., and City of Seattle Municipal Code Ch. 3.110 through which citizens may fulfill the aims and objectives of the Pike Place Market Historical District Ordinance 10045, the Historic Preservation Plan for the Pike Place Market Historical District and the redevelopment plan for the Pike Place urban renewal area. The PDA will also be concerned with the rehabilitation and redevelopment of the surrounding areas which may affect the character of the Market Historic District;” and, WHEREAS, the parcel known as PC 1 North ("PC1N") is a much studied parcel in the Market Historic District, has long been considered a core part of Market development, and was historically the site of a municipal market from 1922 to 1974; and therefore the waterfront redevelopment project currently being studied and planned by the City of Seattle presents an opportunity for the Market and for the PDA to further fulfill its mission as stated in its Charter; and, WHEREAS the Pike Place Urban Renewal Plan adopted by ordinance by the City of Seattle in 1974 established priority uses for the future redevelopment of the PC-1 site, including PC1N, as part of the Market’s core and states that the PC-1 site “…should provide for the development of commercial, residential, and public spaces to complement the existing market activity;” and, WHEREAS the PDA Council adopted Resolution 11-77 identifying priority uses for PC1N and established a Waterfront Redevelopment Committee (“WRC”) to review existing design proposals and prepare design proposals for PC1N and adjacent areas; and, WHEREAS the WRC, working with staff and consultants has prepared a site analysis and a preliminary building program consisting of priority uses that support and complement the Market’s mission which were adopted by the PDA Council with Resolution 11-102; and, WHEREAS the PDA Council adopted Resolution 12-30 authorizing the hiring of Miller Hull Partnership to develop a preferred concept design for PC1N and adjacent areas informed by past design studies, the PPMHC Design Guidelines and established priority uses for PC1N, current and future identified Market needs, and through a collaborative design process working with the Market Community and the City of Seattle’s Central Waterfront Project design team and its consultants; and, WHEREAS the PDA Council adopted Resolution 12-62 authorizing PDA staff (including the Executive Director) and consultants, to focus their further design and development efforts upon the option designated as BB+; and, WHEREAS the PDA Council adopted Resolution 12-77 approving the PC1N Concept Design; and, WHEREAS the PDA Council adopted Resolution 13-14 (Schematic Design) and Miller Hull has proceeded with design refinement including two public meetings, meetings with the Market Constituency, Market Historic Commission, and the WRC committee; and, WHEREAS the PDA Council adopted Resolution 13-35 approving a contract with Beacon Housing Development Group specifically to provide recommendations for financing the low-income housing component of the Pike Place Market Waterfront Entrance project; and, WHEREAS the PDA Council adopted Resolution 13-43 directing PDA staff and consultants to move forward with refinement of and planning for Housing Option 3 (a double loaded corridor) and to return in July for approval of Schematic Design; and,
WHEREAS the PDA Council adopted Resolution 13-49 approving concepts A, B and C and directed PDA staff and consultants to move forward with refinement of Schematic Design elements D (Roof Plaza) and E (Desimone Bridge) and move into Design Development. WHEREAS the PDA Council adopted Resolution 14-23 approving key components A, B, C and D and directed PDA staff and consultants to move forward with refinement of design and develop cost estimates, receive and incorporate community feedback for concepts E (Roof Plaza Canopy), F (Central Stair Design) and G (Down Under Connection).

Now, therefore, BE IT RESOLVED that

The PDA Council hereby approves key components, identified as E and F for inclusion in Construction Documents and directs PDA Staff to move forward independently with G – (Down Under Connection);

E. Roof Plaza Canopy: consisting of fixed canopy with roll up glass garage doors on the east and west elevations, an opaque roof, with photovoltaic panels if financially feasible, and skylights, and including flexible interior space to provide weather protected space for tables for Market artists and crafters, farmers, special events or other Market program uses depending on seasonal demand;

F. Central Stair Design: including a central landing with additional elevator stop and direct elevator access at the mid-level landing and adequate space to accommodate up to two grain silos over the pedestrian passage on the south west side of the central stair;

G. Down Under Connection – further design effort to proceed independent of PPMWE with design to be refined for enhanced entrance signage and improved stair and landing integration with funding for final design and project implementation to be included in 2015 PDA Budget

Jackson Schmidt moved, Betty Halfon seconded

There was a brief discussion that followed from the committee.

For: Rico Quirindongo, John Finke, Jackson Schmidt, Betty Halfon
Against: 0
Abstained: 0

Resolution 14-53: Pike Place Market Waterfront Entrance (PC1N) - Low Income Housing Tax Credit Reservation Fee passed with a vote of 4-0-0.

B. Action Item: Proposed Resolution 14-54: Pike Place Market Waterfront Entrance (PC1N) Sellen Pre-Construction Add Services
Ben Franz-Knight introduced the resolution which states that 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, among other things, preservation and rehabilitation of the structures and open spaces in the Market Historic District, and: WHEREAS in order to maintain the viability of the Pike Place Market and the PPMPDA has undertaken an effort to identify and address issues and opportunities related to the design of the Central Waterfront and the development of parcels adjacent to the Market including PC-1N that may directly affect the future of the Market.

WHEREAS, the PDA Council adopted Resolution 13-56 approving PPMPDA selection of Sellen as the GC/CM Contractor and enter into a contract with Sellen for Pre-Construction Services; WHEREAS, the PPMPDA and project consultants have identified areas requiring additional exploratory and investigation work to be performed by Sellen during the preconstruction phase. Additionally pre-construction services have been extended through February 2015 due to delay in start of construction.

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Sellen in an amount not to exceed $80,000 for the exploratory and investigation work and additional pre-construction services through February 2015. The funds for this project will be drawn from 110630-01 – PC1-N State Funds and 110165-00 PC1-N City Funds

Jackson Schmidt moved, Betty Halfon seconded

There was a brief discussion that followed from the committee.

For: Rico Quirindongo, John Finke, Jackson Schmidt, Betty Halfon
Against: 0
Abstained: 0

Resolution **14-54**: Pike Place Market Waterfront Entrance (PC1N) - Sellen Pre-Construction Add Services 4-0-0.

C. Report from Stakeholders Group

Haley Land presented a Stakeholders Group report on the Pike Place Market Waterfront Entrance Project. He provided an update and noted that the Stakeholders group had met recently and had not met in July. He had mentioned that there was discussion at the recent Stakeholders meeting on whether or not there would be some Craft priority tables with both the wet side and dry side of the arcade area. There were also discussion for the group regarding the exterior surfaces and landscaping for the PPMWE; he is hoping there would be future opportunities for folks to weigh in on this design element. He lastly noted that the group reviewed the Development Agreement and the project construction timeline. The next PPMWE stakeholder meeting is scheduled tentatively for September 15th, at 4:30p.m.

V. **Items for the Consent Agenda**

None
VI. Public Comment
Bob Messina commented on the Art Donor campaign and noted that art is in the eye of the beholder. He stated that the idea of an Art mural with the fish is very aquarium themed; he thinks the market needs something much more distinctive.

Haley Land commented on the art wall mural. He noted that when he looks at the images of the art wall, it looks gorgeous.

Howard Aller noted that the problems people seem to have with the donor charms are the safety and detachability with the charms. He added that the art mural does not have to be all fish; it could be flowers, farmers, bookstores, people and children. He lastly noted that the market is more than about of fish but fish is also an integral part of the market.

Wendy Paul commented on the PPMWE Art Donor Mural and the idea of using art pieces that are recreations of sustainable fish, which details the actual name of the sustainable fish crafted.

VII. Closed Session
The Committee entered into Closed Session at 5:36p.m

A. Pike Place Market Waterfront Entrance - Retail Pre-Lease Negotiation Update (Closed Session Per (RCW 42.30.110 (l)(b))

The Committee entered into Open Session at 5:49p.m

The Committee discussed an update on the retail pre-lease negotiations for the Pike Place Market Waterfront Entrance during the Closed Session.

VIII. Concerns of Committee Members
Rico Quirindongo noted that the PPMWE art mural was a good idea in which could also help with activating the stairs to the Plaza.

IX. Adjournment
The meeting was adjourned at 5:50pm by Jackson Schmidt, Chair

Meeting minutes submitted by:
Dianna Goodsell, Administrative Services Coordinator
PROPOSED RESOLUTION 14-61

Pike Place Market Waterfront Entrance (PC1N) Construction Documents – Donor Recognition
August 2014

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 ("the Market"), including the preservation and expansion of the low-income residential community, the promotion of survival of small businesses, and the expansion of services to the public market community; and,

WHEREAS the PPMPDA's Charter states, “The purpose of the PDA is to provide a legal entity under RCW 35.21.730, et seq., and City of Seattle Municipal Code Ch. 3.110 through which citizens may fulfill the aims and objectives of the Pike Place Market Historical District Ordinance 10045, the Historic Preservation Plan for the Pike Place Market Historical District and the redevelopment plan for the Pike Place urban renewal area. The PDA will also be concerned with the rehabilitation and redevelopment of the surrounding areas which may affect the character of the Market Historic District;” and,

WHEREAS, the parcel known as PC 1 North ("PC1N") is a much studied parcel in the Market Historic District, has long been considered a core part of Market development, and was historically the site of a municipal market from 1922 to 1974; and therefore the waterfront redevelopment project currently being studied and planned by the City of Seattle presents an opportunity for the Market and for the PDA to further fulfill its mission as stated in its Charter; and,

WHEREAS the Pike Place Urban Renewal Plan adopted by ordinance by the City of Seattle in 1974 established priority uses for the future redevelopment of the PC-1 site, including PC1N, as part of the Market’s core and states that the PC-1 site “...should provide for the development of commercial, residential, and public spaces to complement the existing market activity;” and,

WHEREAS the PDA Council adopted Resolution11-77 identifying priority uses for PC1N and established a Waterfront Redevelopment Committee ("WRC") to review existing design proposals and prepare design proposals for PC1N and adjacent areas; and,

WHEREAS the WRC, working with staff and consultants has prepared a site analysis and a preliminary building program consisting of priority uses that support and complement the Market’s mission which were adopted by the PDA Council with Resolution 11-102; and,

WHEREAS the PDA Council adopted Resolution12-30 authorizing the hiring of Miller Hull Partnership to develop a preferred concept design for PC1N and adjacent areas informed by past design studies, the PPMHC Design Guidelines and established priority uses for PC1N, current and future identified Market needs, and through a collaborative design process working with the Market Community and the City of Seattle’s Central Waterfront Project design team and its consultants; and,

WHEREAS the PDA Council adopted Resolution12-62 authorizing PDA staff (including the Executive Director) and consultants, to focus their further design and development efforts upon the option designated as BB+; and,

WHEREAS the PDA Council adopted Resolution12-77 approving the PC1N Concept Design; and,
WHEREAS the PDA Council adopted Resolution 13-14 (Schematic Design) and Miller Hull has proceeded with design refinement including two public meetings, meetings with the Market Constituency, Market Historic Commission, and the WRC committee; and,

WHEREAS the PDA Council adopted Resolution 13-35 approving a contract with Beacon Housing Development Group specifically to provide recommendations for financing the low-income housing component of the Pike Place Market Waterfront Entrance project; and,

WHEREAS the PDA Council adopted Resolution 13-43 directing PDA staff and consultants to move forward with refinement of and planning for Housing Option 3 (a double loaded corridor) and to return in July for approval of Schematic Design; and,

WHEREAS the PDA Council adopted Resolution 13-49 approving concepts A, B and C and directed PDA staff and consultants to move forward with refinement of Schematic Design elements D (Roof Plaza) and E (Desimone Bridge) and move into Design Development.

WHEREAS the PDA Council adopted Resolution 14-23 approving key components A, B, C and D and directed PDA staff and consultants to move forward with refinement of design and develop cost estimates, receive and incorporate community feedback for concepts E (Roof Plaza Canopy), F (Central Stair Design) and G (Down Under Connection).

WHEREAS the PDA Council adopted Resolution 14-53 approving key components E (Roof Plaza Canopy), F (Central Stair Design) and directed the Down under Stair connection to be pursued independent of the PPMWE project, and requested that staff to return with the specific recommended Donor Recognition opportunities in support of Market Foundation fundraising efforts:

Now, therefore, BE IT RESOLVED that

The PDA Council hereby approves the following three donor art opportunities; Market Charms, Hoof prints, and a Lead Donor Tile Mosaic to be included in the PPMWE Construction Documents.

Gloria Skouge, Secretary/Treasurer
Date

Date Approved by Council:
For:
Against:
Abstained:
PROPOSED RESOLUTION 14-62

Approval of First Amendment to Cooperative Agreement with WSDOT
October 2014

WHEREAS, the PDA Council approved resolution 13-33 authorizing the Executive Director to enter into a Cooperative Agreement (“Cooperative Agreement”) between the Washington State Department of Transportation (“WSDOT”) and the PPMPDA (attached) under which agreement WSDOT will pay the PPMPDA One Million Dollars ($1,000,000) in exchange for the PPMPDA’s agreement to execute and record a restrictive covenant restricting the use of 450 parking spaces located in the PPMPDA PC-1S parking garage to short-term parking at specified rates for a period of three (3) years; and

WHEREAS the Executive Director has negotiated an amendment to the Cooperative Agreement under which agreement WSDOT will pay the PPMPDA Two Million Five Hundred Thousand Dollars ($2,500,000) in exchange for the PPMPDA’s agreement to execute and record a restrictive covenant restricting the use of 450 parking spaces located in the PPMPDA PC-1S parking garage to short-term parking at specified rates for a period of an additional four and half (4 1/2) years;

Now, therefore, BE IT RESOLVED that

The Executive Director is authorized to execute the amendment to Cooperative Agreement with WSDOT substantially similar to the attached draft;

______________________________________ _______________________________
Gloria Skouge, Secretary/Treasurer                            Date

Date Approved by Council:
For:                           Against:    Abstained:
This FIRST AMENDMENT TO COOPERATIVE AGREEMENT – UCB1124 ("FIRST AMENDMENT") is made this ____ day of __________, 2014 ("Effective Date"), by and between the Washington State Department of Transportation ("STATE"), and the Pike Place Market Preservation and Development Authority, a Washington public development authority ("PPMPDA").

WHEREAS, the STATE and PPMPDA are parties to the Cooperative Agreement – UCB1124 dated June 13, 2013 ("INITIAL AGREEMENT"), pursuant to which PPMPDA agreed to restrict four hundred fifty (450) of its existing parking spaces on the PROPERTY to short-term parking at on-street rates under the Restrictive Covenant dated June 13, 2013, and recorded on June 21, 2013, under No. 20130621001129 (and attached thereto as Exhibit A), in exchange for monetary compensation from the STATE, which parking restriction mitigates against the loss of on-street short-term parking caused by the Project; and

WHEREAS, PPMPDA is willing to extend the TERM of the Restrictive Covenant by amending the Restrictive Covenant in exchange for monetary compensation, provided its obligations to bondholders for any outstanding debt on PC-1S is no way impaired; and

WHEREAS, such a restriction would further mitigate against the loss of on-street short-term parking caused by the Project; and

WHEREAS, in accordance with its Project Commitment, the STATE desires to acquire such an amendment to the Restrictive Covenant in exchange for monetary compensation; and

WHEREAS, pursuant to RCW 47.12.010 the STATE is authorized to enter into this FIRST AMENDMENT, and PPMPDA is likewise authorized under its charter.

NOW, THEREFORE, in consideration of the terms, conditions, covenants, and performances contained herein, IT IS MUTUALLY AGREED AS FOLLOWS:

GENERAL

1. Definitions. As used herein, “AGREEMENT” shall mean the INITIAL AGREEMENT as amended by this FIRST AMENDMENT. Except as otherwise specifically defined herein, all capitalized terms shall have the meaning assigned to such terms in the INITIAL AGREEMENT.

2. Extended Term. In consideration of the FIRST AMENDMENT MITIGATION PAYMENT (defined in Section 3 below), PPMPDA hereby agrees to extend the TERM of the Restrictive Covenant for an additional four and half (4 1/2) years by
executing and recording the first amendment to the Restrictive Covenant (“First Amendment to Restrictive Covenant”) attached hereto as Exhibit B; provided that, except as explicitly set forth herein, the foregoing First Amendment to Restrictive Covenant shall be subject to the same terms and conditions set forth in the INITIAL AGREEMENT as though the TERM of the Restrictive Covenant had been for a period of seven and half (7 1/2) years from the date of recording the same (i.e., June 21, 2013). In addition, the reference to “June 21, 2016” in Section 1.3 of the INITIAL AGREEMENT hereby is changed to “December 21, 2020.”

3. **First Amendment Mitigation Payment.** In consideration of PPMPDA executing and recording the First Amendment to Restrictive Covenant in favor of the STATE, the STATE shall pay to PPMPDA monetary consideration in the amount of Two Million Five Hundred Thousand Dollars ($2,500,000.00) (“FIRST AMENDMENT MITIGATION PAYMENT”) within two (2) weeks following the recording of the First Amendment to Restrictive Covenant.

4. **PPMPDA Council Approval.** Notwithstanding anything to the contrary, this FIRST AMENDMENT is subject to the approval of the PPMPDA council within the ninety (90) days following the mutual execution and delivery of this FIRST AMENDMENT. PPMPDA shall be entitled to terminate this FIRST AMENDMENT by written notice to the STATE at any time within the ninety (90) days following the mutual execution and delivery of this FIRST AMENDMENT if the PPMPDA council fails to approve this FIRST AMENDMENT. Upon any such termination, neither party shall have any further rights or obligations under this AGREEMENT, including without limitation the payment obligation set forth in Section 3 above.

5. **Term of Agreement.** Subject to Section 4 above, this AGREEMENT shall remain in effect until December 21, 2020 (i.e., the seventh and one half year (7 1/2) anniversary of the date of recording the Restrictive Covenant).

6. **Remedies for Default.** If, following the date of payment of the FIRST AMENDMENT MITIGATION PAYMENT, the STATE terminates the AGREEMENT due to a PPMPDA default pursuant to Section 7.1 or 7.2 of the INITIAL AGREEMENT, then in such circumstance (i) the amount to be paid by PPMPDA to the STATE shall be equal to the amount set forth in Section 7.1 of the INITIAL AGREEMENT plus an amount equal to the FIRST AMENDMENT MITIGATION PAYMENT multiplied by a fraction in which the numerator is equal to the number of full calendar months of the term remaining after the date of termination and the denominator is equal to the number of full calendar months remaining as of the date of payment of the FIRST AMENDMENT MITIGATION PAYMENT; and (ii) the TERMINATION PENALTY payable by PPMPDA pursuant to Section 7.1 of the INITIAL AGREEMENT shall be equal to five percent (5%) of the MITIGATION PAYMENT and FIRST AMENDMENT MITIGATION PAYMENT.
7. **Entire Agreement.** This FIRST AMENDMENT and the INITIAL AGREEMENT constitute the entire agreement between the STATE and PPMPDA with respect to the subject matter of this FIRST AMENDMENT.

8. **Full Force and Effect.** Except as specifically set forth herein, the INITIAL AGREEMENT is and remains in full force and effect and binding on the PARTIES.

9. **Counterparts.** This FIRST AMENDMENT may be executed in one or more facsimile or PDF counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the PARTIES hereto have executed this FIRST AMENDMENT as of the Effective Date.

PIKE PLACE MARKET PRESERVATION & DEVELOPMENT AUTHORITY

________________________________
Ben Franz-Knight
Executive Director

Date ______________________

WASHINGTON STATE DEPARTMENT OF TRANSPORTATION

________________________________
Linea Laird, PE
Alaskan Way Viaduct Program Administrator

Date ______________________

APPROVED AS TO FORM:

________________________________
Amanda Phily
Assistant Attorney General

Date ______________________
EXHIBIT A

Return Address:
Pacifica Law Group
Attn: Rich Moore
1191 2nd Avenue, Suite 2100
Seattle, WA 98101-2945

Please print or type information
WASHINGTON STATE RECORDER'S Cover Sheet (RCW 65.04)

Document Title(s) (or transactions contained therein): (all areas applicable to your document must be filled in)
1. Restrictive Covenant
2. 
3. 
4. 

Reference Number(s) of Documents assigned or released:
Additional reference #’s on page _____ of document - None

Grantor(s) (Last name, first name, initials)
1. The Pike Place Market Preservation & Development Authority
2. 
Additional names on page _____ of document.

Grantee(s) (Last name first, then first name and initials)
1. Washington State Department of Transportation,
2. 
Additional names on page _____ of document.

Legal description (abbreviated: i.e. lot, block, plat or section, township, range)
Unit No. 1 of PC-1 South Condominium

Additional legal is on page A-I of document.

Assessor’s Property Tax Parcel/Account Number
6598350010

☐ Assessor Tax # not yet assigned

The Auditor/Recorder will rely on the information provided on the form. The staff will not read the document to verify the accuracy or completeness of the indexing information provided herein.

I am requesting an emergency nonstandard recording for an additional fee as provided in RCW 36.18.010. I understand that the recording processing requirements may cover up or otherwise obscure some part of the text of the original document.

[Handwritten Signature]
For Rich Moore at Pacific Law Group

Signature of Requesting Party
RESTRICTIVE COVENANT

Grantor:  PIKE PLACE MARKET PRESERVATION & DEVELOPMENT AUTHORITY
Grantee:  WASHINGTON STATE DEPARTMENT OF TRANSPORTATION

Legal Description
  Abbreviated form: Unit No. 1 of PC-1 South Condominium
  Additional legal on page A-1 of document

Assessor's Property Tax Parcel Account Number(s): 659835-0010

Reference number(s) of documents being assigned or released and related documents: None
RESTRICTIVE COVENANT
Parking Mitigation

THIS RESTRICTIVE COVENANT (the “Restrictive Covenant” or “Covenant”) is entered into as of June 15, 2013, between the WASHINGTON STATE DEPARTMENT OF TRANSPORTATION (the “STATE”), and PIKE PLACE MARKET PRESERVATION & DEVELOPMENT AUTHORITY, a Washington public development authority (“PPMPDA”).

WITNESSETH:

WHEREAS, pursuant to RCW 47.12.010 the STATE is authorized to enter into this Covenant, and PPMPDA is likewise authorized under its charter; and

WHEREAS, the STATE is constructing and will continue to construct the Alaskan Way Viaduct Replacement Project (the “Project”); and

WHEREAS, PPMPDA currently offers public off-street parking in the Pike Place Market Historic District located at 1531 Western Avenue, Seattle, Washington (the “Property”); and

WHEREAS, the STATE and PPMPDA have entered into a Cooperative Agreement dated June 15, 2013 (the “Agreement”), pursuant to which PPMPDA has agreed to restrict four hundred fifty (450) of its existing parking spaces on the Property to short term parking at on-street rates by way of a restrictive covenant, in exchange for monetary compensation from the STATE, which parking restriction will mitigate against the loss of on-street short-term parking caused by the Project; and

NOW, THEREFORE, in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, PPMPDA does hereby impose upon the Property the following covenants, restrictions, charges and easements, which shall run with the land and shall be binding and a burden upon the Property, for the length of time that this Restrictive Covenant shall be in full force and effect.

Section 1. Definitions. Unless otherwise expressly provided herein or unless the context clearly requires otherwise, the terms defined above shall have the meanings set forth above and the following terms shall have the respective meanings set forth below for the purposes hereof. Capitalized terms not defined herein shall bear the meaning given them in the Agreement.

“Covenant Period” means the period described in Section 3 hereof.

“Effective Date” means [date of recording].

“Parking Rate” means then-current hourly street parking rates for the area around the Property (downtown commercial core parking zone); provided that in no event shall PPMPDA be required to charge less than the then-applicable Rate Floor.

“Rate Floor” means an hourly rate equal to the following:

<table>
<thead>
<tr>
<th>Period</th>
<th>Rate</th>
</tr>
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<tbody>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td>Months 0-12, beginning on the Effective Date</td>
<td>$4.00</td>
</tr>
<tr>
<td>Months 13-24</td>
<td>$4.40</td>
</tr>
<tr>
<td>Months 25-36</td>
<td>$4.84</td>
</tr>
</tbody>
</table>

"Short-Term Parking" means the use of a parking space on the Property for up to, but no more than, four (4) consecutive hours.

Section 2. Parking Restriction. For purposes of satisfying the requirements of the Agreement, PPMPDA represents, warrants and covenants as follows:

(a) Short-Term Parking. During the Covenant Period, at least four hundred fifty (450) parking spaces in the Property shall be offered only for the purpose of Short-Term Parking at rates not to exceed the appropriate Parking Rate.

(b) Recording. This Restrictive Covenant shall be duly recorded at or before the Effective Date.

Section 3. Covenant Period. This Restrictive Covenant shall continue in full force and effect until the sooner of the date that is three (3) years following the Effective Date, upon which date this Restrictive Covenant shall terminate in its entirety or the date upon which PPMPDA is not currently meeting its rate covenants or other obligations to bondholders for the bonds authorized by PPMPDA Resolution No. 02-05, which is incorporated herein to this Restrictive Covenant.

Section 4. Governing Law. This Restrictive Covenant shall be governed by the laws of the State of Washington.

IN WITNESS WHEREOF, the parties have caused this Covenant to be signed by their respective, duly authorized representatives, as of the day and year first written above.

WASHINGTON STATE DEPARTMENT OF TRANSPORTATION
By: [Signature]
Name: [Name]
Its: [Title]

PIKE PLACE MARKET PRESERVATION & DEVELOPMENT AUTHORITY, a Washington public development authority

By: [Signature]
Name: [Name]
Its: [Title]
STATE OF WASHINGTON  
) ss.
COUNTY OF KING  
)

I certify that I know or have satisfactory evidence that [Name 1] is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the [Title] of the WASHINGTON STATE DEPARTMENT OF TRANSPORTATION, to be the true and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 6/13/2013

[Signature]
Notary Public
Print Name: [Name 2]
My commission expires: 2/02/2016

STATE OF WASHINGTON  
) ss.
COUNTY OF KING  
)

I certify that I know or have satisfactory evidence that [Name 3] is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the [Title] of PIKE PLACE MARKET PRESERVATION & DEVELOPMENT AUTHORITY, to be the true and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: 6/11/2013

[Signature]
Notary Public
Print Name: [Name 4]
My commission expires: 9/11/11
EXHIBIT A

Legal Description of Property

Unit No. 1 of PC-1 South Condominium, according to the condominium plan and survey map delineating said unit recorded in Volume 100 page 44-59, inclusive, records of King County Condominiums.

Situate in the County of King, State of Washington.
EXHIBIT B

[INSERT FIRST AMENDMENT TO RESTRICTIVE COVENANT]
FIRST AMENDMENT TO RESTRICTIVE COVENANT
Parking Mitigation

THIS FIRST AMENDMENT TO RESTRICTIVE COVENANT (the “First Amendment”) is entered into as of _____, 2014, by and between the WASHINGTON STATE DEPARTMENT OF TRANSPORTATION (the “STATE”), and PIKE PLACE MARKET PRESERVATION & DEVELOPMENT AUTHORITY, a Washington public development authority (“PPMPDA”).

W T N E S S E T H:

WHEREAS, pursuant to RCW 47.12.010 the STATE is authorized to enter into this First Amendment, and PPMPDA is likewise authorized under its charter; and

WHEREAS, the STATE is constructing and will continue to construct the Alaskan Way Viaduct Replacement Project (the “Project”); and

WHEREAS, PPMPDA currently offers public off-street parking in the Pike Place Market Historic District located at 1531 Western Avenue, Seattle, Washington (the “Property”), as further described in Exhibit A attached hereto; and

WHEREAS, the STATE and PPMPDA have entered into the Cooperative Agreement – UCB1124 dated June 13, 2013, as amended by the First Amendment to Cooperative Agreement – UCB1124 dated ______, 2014, pursuant to which PPMPDA has agreed to extend the Covenant Period for restricting four hundred fifty (450) of its existing parking spaces on the Property to short term parking at on-street rates by way of amending the Restrictive Covenant dated June 13, 2013, and recorded on June 21, 2013 (“Effective Date”) under No. 20130621001129 (“Initial Covenant”), in exchange for monetary compensation from the STATE, which parking restriction will further mitigate against the loss of on-street short-term parking caused by the Project; and

NOW, THEREFORE, in consideration of good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, PPMPDA does hereby agree to amend the Initial Covenant as follows:

Section 1. Definitions. Unless otherwise expressly provided herein or unless the context clearly requires otherwise, the terms defined above shall have the meanings set forth above and the following terms shall have the respective meanings set forth below for the purposes hereof. Capitalized terms not defined herein shall bear the meaning given them in the Initial Covenant. As used herein, “Restrictive Covenant” shall mean the Initial Covenant as modified by this First Amendment.

Section 2. Covenant Period. The Covenant Period of the Initial Covenant is hereby extended for an additional four and a half (4 1/2) years, commencing on June 21, 2016, and continuing in full force and effect until the sooner of (a) the date that is seven and a half (7 1/2) years following the Effective Date, upon which date this Restrictive Covenant shall terminate in its entirety or (b) the date upon which PPMPDA is not currently meeting its rate covenants or other obligations to bondholders for the bonds authorized by PPMPDA Resolution No. 02-05, which is incorporated herein to this Restrictive Covenant.
Section 3. **Rate Floor.** The term, “Rate Floor,” as defined in Section 2 of the Initial Covenant, is hereby modified to mean an hourly rate equal to the following:

<table>
<thead>
<tr>
<th>Period</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Months 0-12, beginning on the Effective Date</td>
<td>$4.00</td>
</tr>
<tr>
<td>Months 13-24</td>
<td>$4.40</td>
</tr>
<tr>
<td>Months 25-36</td>
<td>$4.84</td>
</tr>
<tr>
<td>Months 37-48</td>
<td>$5.32</td>
</tr>
<tr>
<td>Months 49-60</td>
<td>$5.86</td>
</tr>
<tr>
<td>Months 61-72</td>
<td>$6.44</td>
</tr>
<tr>
<td>Months 73-90</td>
<td>$7.08</td>
</tr>
</tbody>
</table>

Section 4. **Governing Law.** This First Amendment shall be governed by the laws of the State of Washington.

Section 5. **Full Force and Effect.** Except as specifically set forth herein, the Initial Covenant is and remains in full force and effect and binding on the State and PPMPDA.

Section 6. **Counterparts.** This First Amendment may be executed in one or more facsimile or PDF counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have caused this First Amendment to be signed by their respective, duly authorized representatives, as of the day and year first written above.

**WASHINGTON STATE DEPARTMENT OF TRANSPORTATION**

By: ______________________________
Name: ______________________________
Its: ______________________________

**PIKE PLACE MARKET PRESERVATION & DEVELOPMENT AUTHORITY,** a Washington public development authority

By: ______________________________
Name: Ben Franz-Knight
Its: Executive Director
STATE OF WASHINGTON )
COUNTY OF KING )

I certify that I know or have satisfactory evidence that _____________ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the _____________ of the WASHINGTON STATE DEPARTMENT OF TRANSPORTATION, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, 2014.

______________________________
Notary Public
Print Name______________________________
My commission expires ______________________

(Use this space for notarial stamp/seal)

STATE OF WASHINGTON )
COUNTY OF KING )

I certify that I know or have satisfactory evidence that _____________ is the person who appeared before me, and said person acknowledged that he signed this instrument, on oath stated that he was authorized to execute the instrument and acknowledged it as the _____________ of PIKE PLACE MARKET PRESERVATION & DEVELOPMENT AUTHORITY, to be the free and voluntary act of such party for the uses and purposes mentioned in the instrument.

Dated: _____, 2014.

______________________________
Notary Public
Print Name______________________________
My commission expires ______________________

(Use this space for notarial stamp/seal)
EXHIBIT A

Legal Description of Property

Unit No. 1 of PC-1 South Condominium, according to the condominium plan and survey map delineating said unit recorded in Volume 100, Pages 44-50 inclusive, records of King County Condominiums.

Situate in the County of King, State of Washington.
### PROGRESS TO GOAL

<table>
<thead>
<tr>
<th>Status</th>
<th># of gifts</th>
<th>Gift Total/ Potential</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.6.14</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Pledges Confirmed</td>
<td>47</td>
<td>$1,397,750</td>
</tr>
<tr>
<td>State Grant*</td>
<td>1</td>
<td>$500,000</td>
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<tr>
<td>Asks Pending</td>
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<td>$2,162,500</td>
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<tr>
<td>Ready to Ask</td>
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<tr>
<td>Contact Made</td>
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<td>$1,380,000</td>
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<tr>
<td>Declined</td>
<td>4</td>
<td>$1,410,000</td>
</tr>
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</table>

### MEASURING COMMUNITY AWARENESS

<table>
<thead>
<tr>
<th>People Reached @ Events</th>
<th>Win a Hoofprint Contestants</th>
<th>YouTube Video Views</th>
<th>Website Analytics</th>
<th>Facebook Fans</th>
<th>Twitter Followers</th>
<th>In the News:</th>
</tr>
</thead>
<tbody>
<tr>
<td>8,955</td>
<td>2,160</td>
<td>5,223</td>
<td>3,854 Users; 4,563 Sessions</td>
<td>3,371</td>
<td>1,249</td>
<td>KOMO4: MarketFront Commercial Now Airing</td>
</tr>
</tbody>
</table>

### Sponsorship

| Inkind Sponsorship to-date | $38,115 |

*The Building Communities Fund Advisory Board has recommended our proposal for funding, pending approval of the Governor's Capital Budget.*