Finance & Asset Management Committee Meeting Agenda

Date: Tuesday, March 17th, 2015
Time: 4:00p.m. – 6:00p.m.
Location: The Classroom
Committee Members: Gloria Skouge (Chair), Ann Magnano, Patrice Barrentine, Jim Savitt, David Ghoddousi, John Finke and Betty Halfon

4:00pm  I. Administrative:
A. Approval of Agenda
B. Approval of the Finance & Asset Management December 9th, 2014 & January 20th, 2015 Committee Meeting Minutes

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

4:10pm  III. Reports & Discussion Items
A. Review of the Financial Statements for February 2015
   I. Checking Account Activity Report
   Sabina Proto
B. Review of MarketFront Financing Plan and PDA Debt
   Ben Franz-Knight

4:45pm  IV. Reports and Action Items
A. Action Item: Proposed Resolution 15-07: Issuance of Special Obligation and Refunding Bonds
   Stacey Crawshaw-Lewis
B. Action Item: Proposed Resolution 15-16: Approval in Upgrading PPM PDA’s Access Control System
   Joseph Strong
C. Action Item: Proposed Resolution 15-17: Authorization for Contract Authority - Replace Roof and Gutter Section over Pike Place Fish
   Bob Beckstrom
   Bob Beckstrom

5:10pm  V. Property Management Report
A. Residential Property Management Report
   John Turnbull

5:15pm  VI. Public Comment

5:20pm  VII. Closed Session
I. Property Management Report - RCW 42.30.110 [c]
   Jennifer Maietta
II. Review of Lease Proposals
   New Lease - Country Dough - 1916 Pike Place #14
New Lease - Old Stove Brewing, LLC - 1525 1st Avenue #16 & 1530 Post Alley #19
New Lease - Our Fabric Stash - 93 Pike St #103
New Lease - Shug’s Soda Fountain & Ice Cream Shop - 1525 First Avenue #2A
Lease Renewal - Conscious Wear - 1501 Pike Place #402
Lease Renewal - House of Silver & Gold - 1501 Pike Place #407

III. Review of Delinquency Report
   a. Vacancy Report
   b. Current Lease Negotiations

<table>
<thead>
<tr>
<th>Time</th>
<th>Item</th>
<th>Presenter</th>
</tr>
</thead>
<tbody>
<tr>
<td>5:45pm</td>
<td>VIII. Open Session</td>
<td>Jennifer Maietta</td>
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<td>5:50pm</td>
<td>IX. Resolutions to be added to the Consent Agenda</td>
<td>Chair</td>
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<td>5:55pm</td>
<td>X. Concerns of Committee Members</td>
<td>Chair</td>
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<td>6:00pm</td>
<td>XI. Adjournment</td>
<td>Chair</td>
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Tuesday, December 9th, 2014
4:00 p.m. to 6:00 p.m.
Elliott Bay Room

Committee Members Present: Gloria Skouge, Jim Savitt, Patrice Barrentine, David Ghoddousi

Other Council Members Present:

Staff Present: Ben Franz-Knight, Sabina Proto, Jay Schalow, Jessica Carlson, Steve Nelson, Tamra Nisly, John Turnbull, Jennifer Maietta, Matt Holland, Cathy Silva, Dianna Goodsell

Others Present: Howard Aller, Chris Scott, Joan Paulson

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

I. Administration
   A. Approval of the Agenda
      There was an amendment to the agenda under Reports and Action Items. Proposed Resolution 14-79: Approval of Acceptance of USDA Grant Funding and Contract Approval for Lease of Farm Program Vehicle was added to the agenda under Section IV, as item B.

      The agenda, as amended, was approved by Acclamation

   B. Approval of the Finance & Asset Management Committee November 11th, 2014 Meeting Minutes.

II. Announcements and Community Comments
   None

III. Reports & Discussion Items
   A. Review of the Financial Statements for November 2014
      Sabina Proto, PDA Director of Finance presented a review of the Financial Statements for November 2014. Sabina discussed the PDA Balance Sheet. She reported that Current Assets had decreased by $355,225. Designated Cash had increased by $148,619, which was primarily due to the net of two transactions: an increase due to the monthly contribution to the CRRF and a decrease due to the expenditures under capital projects. Restricted cash had increased due to the contribution to the Debt Service Account. Fixed Assets had increased due to the work completed under Capital Projects during November. There was a decrease of $42,046 from the prior month under the Current Liabilities. Long Term Debt had decreased due to the payments on our long term obligations. Our Net Position for the current year operating result was $4,164,964. Finally, under the
Accounts Receivable Report, the accounts receivable increased compared to the balance of the prior month.

Under the PDA Operating Statement, the Total Revenue for the end of November 2014 was $15,631,136 or over budget by $1,098,173. The Total Operating Expense YTD was $10,934,492 or $85,530 under budget. The Net Operating Result YTD for the end of November was $4,696,644 or $1,183,703 over budget. The Net Result after Debt Service & Reserves including the following Annual Budget of $ 1,618,408, resulting in the actual amount of $2,716,094 for the end of November.

Lastly, Footnotes on the Operating Expenses reported the following: Commercial Revenue was over budget mainly in Base Rent and Percent Rent, Common Area Utilities, Direct Utilities and Late Fess by $625,921. Residential Revenue was over budget overall by $49,281. Surface Revenue was over budget by $87,386. Garage Revenue was over budget by $347,596 due to increased parkers in the garage and Percent Rent was $350,991 over budget; $313,240 over the actuals of the same period of last year.

Sabina Proto provided further background on the increased utilities expenses under the Operating Expenses categories. She reported that the Utilities were over budget by $122,000, which was largely in part from the increased water and garage expenses and possibly a combination of other factors.

Ben Franz-Knight stated that traditionally garbage has had a direct correlation to the volume of sales and amount of activity in the Market. He further explained that we were aggressively looking at innovative ways to reduce the waste stream, including the use of composting; he would be able to provide a report on additional options in early next year. He lastly noted on the water and sewer side, he believes that there are more aggressive measures that we can take in 2015; this would include a look at total water consumption in the Market and looking at opportunities in becoming more efficient.

I. Checking Account Activity Report
The Checking Account Activity Report for the month of November 2014 was distributed to Dianna Goodsell, Administrative Services Coordinator.

B. Western Avenue Activation
Tamra Nisly presented a review of the Western Avenue Activation including an overview of the current entrances and views along Western Avenue. She briefly discussed the current challenges, design opportunities, next steps and potential scope of the project. She further discussed potential new entrances, to and from Western Avenue from the Waterfront and the future MarketFront site. There was a brief review of design opportunities for Western Avenue and the Lower Level Market entrances. Potential opportunities for design included artwork, enhancements to the stairs and balconies, iconic neon signage and options for additional directional signage to the Market.

There was a discussion that followed by the committee on the next steps and scope regarding the Western Avenue Activation.
Jim Savitt noted that activation of Western Avenue is divided two different issues; the first issue being the aesthetics to visitors to the Market, who emerged from the MarketFront. The second issue is regarding directing people, who emerged from the MarketFront, into the existing Market, particularly into the DownUnder. He further noted that before we start to design something, we need to understand more about pedestrian flow. He briefly commented on one of the designs that included a stairway into the DownUnder, which looked scary and uninviting.

Patrice Barrentine commented on the color coordinated Market wayfinding indicators, noting that the colors were helpful with directions and syncing the various market levels.

Gloria Skouge commented that many parents are shocked during the school tours regarding the actual Market boundaries, understanding that the Market is just along Pike Place.

IV. Reports and Action Items

A. Action Item: Proposed Resolution 14-76: Approval of Insurance and Risk Management Broker for Pike Place Market PDA

Ben Franz-Knight introduced the resolution which states that the Pike Place Market PDA undertook the search for an Insurance and Risk Management Broker firm, WHEREAS, a panel comprised of the Chair of PDA Finance and Asset Management Committee, Executive Director and Director of Finance was engaged in a competitive process to insure that the best firm was selected for this task, and unanimously agreed on the selection of Arthur J. Gallagher & Co. to provide the insurance brokerage and risk management services. NOW, THEREFORE, BE IT RESOLVED, that the PDA Council authorizes the PDA Executive Director or his designee to enter into a contract with Arthur J. Gallagher & Co. in an amount not to exceed $24,000 per year for the insurance brokerage and risk management services to Pike Place Market PDA.

Ann Magnano moved, Jim Savitt seconded

David Ghoddousi moved, Jim Savitt seconded

Ben Franz-Knight and Sabina Proto briefly discussed the interview and selection process for the Insurance and Risk Management Broker for the Pike Place Market PDA.

For: Gloria Skouge, Jim Savitt, Patrice Barrentine, David Ghoddousi
Against: 0
Abstained: 0

Resolution 14-76: Approval of Insurance and Risk Management Broker for Pike Place Market PDA passed unanimously.

B. Action Item: Proposed Resolution 14-79: Approval of Acceptance of USDA Grant Funding and Contract Approval for Lease of Farm Program Vehicle
Kelly Lindsay introduced the resolution which states that the United States Department of Agriculture Agricultural Marketing Service annually awards competitive grants to expand marketing through the Farmers Market Promotion Program (FMPP). FMPP makes investments in marketing and promotion activities for farmers markets, CSAs and other direct producer-to-consumer outlets for local food, and; WHEREAS, the USDA has awarded $43,500 in an FMPP grant to Pike Place Market Preservation and Development Authority (PDA), Seattle, WA. The purpose of the grant is to support the operation of small-scale farmers' markets (Pike Place Express Markets) in five dense urban neighborhoods with concentrations of low-income residents around downtown Seattle, and; WHEREAS, this grant funding will be used to obtain a large cargo vehicle that will transport items efficiently between the Express Market locations, and; WHEREAS, PDA staff has solicited five bids for the long-term lease of a cargo vehicle capable of transporting all of the equipment necessary to conduct the Express Markets, including a bid from AutoNation Bellevue in an amount not to exceed $37,500, and; WHEREAS, the remaining $6,000 in grant funding will be used for supplies, branding, and maintenance of the vehicle. NOW THEREFORE BE IT RESOLVED, that the PDA accept grant funding from the USDA in the amount of $43,500, and; BE IT FURTHER RESOLVED, that the PDA enter into a two-year lease agreement with AutoNation Bellevue for a 2014 Dodge Ram ProMaster for an amount not to exceed $37,500.

David Ghoddousi moved, Patrice Barrentine seconded

There was a brief discussion that followed by the committee.

For: Gloria Skouge, Jim Savitt, Patrice Barrentine, David Ghoddousi
Against: 0
Abstained: 0

Resolution 14-79: Approval of Acceptance of USDA Grant Funding and Contract Approval for Lease of Farm Program Vehicle passed unanimously.

V. Property Management

A. Residential Property Management Report

John Turnbull presented the Residential Property Management Report for the month of November 2014. The report update included that the Market-wide vacancy rate was at 4% through November. The report highlighted several projects that were underway including the window replacement and weatherization project at the Market House and the residential refrigerator replacements. There will be a new addition of coffee/tea service space and resident artist display areas in the residential building common rooms. Lastly, there was a brief summary of the Thanksgiving Potluck and Holiday activities the residents and community participated in.
VI. Public Comment
Joan Paulson commented on the Western Avenue Activation discussion. She provided a suggestion of the ability to perform pedestrian counts in the near future. She noted that performing pedestrian counts now would allow data to be compared year over year.

VII. Closed Session

The Committee entered into Closed Session at 5:15p.m

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

II. Review of Lease Proposals

III. Review of Delinquency Report
   a. Vacancy Report
   b. Current Lease Negotiations

The Committee entered into Open Session at 5:25p.m

VIII. Resolutions to be added to the Consent Agenda
Resolution 14-76: Approval of Insurance and Risk Management Broker for Pike Place Market PDA and Resolution 14-79: was placed under the Consent Agenda for the PDA Council Meeting.

IX. Concerns of Committee Members
Jim Savitt inquired about Joan Paulson’s previous comments regarding the seven percent increase in the approved PPM PDA budget. Jim was curious on what specific figure Joan was referring too and how she calculated that figure. He had further asked if a response was provided to Joan regarding her repeated comments on the PPM PDA Budget increase.

X. Adjournment
The meeting was adjourned at 5:34p.m by Gloria Skouge, Chair

Meeting minutes submitted by:
Dianna Goodsell, Administrative Services Coordinator
Tuesday, January 20th, 2015
4:00 p.m. to 6:00 p.m.
The Classroom

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

Other Council Members Present: Bruce Burger

Staff Present: Ben Franz-Knight, Sabina Proto, Jay Schalow, Tamra Nisly, Jennifer Maietta, John Turnbull, Dianna Goodsell

Others Present: Chris Scott

The meeting was called to order at 4:03 p.m. by Gloria Skouge, Chair.

I. Administration
   A. Approval of the Agenda
      The agenda was approved by Acclamation
   B. Approval of the Finance & Asset Management Committee December 9th, 2014 Meeting Minutes.

      There was not a quorum of the Committee to approve the December 9th, 2014 meeting minutes. The December 9th, 2014 and January 20th, 2014 Finance and Asset Management Committee meeting minutes would be approved at the February 2015 Committee meeting.

II. Announcements and Community Comments
    None

III. Reports & Discussion Items

   Jim Savitt entered into the meeting at 4:05 p.m.

   A. Review of the Preliminary Financial Statements for December 2014
      Sabina Proto, PDA Director of Finance presented a review of the Preliminary Financial Statements for December 2014. Sabina Proto discussed the PDA Balance Sheet. She reported that Current Assets had increased by $257,808. Designated Cash had increased by $2,650,000; from this amount $2,500,000 were State Funds from the Mitigation Parking Program, which is designated to use for the Waterfront project. Restricted cash had decreased due to the payment of the annual portion of the principal and semiannual portion of interest on the PC-1 2002 Bond. Fixed Assets had increased due to the work
completed under Capital Projects during November. There was a decrease of $184,926 from the prior month under the Current Liabilities. There was however the receipt of state funds on $2.5 million recorded as “unearned revenue”; the revenue will be recognized monthly until the end of the contract. Long Term Debt had decreased due to the payments on our long term obligations. Our Net Position for the current year operating result was $4,405,724; there will be the year-end recording of the annual depreciation and amortization on the final financials. Finally, under the Accounts Receivable Report, the accounts receivable decreased compared to the balance of the prior month.

Under the PDA Operating Statement, the Total Revenue for the end of December 2014 was $16,965,707 or over budget by $1,141,627. The Total Operating Expense YTD was $11,992,570 or $75,780 under budget. The Net Operating Result YTD for the end of December was $4,973,137 or $1,217,407 over budget. The Net Result after Debt Service & Reserves including the following Annual Budget of $ 1,626,407, resulting in the actual amount of $2,843,915 for the end of December; this amount was $1,217,508 over the budgeted amount.

Lastly, Footnotes on the Operating Expenses reported the following: Commercial Revenue was over budget mainly in Base Rent and Percent Rent, Common Area Utilities, Direct Utilities and Late Fess by $608,751. Residential Revenue was over budget overall by $47,960. Surface Revenue was over budget by $111,229. Garage Revenue was over budget by $391,784 due to increased parkers in the garage and the commercial rents for the Heritage House. Percent Rent was $384,257 over budget; $322,093 over the actuals of the same period of last year.

I. Checking Account Activity Report
The Checking Account Activity Report for the month of December 2014 was distributed to Dianna Goodsell, Administrative Services Coordinator.

B. Financing of the MarketFront Project
Ben Franz-Knight opened a brief discussion regarding the financing of the MarketFront project. He noted that there would be a further review regarding the MarketFront project financing at the January 21st MarketFront Committee meeting as well as the January PDA Council Meeting.

There was a brief discussion that followed.

Ben Franz-Knight stated that a notice will soon go out under the Charter and Statutory process regarding encumbrances for the PC-1 North project.

C. Western Avenue Activation Update
Tamra Nisly provided a brief update on the December’s meeting discussion regarding Western Avenue Activation. Tamra provided an overview of the pedestrian studies conducted in the past. She noted that since 1998 to 2012, we have done pedestrian counts at eight various stations throughout the Market. She added that traffic from the Hill climb and Sky Bridge has roughly remained the same. She discussed a couple of options for
proceeding with further review of pedestrian flow studies including a DSA study for pedestrian counts or heat sensor cameras.

There was a brief discussion that followed

Jim Savitt mentioned we need to figure out how people move and move into what directions around the Market first. Pedestrian Flow would be separate from pedestrian counts.

Ben Franz-Knight noted that we do need to engage in expertise and sought further clarification on scope of the study. He briefly mentioned the option of heat sensors and gaging the traffic.

David Ghoddousi noted that he was not for the technology. He further added that if we are trying to assess the DownUnder traffic that is a lot more complex issue. He is for volunteers performing the pedestrian counts but not for the expenditure of funds from the PDA. He lastly noted that we need a scope broader than just counting people.

Tamra Nisly distributed a few images on the John Fleming design for Western Avenue; she added that this design would be a moving concept and collaborative piece of art.

IV. Reports and Action Items

John Turnbull reviewed the resolution which states that the PDA has adopted policies to encourage energy savings and cost savings within the Market; and, WHEREAS, Seattle City Light provides rebates for replacement of existing lighting that reduces energy costs; and, WHEREAS, under the Seattle 2030 program through Seattle City Light, the Pike Place Market was selected as a demonstration site to evaluate the effectiveness of lighting retrofits in smaller commercial properties, with a specific goal to assess impact on 10 commercial businesses; and, WHEREAS, the PDA Commercial Property Managers have identified 10 commercial tenants of the PDA who have signed agreements of participation and thereby qualify for rebates of approximately 75% of the cost of new lights, and have agreed to pay the balance of the costs, including installation (which will reduce the “pay back” period of electrical cost savings to approximately 6 months); and, WHEREAS, Seattle City Light, which provides electrical service to these commercial tenants through the PDA campus electrical system, will provide the rebate to PDA upon proof that work has been completed; and, WHEREAS, as part of this demonstration site and the rebate program the PDA has solicited bids from suppliers defining specific lighting replacement requirements for this group of 10 commercial tenants, including cost of materials and installation; and, WHEREAS, the PDA received four bids from suppliers, one of which presented a complete bid as requested to include the cost of installation.

NOW, THEREFORE, BE IT RESOLVED that:
1. The PDA authorizes the Executive Director to enter into contract with Grainger for the purchase of replacement lighting for this demonstration energy conservation program in an amount not to exceed $10,444 including tax, installation and with the provisions that include:

   a. The contractor complete all work in accordance with SCL rebate program standards.

   b. The contractor provide all materials to submit an application for rebate from SCL for amount up to $10,444, which shall be submitted at the earliest realistic date.

   c. The contractor shall provide the PDA with authorizations from each tenant that in the aggregate will permit the PDA to bill those tenants for the balance of costs under this contract.

2. The funds for this project will be drawn from the PDA Operating Budget, R&M Supplies- Commercial: 481047-50. Net cost shall be fully offset through tenant payments and City Light rebates.

   There was not a quorum of the Committee to vote upon Proposed Resolution 15-04: Authorization for Contract Authority - Purchase of Energy Efficient Lighting through Seattle City Light Rebate Program

V. Property Management

   A. Residential Property Management Report

       John Turnbull presented the Residential Property Management Report for the month of December 2014. The report update included that the Market-wide vacancy rate was at 5% through December.

VI. Public Comment

   None

VII. Closed Session

   There was not a quorum of the Committee to conduct the Closed Session

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

   II. Review of Lease Proposals

       Lease Renewal - The Confectional - 1530 Pike Place

       New Lease - Honest Biscuits - 1506 Pike Place #15

       New Lease - Sunny Honey Company - 89 Pike Street

   III. Review of Delinquency Report

       a. Vacancy Report

       b. Current Lease Negotiations
VIII. **Resolutions to be added to the Consent Agenda**
Resolution 15-03 and 15-04 would be placed under New Business for the January 29th, PDA Council Agenda.

IX. **Concerns of Committee Members**
Jim Savitt brought up the issue regarding attendance requirements for the Finance & Asset Management Committee; he had asked Gloria to bring this issue up at Executive again.

Gloria Skouge responded to Jim’s concern noting that she would speak with Matt Hanna regarding the attendance issue again.

Ben Franz-Knight mentioned the idea of looking into the PDA Council bylaws regarding meeting telephonically and/or electronically.

X. **Adjournment**
The meeting was adjourned at 4:57p.m by Gloria Skouge, Chair

Meeting minutes submitted by:
Dianna Goodsell, Administrative Services Coordinator
# PIKE PLACE MARKET PDA
## Balance Sheet
February 28, 2015

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<td>Market Buildings</td>
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<td>Equipment</td>
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<td><strong>Total Fixed Assets</strong></td>
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<td>Less Accumulated Depreciation</td>
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<td>(32,498,840)</td>
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<td><strong>Total Net Fixed Assets</strong></td>
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<td>Long Term Receivable &amp; Investments</td>
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<td>Accounts Payable</td>
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<td>Current Portion - LT Debt</td>
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<td>Accrued Payroll, Vacation &amp; Taxes</td>
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<td>Accrued Business Taxes</td>
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<td>Security Deposits</td>
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<td>Parking Agreement Due To City</td>
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<td>Unearned WSDOT revenue</td>
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<td><strong>Total Current Liabilities</strong></td>
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<td>6,460,406</td>
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<td><strong>Long Term Debt</strong></td>
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<td>PC-1 Bonds Payable</td>
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<td>2,410,000</td>
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<td>2009 PDA Refunding Bonds</td>
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<td>2,646,549</td>
<td>2,675,595</td>
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<td>Payable to City (PC-1 Land)</td>
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<td>680,602</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>N/P City of Seattle - Senior Center</td>
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<td>180,000</td>
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<td>Pine Building Bond Payable-1HSB</td>
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<td>Pine Bldg Commercial Mortgage Payable</td>
<td>3,198,484</td>
<td>3,205,398</td>
<td></td>
</tr>
<tr>
<td>QB2 Deferred Master Lease Payment</td>
<td></td>
<td>23,860,655</td>
<td>23,860,655</td>
</tr>
<tr>
<td>Current Portion - Long Term Debt</td>
<td></td>
<td>(1,192,933)</td>
<td>(1,192,933)</td>
</tr>
<tr>
<td><strong>Total Long Term Debt</strong></td>
<td></td>
<td>34,386,091</td>
<td>34,427,015</td>
</tr>
<tr>
<td><strong>Total Liabilities</strong></td>
<td></td>
<td>40,846,497</td>
<td>41,459,353</td>
</tr>
<tr>
<td><strong>Capital</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contributed Capital</td>
<td></td>
<td>11,818,935</td>
<td>11,818,935</td>
</tr>
<tr>
<td>Prior Years' Results</td>
<td></td>
<td>97,020,292</td>
<td>97,020,292</td>
</tr>
<tr>
<td>Current Year Operating Results</td>
<td></td>
<td>763,845</td>
<td>461,257</td>
</tr>
<tr>
<td>Other Revenues</td>
<td></td>
<td>55,556</td>
<td>27,778</td>
</tr>
<tr>
<td>Net Operating Capital</td>
<td></td>
<td>109,658,628</td>
<td>109,328,262</td>
</tr>
<tr>
<td><strong>TOTAL LIABILITIES AND CAPITAL</strong></td>
<td></td>
<td>150,505,125</td>
<td>150,787,615</td>
</tr>
</tbody>
</table>
### Note 1: Accounts Receivable

<table>
<thead>
<tr>
<th>Category</th>
<th>Previous Month Balance</th>
<th>Total Current Charges</th>
<th>Total Current Receipts</th>
<th>Current Month Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial Revenue</td>
<td>128,009</td>
<td>779,108</td>
<td>794,063</td>
<td>113,054</td>
</tr>
<tr>
<td>Day Stall Revenue</td>
<td>65,474</td>
<td>48,971</td>
<td>56,780</td>
<td>57,665</td>
</tr>
<tr>
<td>Residential Rent (excluding HUD)</td>
<td>14,974</td>
<td>297,745</td>
<td>304,734</td>
<td>7,985</td>
</tr>
<tr>
<td>HUD Subsidy</td>
<td>(1,198)</td>
<td>88,790</td>
<td>86,718</td>
<td>874</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>207,259</strong></td>
<td><strong>1,214,614</strong></td>
<td><strong>1,242,295</strong></td>
<td><strong>179,578</strong></td>
</tr>
</tbody>
</table>

### Note 2: Bond Interest and Principal Payment Schedule

- **PC1 - 2002 Bond Interest:** May and November
- **PC1 - 2002 Bond Principal:** November

Amounts fluctuate monthly depending on accrual vs. payment schedule.
<table>
<thead>
<tr>
<th></th>
<th>Current YTD Actual</th>
<th>Current YTD Budget</th>
<th>Variance</th>
<th>Variance %</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Commercial</td>
<td>1,638,927</td>
<td>1,579,820</td>
<td>59,107</td>
<td>3.7%</td>
</tr>
<tr>
<td>Net Result-Transactions with PPM QALICB</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Residential</td>
<td>432,035</td>
<td>437,896</td>
<td>(5,861)</td>
<td>-1.3%</td>
</tr>
<tr>
<td>Daystall</td>
<td>160,730</td>
<td>90,126</td>
<td>(70,604)</td>
<td>11.8%</td>
</tr>
<tr>
<td>Surface Parking</td>
<td>55,718</td>
<td>58,294</td>
<td>(2,576)</td>
<td>-4.3%</td>
</tr>
<tr>
<td>Garage</td>
<td>346,228</td>
<td>290,872</td>
<td>55,356</td>
<td>19.0%</td>
</tr>
<tr>
<td>Market Foundation</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>0.0%</td>
</tr>
<tr>
<td>Miscellaneous Revenue</td>
<td>95,610</td>
<td>95,772</td>
<td>(162)</td>
<td>-0.2%</td>
</tr>
<tr>
<td><strong>TOTAL REVENUE</strong></td>
<td>2,669,248</td>
<td>2,552,690</td>
<td>116,558</td>
<td>4.6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>Current Month Actual</th>
<th>Current Month Budget</th>
<th>Prior Month Actual</th>
<th>2015 Approved Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>EXPENSES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Management</td>
<td>180,668</td>
<td>193,341</td>
<td>12,673</td>
<td>6.6%</td>
</tr>
<tr>
<td>Parking</td>
<td>154,787</td>
<td>153,571</td>
<td>(1,216)</td>
<td>-0.8%</td>
</tr>
<tr>
<td>Operations</td>
<td>612,131</td>
<td>654,834</td>
<td>42,703</td>
<td>6.5%</td>
</tr>
<tr>
<td>Utilities</td>
<td>393,586</td>
<td>398,633</td>
<td>5,047</td>
<td>1.3%</td>
</tr>
<tr>
<td>Insurance</td>
<td>72,778</td>
<td>78,264</td>
<td>5,486</td>
<td>7.0%</td>
</tr>
<tr>
<td>Administration</td>
<td>314,926</td>
<td>344,910</td>
<td>29,984</td>
<td>8.7%</td>
</tr>
<tr>
<td>Marketing &amp; Programs</td>
<td>132,609</td>
<td>183,383</td>
<td>50,774</td>
<td>27.7%</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING EXPENSES</strong></td>
<td>1,861,485</td>
<td>2,006,936</td>
<td>145,451</td>
<td>7.2%</td>
</tr>
<tr>
<td><strong>NET OPERATING RESULTS</strong></td>
<td>807,763</td>
<td>545,754</td>
<td>262,009</td>
<td>48.0%</td>
</tr>
</tbody>
</table>

|                      |                    |                      |                    |                      |
| **DEBT SERVICE**     |                      |                      |                    |                      |
| Bond Principal and Interest Payment PDA | 79,030            | 79,030               | -                  | 0.0%                 |
| Bond Principal and Interest Payment GAR | 147,252           | 147,252              | -                  | 0.0%                 |
| Bond Principal and Interest Payment Pine Bldg | 28,298           | 28,298               | -                  | 0.0%                 |
| Bond Payment Pine Building Commercial | 42,684            | 42,684               | -                  | 0.0%                 |
| **TOTAL DEBT SERVICE** | 297,264            | 297,264              | -                  | 0.0%                 |

|                      |                      |                      |                    |                      |
| **RESERVES - DESIGNATED** |                  |                      |                    |                      |
| Pension Contribution | -                   | -                    | -                  | 0.0%                 |
| LIH Interest to Reserve | 15               | 42                   | (27)               | 0.0%                 |
| **TOTAL DESIGNATED RESERVES** | 15              | 42                   | (27)               | 0.0%                 |

|                      |                      |                      |                    |                      |
| **Net Results after Debt Service & Reserves** | 510,484           | 248,448              | 162,036            | 103.3%               |

|                      |                      |                      |                    |                      |
| **CAPITAL RESERVE CONTRIBUTION** |                  |                      |                    |                      |
| Contribution - Capital Projects/CRRF | 342,586           | 342,586              | -                  | 0.0%                 |
| **TOTAL RESERVES & CONTRIBUTIONS** | 342,586           | 342,586              | -                  | 0.0%                 |

|                      |                      |                      |                    |                      |
| **Net Results after Capital Reserves** | 167,989           | (94,138)             | 262,036            |                      |

|                      |                      |                      |                    |                      |
| **Net Results after Capital Reserves** | (26,776)          | (186,729)            | 194,745             |                      |
### Finance & Asset Management 1/20/15 - 16

**Footnotes to Statement of Revenues and Expenditures**

**Page 4**

<table>
<thead>
<tr>
<th>Note 1</th>
<th>Commercial Revenue</th>
<th>2015 Total Budget</th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total Comm Rev</td>
<td>% YTD Comm Rev</td>
<td>% YTD Comm Rev</td>
<td>% YTD Comm Rev</td>
<td>% YTD Comm Rev</td>
</tr>
<tr>
<td>Base Rent - Retail</td>
<td>31.8%</td>
<td>550,563</td>
<td>33.6%</td>
<td>567,000</td>
<td>39.9%</td>
</tr>
<tr>
<td>Base Rent - Office</td>
<td>4.7%</td>
<td>80,726</td>
<td>4.9%</td>
<td>80,500</td>
<td>5.1%</td>
</tr>
<tr>
<td>Prep Space</td>
<td>0.5%</td>
<td>8,199</td>
<td>0.5%</td>
<td>9,180</td>
<td>0.6%</td>
</tr>
<tr>
<td>Additional Rent</td>
<td>0.1%</td>
<td>1,223</td>
<td>0.1%</td>
<td>1,224</td>
<td>0.1%</td>
</tr>
<tr>
<td>Common Area</td>
<td>18.6%</td>
<td>337,906</td>
<td>20.6%</td>
<td>310,000</td>
<td>19.6%</td>
</tr>
<tr>
<td>Direct Operating Exp (LB)</td>
<td>0.3%</td>
<td>4,833</td>
<td>0.3%</td>
<td>4,830</td>
<td>0.3%</td>
</tr>
<tr>
<td><strong>Total Rent Revenue</strong></td>
<td><strong>983,450</strong></td>
<td><strong>972,534</strong></td>
<td><strong>979,820</strong></td>
<td><strong>10,916</strong></td>
<td>1.1%</td>
</tr>
<tr>
<td>Percentage Rent (1)</td>
<td>28.5%</td>
<td>492,805</td>
<td>30.1%</td>
<td>447,000</td>
<td>28.3%</td>
</tr>
<tr>
<td>Direct Utilities</td>
<td>6.6%</td>
<td>128,885</td>
<td>7.9%</td>
<td>127,196</td>
<td>8.1%</td>
</tr>
<tr>
<td>Storage/Cooler</td>
<td>1.5%</td>
<td>27,209</td>
<td>1.7%</td>
<td>27,912</td>
<td>1.8%</td>
</tr>
<tr>
<td>Tenant Work Reimbursements</td>
<td>0.1%</td>
<td>1,077</td>
<td>0.1%</td>
<td>1,682</td>
<td>0.1%</td>
</tr>
<tr>
<td>Late Fees</td>
<td>0.2%</td>
<td>5,501</td>
<td>0.3%</td>
<td>3,496</td>
<td>0.2%</td>
</tr>
<tr>
<td><strong>Total Commercial Revenue</strong></td>
<td><strong>1,638,927</strong></td>
<td><strong>1,579,820</strong></td>
<td><strong>1,579,820</strong></td>
<td><strong>59,107</strong></td>
<td>3.7%</td>
</tr>
</tbody>
</table>

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

**Note 2**

<table>
<thead>
<tr>
<th>Residential Revenue</th>
<th>2015 Total Budget</th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential Rents</td>
<td>96.2%</td>
<td>426,711</td>
<td>98.8%</td>
<td>430,428</td>
</tr>
<tr>
<td>Laundry Net of Taxes</td>
<td>0.6%</td>
<td>1,155</td>
<td>0.3%</td>
<td>3,318</td>
</tr>
<tr>
<td>Other(1)</td>
<td>0.6%</td>
<td>4,169</td>
<td>1.0%</td>
<td>4,150</td>
</tr>
<tr>
<td><strong>Total Residential Revenue</strong></td>
<td><strong>97%</strong></td>
<td><strong>432,035</strong></td>
<td><strong>100%</strong></td>
<td><strong>437,896</strong></td>
</tr>
</tbody>
</table>

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

**Note 3**

<table>
<thead>
<tr>
<th>Day stall Revenue</th>
<th>2015 Total Budget</th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>% of total Day Rev</td>
<td>% YTD Day Rev</td>
<td>% YTD Day Rev</td>
<td>% YTD Day Rev</td>
<td>% YTD Day Rev</td>
</tr>
<tr>
<td>Daily Craft</td>
<td>66.4%</td>
<td>66,322</td>
<td>65.8%</td>
<td>63,424</td>
</tr>
<tr>
<td>Daily Farmer</td>
<td>18.4%</td>
<td>15,661</td>
<td>15.5%</td>
<td>10,500</td>
</tr>
<tr>
<td>Remote Markets</td>
<td>3.3%</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
</tr>
<tr>
<td>Rummage Hall Net of Taxes</td>
<td>1.3%</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
</tr>
<tr>
<td>Cooler / Locker Rent</td>
<td>6.2%</td>
<td>12,638</td>
<td>12.5%</td>
<td>11,582</td>
</tr>
<tr>
<td>Permits &amp; market bags</td>
<td>2.1%</td>
<td>3,459</td>
<td>3.4%</td>
<td>2,520</td>
</tr>
<tr>
<td>Late Fees</td>
<td>1.1%</td>
<td>2,650</td>
<td>2.6%</td>
<td>2,100</td>
</tr>
<tr>
<td><strong>Total Day stall Revenue</strong></td>
<td><strong>99%</strong></td>
<td><strong>100,730</strong></td>
<td><strong>100%</strong></td>
<td><strong>90,126</strong></td>
</tr>
</tbody>
</table>
### Note 5  Surface Revenue

<table>
<thead>
<tr>
<th></th>
<th>2015 Total Budget</th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total</td>
<td>Feb Actual</td>
<td>% YTD</td>
<td>Feb Budget</td>
</tr>
<tr>
<td>Surface Parking Net of Taxes</td>
<td>178.6%</td>
<td>102,297</td>
<td>183.6%</td>
<td>90,700</td>
</tr>
<tr>
<td>Bridge Maintenance Reserve</td>
<td>-1.4%</td>
<td>-</td>
<td>0.0%</td>
<td>-</td>
</tr>
<tr>
<td>City Share of Revenues</td>
<td>-71.0%</td>
<td>(46,579)</td>
<td>-93.6%</td>
<td>(32,496)</td>
</tr>
<tr>
<td>Total Surface Revenue</td>
<td>106%</td>
<td>55,718</td>
<td>100%</td>
<td>58,204</td>
</tr>
</tbody>
</table>

### Note 6  Garage Revenue

<table>
<thead>
<tr>
<th></th>
<th>2015 Total Budget</th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total</td>
<td>Feb Actual</td>
<td>% YTD</td>
<td>Feb Budget</td>
</tr>
<tr>
<td>Parking Revenue Net of Taxes</td>
<td>81.6%</td>
<td>318,534</td>
<td>92.0%</td>
<td>269,039</td>
</tr>
<tr>
<td>Parking Reimbursement</td>
<td>0.4%</td>
<td>1,575</td>
<td>0.5%</td>
<td>1,637</td>
</tr>
<tr>
<td>Garage Commercial Revenue</td>
<td>2.1%</td>
<td>26,016</td>
<td>7.5%</td>
<td>21,108</td>
</tr>
<tr>
<td>Interest Income</td>
<td>0.0%</td>
<td>103</td>
<td>0.0%</td>
<td>98</td>
</tr>
<tr>
<td>Total Garage Revenue</td>
<td>84%</td>
<td>346,228</td>
<td>100%</td>
<td>290,872</td>
</tr>
</tbody>
</table>

### Note 7  Miscellaneous Revenue

<table>
<thead>
<tr>
<th></th>
<th>2015 Total Budget</th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>% of total</td>
<td>Feb Actual</td>
<td>% YTD</td>
<td>Feb Budget</td>
</tr>
<tr>
<td>Security Service Contracts</td>
<td>15.8%</td>
<td>7,792</td>
<td>8.1%</td>
<td>7,712</td>
</tr>
<tr>
<td>SP3 Security Contracts</td>
<td>4.8%</td>
<td>2,212</td>
<td>2.3%</td>
<td>2,322</td>
</tr>
<tr>
<td>Management Fees(1)</td>
<td>29.3%</td>
<td>9,746</td>
<td>10.2%</td>
<td>9,800</td>
</tr>
<tr>
<td>Investment Income/Interest</td>
<td>23.4%</td>
<td>3,053</td>
<td>3.2%</td>
<td>3,240</td>
</tr>
<tr>
<td>Film-License Revenue</td>
<td>9.0%</td>
<td>4,605</td>
<td>4.8%</td>
<td>4,100</td>
</tr>
<tr>
<td>Other Revenues(2)</td>
<td>39.7%</td>
<td>68,202</td>
<td>71.3%</td>
<td>69,598</td>
</tr>
<tr>
<td>Total Miscellaneous Revenue</td>
<td>122%</td>
<td>95,610</td>
<td>100%</td>
<td>95,772</td>
</tr>
</tbody>
</table>

(1) Management fees from LaSalle Senior Housing LLC  
(2) Other Revenues includes Constituency Revenue, Misc Non-taxable Revenue, Key and Access Cards, Trademark/Royalties and rummage hall less sales tax.
### Note 8  Property Management Expenses

<table>
<thead>
<tr>
<th></th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Feb</td>
<td>% PM Exp</td>
<td>Feb</td>
</tr>
<tr>
<td>Commercial</td>
<td>62,442</td>
<td>18.6%</td>
<td>70,026</td>
</tr>
<tr>
<td>Residential</td>
<td>84,993</td>
<td>25.3%</td>
<td>89,517</td>
</tr>
<tr>
<td>Daystay</td>
<td>33,233</td>
<td>9.9%</td>
<td>33,798</td>
</tr>
<tr>
<td>Surface Parking</td>
<td>19,231</td>
<td>5.7%</td>
<td>14,666</td>
</tr>
<tr>
<td>Garage</td>
<td>135,556</td>
<td>40.4%</td>
<td>138,605</td>
</tr>
<tr>
<td>Total Property</td>
<td>335,655</td>
<td>100%</td>
<td>346,912</td>
</tr>
</tbody>
</table>

### Note 9  Operations Expenses

<table>
<thead>
<tr>
<th></th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Feb</td>
<td>% Ops Exp</td>
<td>Feb</td>
</tr>
<tr>
<td>Facilities</td>
<td>236,333</td>
<td>21.9%</td>
<td>244,120</td>
</tr>
<tr>
<td>Security</td>
<td>195,130</td>
<td>18.1%</td>
<td>210,447</td>
</tr>
<tr>
<td>Maintenance</td>
<td>151,140</td>
<td>14.0%</td>
<td>169,340</td>
</tr>
<tr>
<td>Capital Management</td>
<td>29,528</td>
<td>2.7%</td>
<td>30,927</td>
</tr>
<tr>
<td>Utilities</td>
<td>393,566</td>
<td>36.5%</td>
<td>398,633</td>
</tr>
<tr>
<td>Insurance</td>
<td>72,778</td>
<td>6.7%</td>
<td>78,264</td>
</tr>
<tr>
<td>Total Operations</td>
<td>1,078,495</td>
<td>100%</td>
<td>1,131,731</td>
</tr>
</tbody>
</table>

### Note 10  Administration Expenses

<table>
<thead>
<tr>
<th></th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Feb</td>
<td>% Adm Exp</td>
<td>Feb</td>
</tr>
<tr>
<td>Management</td>
<td>127,999</td>
<td>40.6%</td>
<td>129,523</td>
</tr>
<tr>
<td>Finance</td>
<td>36,484</td>
<td>11.6%</td>
<td>45,557</td>
</tr>
<tr>
<td>Office Administration</td>
<td>57,267</td>
<td>18.2%</td>
<td>73,715</td>
</tr>
<tr>
<td>Human Resources</td>
<td>18,288</td>
<td>5.8%</td>
<td>15,525</td>
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<tr>
<td>Information Services</td>
<td>74,888</td>
<td>23.8%</td>
<td>80,387</td>
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<tr>
<td>Total Administration</td>
<td>314,926</td>
<td>100%</td>
<td>344,910</td>
</tr>
</tbody>
</table>

### Note 11  Programs expenses

<table>
<thead>
<tr>
<th></th>
<th>YTD 2015 ACTUAL</th>
<th>YTD 2015 BUDGET</th>
<th>YTD 2015 Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Feb</td>
<td>% Prg Exp</td>
<td>Feb</td>
</tr>
<tr>
<td>Marketing</td>
<td>55,866</td>
<td>42.1%</td>
<td>62,893</td>
</tr>
<tr>
<td>Farm Program</td>
<td>25,558</td>
<td>19.3%</td>
<td>37,450</td>
</tr>
<tr>
<td>Community Events &amp; Programs</td>
<td>(17,045)</td>
<td>-12.9%</td>
<td>11,534</td>
</tr>
<tr>
<td>Market Foundation</td>
<td>68,231</td>
<td>51.5%</td>
<td>71,506</td>
</tr>
<tr>
<td>Total Program</td>
<td>132,609</td>
<td>100%</td>
<td>183,383</td>
</tr>
</tbody>
</table>
### 2015 Calendar Year

#### Percentage Rent Revenue By Month of Sale

<table>
<thead>
<tr>
<th>Month</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
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</thead>
<tbody>
<tr>
<td>2015</td>
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<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Total</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Variance</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Budget</td>
<td>402,865</td>
<td>447,000</td>
<td>45,805</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### 2014 Calendar Year

#### Percentage Rent Revenue By Month of Sale

<table>
<thead>
<tr>
<th>Month</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
<th>Sep</th>
<th>Oct</th>
<th>Nov</th>
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</thead>
<tbody>
<tr>
<td>2014</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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<tr>
<td>Total</td>
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<td>0.0</td>
<td>0.0</td>
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<td>0.0</td>
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<td>0.0</td>
<td>0.0</td>
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<td>0.0</td>
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<tr>
<td>Variance</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Budget</td>
<td>402,865</td>
<td>447,000</td>
<td>45,805</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

### 2013 Calendar Year

#### Percentage Rent Revenue By Month of Sale

<table>
<thead>
<tr>
<th>Month</th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
<th>May</th>
<th>Jun</th>
<th>Jul</th>
<th>Aug</th>
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<tr>
<td>2013</td>
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<td>0.0</td>
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</tr>
<tr>
<td>Total</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
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<tr>
<td>Variance</td>
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<td>0.0</td>
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<td>0.0</td>
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<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
</tr>
<tr>
<td>Budget</td>
<td>402,865</td>
<td>447,000</td>
<td>45,805</td>
<td></td>
<td></td>
<td></td>
<td></td>
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</table>
### Capital Replace Reserve Fund Balance

<table>
<thead>
<tr>
<th>Description</th>
<th>Anticipated Year end Balance</th>
<th>Current YTD Balance</th>
</tr>
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<tbody>
<tr>
<td>Balance 1/1/2015</td>
<td>9,503,672</td>
<td>9,503,672</td>
</tr>
<tr>
<td>Surplus allocation of the prior year</td>
<td>1,214,623</td>
<td>1,214,623</td>
</tr>
<tr>
<td><strong>Budget 2015 Contribution:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Reserve - PDA and Gar</td>
<td>2,055,516</td>
<td>342,586</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>2,055,516</td>
<td>342,586</td>
</tr>
<tr>
<td><strong>Capital Projects Budget 2015 (PC-1 North Project Excluded)</strong></td>
<td>(1,715,065)</td>
<td>(52,868)</td>
</tr>
<tr>
<td><strong>Capital Projects Carried Over from 2014 to 2015</strong></td>
<td>(384,749)</td>
<td>(60,251)</td>
</tr>
<tr>
<td><strong>Capital Projects Total Costs</strong></td>
<td>(2,099,814)</td>
<td>(113,119)</td>
</tr>
<tr>
<td><strong>Total CRRF Capital Reserve Balance</strong></td>
<td>10,673,997</td>
<td>10,947,762</td>
</tr>
</tbody>
</table>
### CAPITAL PROJECTS REPORT

<table>
<thead>
<tr>
<th>BLDG</th>
<th>Code</th>
<th>Project Name</th>
<th>2014 Budget Carryover</th>
<th>2015 Approved Budget</th>
<th>2015 Total Budget</th>
<th>Resolution Amount</th>
<th>YTD Expenses</th>
<th>Status for Financial Reporting</th>
<th>Resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>fai</td>
<td>163756-00</td>
<td>FAI-Modernize freight elevator</td>
<td>186,084</td>
<td>0</td>
<td>186,084</td>
<td>0</td>
<td>53,916</td>
<td>To be completed by April 6th</td>
<td>N/A</td>
</tr>
<tr>
<td>comcor</td>
<td>163759-00</td>
<td>Retrofit Market Clocks</td>
<td>635</td>
<td>0</td>
<td>635</td>
<td>0</td>
<td>4,365</td>
<td>On-Going</td>
<td>N/A</td>
</tr>
<tr>
<td>soa</td>
<td>163763-00</td>
<td>Courtyard excavate shaft</td>
<td>198,030</td>
<td>0</td>
<td>198,030</td>
<td>0</td>
<td>1,970</td>
<td>Possible 2015 project</td>
<td>N/A</td>
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<tr>
<td>pda</td>
<td>1637XX-00</td>
<td>2014 Approved Capital Projects</td>
<td>0</td>
<td>1,276,252</td>
<td>1,276,252</td>
<td>0</td>
<td>0</td>
<td>various</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Sub-Total</td>
<td></td>
<td>384,749</td>
<td>1,276,252</td>
<td>1,661,001</td>
<td>0</td>
<td>60,251</td>
<td></td>
<td></td>
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</tbody>
</table>

**MISCELLANEOUS (Tenant Compensations and Commercial Tenant Improvements)**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>160260-00</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
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<td>160270-00</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>160280-00</td>
<td>Tenant Improvement</td>
<td>-</td>
<td>125,000</td>
<td>125,000</td>
<td>0</td>
<td>15,173</td>
<td></td>
</tr>
<tr>
<td>Sub-Total</td>
<td>125,000</td>
<td></td>
<td>125,000</td>
<td>15,173</td>
<td></td>
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</tbody>
</table>

**CONTINGENCY**

<table>
<thead>
<tr>
<th>Code</th>
<th>Contingency for Known Projects</th>
<th>2015 Approved Budget</th>
<th>2015 Total Budget</th>
<th>Resolution Amount</th>
<th>YTD Expenses</th>
<th>Status for Financial Reporting</th>
<th>Resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>160760-00</td>
<td>63,813</td>
<td>63,813</td>
<td>0</td>
<td>0</td>
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<td></td>
<td></td>
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<tr>
<td>160970-00</td>
<td>50,000</td>
<td>50,000</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Sub-Total</td>
<td>113,813</td>
<td></td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>160130-00</td>
<td>-</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>160140-00</td>
<td>A&amp;E - Feasibility Studies</td>
<td>-</td>
<td>0</td>
<td>0</td>
<td>2,035</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Total</td>
<td>0</td>
<td></td>
<td>0</td>
<td>2,035</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**CAPITAL INVENTORY**

<table>
<thead>
<tr>
<th>Code</th>
<th>Capital Inventory (listing on next page)</th>
<th>2015 Approved Budget</th>
<th>2015 Total Budget</th>
<th>Resolution Amount</th>
<th>YTD Expenses</th>
<th>Status for Financial Reporting</th>
<th>Resolution</th>
</tr>
</thead>
<tbody>
<tr>
<td>160XXX-00</td>
<td>200,000</td>
<td>200,000</td>
<td>0</td>
<td>35,660</td>
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<td></td>
<td></td>
</tr>
<tr>
<td>Sub-Total</td>
<td>200,000</td>
<td></td>
<td>200,000</td>
<td>35,660</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>384,749</td>
<td>1,715,065</td>
<td>2,099,814</td>
<td>0</td>
<td>113,119</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
MEMORANDUM

TO: Pike Place Market Preservation and Development Authority

FROM: Gerry Johnson and Stacey Lewis

DATE: March 16, 2015

SUBJECT: PPMPDA Special Obligation Bond Resolution

The attached resolution authorizes the issuance of PPMPDA special obligation bonds to finance components of the PC-1 project and to refinance certain outstanding Authority obligations, consistent with the financing plan presented at the prior Council meeting. The following provides a brief summary of key provisions of the authorizing resolution.

- The resolution authorizes up to $24 million in Special Obligation and Refunding Bonds for “new money” and refunding purposes. The bond proceeds and cash contributed by the PPMPDA would be allocated to the following:
  - Paying a portion of the cost of planning, financing, design, purchase, acquisition, development, construction, equipping and operation of the PC-1 North parking facilities, public plaza and other improvements
  - Refinancing three “refunding candidates”
    - Pike Place Market Preservation and Development Authority Special Obligation Refunding Bonds, currently outstanding in the principal amount of $2,410,000 (the “Parking Bonds”)
    - HomeStreet Bank loan for improvements to the residential portion of the Pine Street Building, maturing with principal coming due on July 1, 2015 (the “Pine Street Residential Loan”)
    - Transamerica Occidental Life Insurance Company promissory note for improvements to the commercial portion of the Pine Street Building, maturing with principal coming due on December 1, 2015 (the “Pine Street Commercial Note”)

- The allocation of bond proceeds and cash would be done to maximize the portion of the bonds that could be issued on a tax-exempt basis (with the goal of 100% tax-exempt).

- The resolution delegates authority to the Executive Director and/or the Finance Director to select the method of bond sale and to recommend the parameters for the
interest rates, maturity dates, redemption terms, tax status, and principal maturities for the bonds, to be approved by subsequent resolution of the Board.

- **Key bond features:**
  - Broad pledge of net revenue of the Market as a whole, after:
    - Paying operations and maintenance costs and
    - Paying debt service on the remaining PPMPDA debt (the 2009 loan from the City)
  - Bond covenants
    - A coverage requirement: Net revenue in each fiscal year at least equal to 125% of debt service on the bonds and all future bonds issued on a parity with the bonds
    - A debt service reserve account
    - Test for issuing additional parity bonds (net revenue of at least 150% of annual debt service on the bonds and the parity bonds to be issued)

- **Next steps:**
  - Complete RFP process to select bond underwriter (and to confirm public sale option) and escrow agent
  - Prepare bond disclosure documents and materials for ratings agencies
  - Receive bond rating
  - Recommend final parameters for bond sale for PPMPDA Council approval by resolution
  - Sale of the bonds, and approval of final rates within delegation parameters
  - Closing of the bonds, deposit of net proceeds to:
    - PPMPDA for project costs
    - Escrow agent to defease Refunding Candidates, refund each on their respective call date, and pay costs of issuance
A RESOLUTION of the Pike Place Market Preservation and Development Authority providing for the issuance of its Special Obligation and Refunding Bonds in the aggregate principal amount of not to exceed $24,000,000 for the purpose of financing the acquisition, construction and equipping of parking and other market improvements; refunding outstanding obligations; making a deposit to a debt service reserve account; and paying costs of issuance; and delegating the authority to approve the method of sale for and form and terms of the bonds.

WHEREAS, the Pike Place Market Preservation and Development Authority (the “Authority”), a public corporation chartered by The City of Seattle (the “City”), has been duly constituted pursuant to RCW 35.21.730 through 35.21.757 and Seattle Municipal Code (“SMC”) Chapter 3.110 under which, among other provisions, the Authority is authorized to issue bonds; and

WHEREAS, the Authority may finance parking and other market improvements, including without limitation the planning, financing, design, purchase, acquisition, development, construction, equipping and operation of the PC-1 North parking facilities, public plaza and other improvements, in accordance with the Charter of the Authority (the “Project”); and

WHEREAS, pursuant to Resolution No. 02-05 adopted on February 26, 2002, the Authority issued its $5,925,000 Pike Place Market Preservation and Development Authority Special Obligation Refunding Bonds, currently outstanding in the principal amount of $2,410,000 (the “Parking Bonds”); and

WHEREAS, the Parking Bonds are subject to redemption at the option of the Authority in whole, or in part on November 1, 2012, or on any date thereafter at the price of par plus accrued interest to the date of redemption; and
WHEREAS, on June 17, 2005, the Authority incurred a $2,600,000 bank loan from HomeStreet Bank for improvements to the residential portion of the Pine Street Building, maturing with principal coming due on July 1, 2015 (the “Pine Street Residential Loan”); and

WHEREAS, the Authority also has issued a $3,800,000 secured promissory note to Transamerica Occidental Life Insurance Company for improvements to the commercial portion of the Pine Street Building, maturing with principal coming due on December 1, 2015 (the “Pine Street Commercial Note” and together with the Parking Bonds and the Pine Street Residential Loan, the “Refunding Candidates”); and

WHEREAS, the Authority desires to refinance all or a portion of the Refunding Candidates; and

WHEREAS, pursuant to the requirements of RCW 35.21.747, RCW 42.30.080, and Article XV, Sections 1 and 2 of the Authority’s Charter, on February 6, 2015 (supplemental notice provided on March 2, 2015), and February 24, 2015 (supplemental notice provided on March 4, 2015), the Authority provided notice of its intent to take action regarding the financing outlined in this resolution during the full Council Meeting on March 26, 2015. This resolution authorizes the issuance of the bonds, the terms of the bonds and the sale of the bonds pursuant to parameters set forth in the resolution. Final confirmation and ratification of actions authorized during the March 26, 2015 Council Meeting will take place in April, 2015; and

WHEREAS, for the foregoing reasons it is necessary and desirable for the Authority to carry out its public purpose by issuing and selling one or more Special Obligation and Refunding Bonds to provide financing, together with cash contributions, for the Project and to refinance all or a portion of the Refunding Candidates; and
WHEREAS, WHEREAS, the Board wishes to delegate authority to the Executive Director and/or the Finance Director of the Authority, or his or her designee (each, a “Designated Representative”), for a limited time, to select the method of bond sale that is in the best interests of the Authority (if any) and to approve the interest rates, maturity dates, redemption terms, tax status, and principal maturities for the Bonds within the parameters set by this resolution and confirmed and ratified by subsequent resolution of the Board; and

WHEREAS, the Bonds authorized herein shall be sold by either a direct purchase or private placement or negotiated underwriting as herein provided.

NOW, THEREFORE, BE IT RESOLVED by the Pike Place Market Preservation and Development Authority, as follows:

Section 1. Definitions. As used in this resolution, the following words shall have the meanings hereinafter set forth:

**Accreted Value** means with respect to any Capital Appreciation Bonds, as of any date of calculation, the sum of the amount set forth in the resolution authorizing their issuance as the amount representing the initial principal amount of such Capital Appreciation Bonds plus the interest accumulated, compounded and unpaid thereon as of the most recent compounding date. The Accreted Value shall be determined in accordance with the provisions of the resolution authorizing the issuance of such Capital Appreciation Bonds.

**Acquired Obligations** means the Government Obligations, if any, acquired by the Authority under the terms of this resolution and the Escrow Agreement to effect the defeasance and refunding of the Refunded Bonds.

**Annual Debt Service** means the total amount of Debt Service for any Parity Bond or series of Parity Bonds in any fiscal year or Base Period.
Average Annual Debt Service means, as of its date of calculation, the sum of Annual Debt Service with respect to all Parity Bonds outstanding (including all Parity Bonds maturing in the fiscal year of calculation) for all fiscal years during which those Parity Bonds are scheduled to remain outstanding, divided by the number of those fiscal years (without regard to Bond Years).

Balloon Maturity Bonds means any Future Parity Bonds that are so designated in the resolution pursuant to which they are issued.

Base Period means any consecutive 12-month period selected by the Authority out of the 24-month period next preceding the date of issuance of an additional series of Future Parity Bonds.

Bond Fund means the special fund of the Authority known as the “Special Obligation Bond Fund”.

Authority means the Pike Place Market Preservation and Development Authority, a public corporation chartered by the City pursuant to RCW 35.21.730 through 35.21.757 and SMC Chapter 3.110.

Board of Directors or Board means the governing body vested with the management of the affairs of the Authority established pursuant to its Charter and Bylaws as the same shall be duly constituted from time to time.

Bond Counsel means Pacifica Law Group LLP or any other firm of nationally recognized bond counsel selected by the Authority.

Bond Fund means the fund of that name established by Section 8 of this resolution for the purpose of paying principal of and interest on the Parity Bonds.
Bond Register means the registration books maintained by the Registrar setting forth the names and addresses of owners of the Bonds in compliance with Section 149 of the Code.

Bonds means the not to exceed $24,000,000 of Pike Place Market Preservation and Development Authority Special Obligation and Refunding Bonds, 2015, issued pursuant to this resolution.

Bond Year means each one-year period that ends on the date selected by the Authority. The first and last Bond Years may be short periods. If no day is selected by the Authority before the earlier of the final maturity date of any Tax-Exempt Bonds or the date that is five years after the date of issuance of the Tax-Exempt Bonds, Bond Years end on each anniversary of the date of issue and on the final maturity date of the Tax-Exempt Bonds.

Call Date means the date designated by the Designated Representative as the call date for the Parking Bonds, July 1, 2015 for the Pine Street Residential Loan and December 1, 2015 for the Pine Street Commercial Loan, or such other date or dates established by the Designated Representative and specified in the Escrow Agreement.

Capital Appreciation Bonds means any Future Parity Bonds all or a portion of the interest on which is compounded, accumulated and payable only upon redemption or on the maturity date of such Capital Appreciation Bonds. If so provided in the resolution authorizing their issuance, Future Parity Bonds may be deemed to be Capital Appreciation Bonds for only a portion of their term. On the date on which Future Parity Bonds no longer are Capital Appreciation Bonds, they shall be deemed outstanding in a principal amount equal to their Accreted Value.

City means The City of Seattle, a municipal corporation of the State of Washington.
City 2009 Loan means the $4,390,000 loan, initially loaned to the Authority pursuant to the Loan Agreement between the City and the Authority dated March 25, 2009, plus any amounts advanced to the Authority under Section 3.4 of such Loan Agreement.

Closing Date means the date of original issuance and delivery of one or more Bonds to the Direct Purchaser or Underwriter.

Code means the federal Internal Revenue Code of 1986, as amended from time to time, and the applicable regulations thereunder.

Commission means the Securities and Exchange Commission.

Construction Fund means the account by that name maintained by the Authority for the purpose of holding funds, including a portion of the net proceeds of the Bonds, to be used for the Project.

Coverage Requirement means Net Revenue in each fiscal year at least equal to 125% of the amounts required in such fiscal year to be paid as scheduled Debt Service on all Parity Bonds, subtracting Debt Service Offsets from scheduled Debt Service. Furthermore, in determining compliance with the Coverage Requirement, Net Revenues are subject to adjustment to reflect the following:

(a) It is the intent of the Authority that regularly scheduled net payments under Parity Derivative Products be reflected in the calculation of Debt Service with respect to the associated Parity Bonds and not as adjustments to Gross Revenue or Operations and Maintenance Costs; and

(b) Gross Revenue and Operations and Maintenance Costs may be adjusted, regardless of then applicable generally accepted accounting principles, for certain items.
(e.g., to omit unrealized gains or losses in investments) to more fairly reflect the Market’s annual operating performance.

**Covered Bonds** means the Bonds and those Future Parity Bonds designated in the resolution authorizing their issuance as Covered Bonds secured by the Reserve Account.

**Credit Facility** means any bond insurance policy, surety bond, guaranty, letter of credit, standby bond purchase agreement or other similar credit and/or liquidity support facility providing for or securing the payment of all or part of the principal or purchase price of and interest on any evidences of indebtedness secured by the Net Revenue, issued by an institution which has been assigned a credit rating at the time of issuance of the facility in one of the two highest rating categories of any Rating Agency (without regard to any gradations within a rating category).

**Debt Service** means, for any period of time:

(a) With respect to any outstanding Capital Appreciation Bonds that are not designated as Balloon Maturity Bonds in the resolution authorizing their issuance, the principal amount thereof shall be equal to the Accreted Value thereof maturing or scheduled for redemption in such period, and the interest payable during such period;

(b) With respect to any outstanding Fixed Rate Bonds, an amount equal to (1) the principal amount of such Fixed Rate Bonds due or subject to mandatory redemption during such period and for which no sinking fund installments have been established, (2) the amount of any payments required to be made during such period into any sinking fund established for the payment of any such Fixed Rate Bonds, plus (3) all interest payable during such period on any such outstanding Fixed Rate Bonds and with respect to Fixed Rate Bonds with mandatory sinking fund requirements, calculated on the assumption that
mandatory sinking fund installments will be applied to the redemption or retirement of such Fixed Rate Bonds on the date specified in the resolution authorizing such Fixed Rate Bonds; and

(c) With respect to all other Parity Bonds (other than Fixed Rate Bonds or Capital Appreciation Bonds), specifically including, but not limited to, Balloon Maturity Bonds and Parity Bonds bearing variable rates of interest, an amount for any period equal to the amount which would have been payable for principal and interest on such Parity Bonds during such period computed on the assumption that the amount of Parity Bonds as of the date of such computation would be amortized (1) in accordance with the mandatory redemption provisions, if any, set forth in the resolution authorizing the issuance of such Parity Bonds, or if mandatory redemption provisions are not provided, during a period commencing on the date of computation and ending on the date 30 years after the date of issuance, (2) at an interest rate equal to the yield to maturity equal to the higher of (i) the average of the SIFMA Municipal Swap Index over the 60-month period immediately preceding the date of computation, or (ii) the average of the SIFMA Municipal Swap Index over the 12-month period immediately preceding the date of computation, as determined within 10 days prior to the date of computation or, if such computation is being made in connection with the certificate required by Section 14(a)(4) hereof, then within 10 days prior to the date of such certificate, (iii) to provide for essentially level annual debt service of principal and interest over such period.

Debt Service shall be computed net of any interest funded out of Parity Bond proceeds. Debt Service shall include reimbursement obligations to providers of Credit Facilities to the extent authorized by resolution. It is the Authority’s intent that regularly scheduled payments to
be made by or received by the Authority under Parity Derivative Products shall be added to and
deducted from, respectively, Debt Service with respect to Parity Bonds associated with such
Parity Derivative Product, to the extent authorized by resolution.

**Debt Service Offsets** mean receipts of the Authority that are not included in Gross
Revenue and that are legally available to pay debt service on Parity Bonds, including without
limitation federal interest subsidy payments, designated as such by the Authority.

**Designated Representative** means the Executive Director and/or the Finance Director of
the Authority or his or her designee. The signature of one Designated Representative shall be
sufficient to bind the Authority.

**Direct Purchaser** means any bank or other financial institution selected to purchase (or to
accept delivery of one or more Bonds to evidence the Authority’s obligations under a Loan
Agreement) one or more Bonds pursuant to Section 12.

**DTC** means The Depository Trust Company, New York, New York, a limited purpose
trust company organized under the laws of the State of New York.

**Escrow Agreement** means the Escrow Deposit Agreement to be entered into by the
Authority and the Escrow Agent pursuant to Section 13.

**Federal Tax Certificate** means the certificate executed by the Finance Director setting
forth the requirements of the Code for maintaining the tax exemption of interest on the Tax-
Exempt Bonds, and attachments thereto.

**Fixed Rate Bonds** means those Parity Bonds other than Capital Appreciation Bonds or
Balloon Maturity Bonds issued under a resolution in which the rate of interest on such Parity
Bonds is fixed and determinable through their final maturity or for a specified period of time. If
so provided in the resolution authorizing their issuance, Parity Bonds may be deemed to be Fixed Rate Bonds for only a portion of their term.

**Future Parity Bonds** means all special obligation or revenue bonds and other obligations of the Authority for borrowed money (including, without limitation, financing leases) issued or incurred after the date of the issuance of the Bonds, the payment of which constitutes a lien and charge on the Net Revenue equal in rank with the lien and charge upon such revenue required to be paid into the Bond Fund to pay and secure the payment of the principal of and interest on the Bonds.

**Government Obligations** means those obligations now or hereafter defined as such in Chapter 39.53 RCW, as such chapter may be hereafter amended or restated.

**Gross Revenue** means all of the rents, earnings and other revenues received by the Authority from the maintenance and operation of the Market, including investment earnings, but excluding government grants, proceeds from the sale of Market property, principal proceeds of bonds and earnings or proceeds from any investments in a trust, defeasance or escrow fund created to defease or refund Authority obligations (until commingled with other earnings and revenues of the Authority) or held in a special account for the purpose of paying a rebate to the United States Government under the Code, and revenue from any Separate Facility. Gross Revenue shall also include any federal or state reimbursements of operating expenses to the extent such expenses are included as Operations and Maintenance Costs. For purposes of determining compliance with the Coverage Requirement, Gross Revenue shall not include Debt Service Offsets as determined by the Authority.

**Independent Consultant** means a professional consultant retained by the Authority.
**Letter of Representation** means a blanket issuer letter of representations from the Authority to DTC.

**Loan Agreement** means the loan or purchase agreement, if any, between the Authority and a Direct Purchaser under which the Direct Purchaser will make a loan to the Authority, evidenced by a Bond, or under which the Direct Purchaser will purchase the Bond.

**Maximum Annual Debt Service** means the highest dollar amount of Annual Debt Service in any fiscal year or Base Period for all outstanding Parity Bonds and/or for all subordinate lien evidences of indebtedness secured by the Net Revenue, as the context requires.

**Maximum Reserve Requirement** means the maximum dollar amount permitted by the Code including applicable regulations thereunder, to be allocated to a reserve account from tax-exempt bond proceeds without requiring a balance to be invested at a restricted yield.

**MSRB** means the Municipal Securities Rulemaking Board or any successor to its functions.

**Net Proceeds**, when used in reference to the Bonds, means the principal amount of the Tax-Exempt Bonds, plus accrued interest and bond premium, if any, and less original issue discount.

**New Money Bonds** means the Bonds issued to finance costs of the Project.

**Net Revenue** means Gross Revenue less Operations and Maintenance Costs. In calculating Net Revenue, the Authority shall not take into account any non-cash gains or losses with respect to any real or personal property, investment or agreement that it may be required to recognize under generally accepted accounting principles, such as unrealized mark-to-market gains and losses.
**Operations and Maintenance Costs** means all reasonable expenses incurred by the Authority in causing the Market to be operated and maintained in good repair, working order and condition, including without limitation payments of premiums for insurance on the Market. Operations and Maintenance Costs shall exclude depreciation, capital additions and capital replacements to the Market. Operations and Maintenance Costs shall include amounts to be paid by the Authority with respect to the City 2009 Loan.

**Other Derivative Product** means a payment or interest rate swap agreement between the Authority and a counterparty, which is not a Parity Derivative Product.

**Owner** means the person named as the registered owner of a Bond on the Bond Register.

**Parity Bonds** means the Bonds and any Future Parity Bonds.

**Parity Derivative Product** means an interest rate swap or payment agreement between the Authority and a counterparty obligating the Authority to make regularly scheduled payments to the counterparty on a parity with the payment of debt service on Parity Bonds.

**Parity Requirement** means Net Revenues equal to or greater than:

(a) 150% of Maximum Annual Debt Service for all Parity Bonds, and

(b) 100% of Maximum Annual Debt Service for all subordinate lien evidences of indebtedness secured by Net Revenue.

**Permitted Investments** means investments that are legal investments for the Authority at the time of such investment.

**Outstanding** with respect to the Bonds, means any of the Bonds for which payment of the interest or principal has not been made or duly provided.
**Pike Place Public Market** or **Market** means the public market in downtown Seattle owned and operated by the Authority located within the Pike Place Market Historical District, as established pursuant to City of Seattle Ordinance 100475.

**Principal and Interest Account** means the account of that name created in the Bond Fund for the purpose of securing the payment of the principal of and interest on the Parity Bonds.

**Private Person** means any natural person engaged in a trade or business or any trust, estate, partnership, association, company or corporation.

**Private Person Use** means the use of property in a trade or business by a Private Person if such use is other than as a member of the general public. Private Person Use includes ownership of the property by the Private Person as well as other arrangements that transfer to the Private Person the actual or beneficial use of the property (such as a lease, management or incentive payment contract or other special arrangement) in such a manner as to set the Private Person apart from the general public. Use of property as a member of the general public includes attendance by the Private Person at municipal meetings or business rental of property to the Private Person on a day-to-day basis if the rental paid by such Private Person is the same as the rental paid by any Private Person who desires to rent the property. Use of property by nonprofit community groups or community recreational groups is not treated as Private Person Use if such use is incidental to the governmental uses of property, the property is made available for such use by all such community groups on an equal basis and such community groups are charged only a *de minimis* fee to cover custodial expenses.

**Project** means the acquisition, construction and equipping of parking and other market improvements, as described in Section 2 hereof.
**Purchase Contract** means an offer to purchase the Bonds by an Underwriter, approved in Section 12 hereto.

**Rating Agency** means any nationally recognized securities rating agency rating any of the Parity Bonds at the request of the Authority.

**Refunding Candidates** means the Parking Bonds, the Pine Street Residential Loan and the Pine Street Commercial Loan.

**Refunded Bonds** means those Refunding Candidates that have been selected as Refunded Bonds by the Designated Representative under Section 12.

**Refunding Bonds** means those Bonds issued to redeem or defease the Refunded Bonds.

**Escrow Agent** means the escrow agent or Escrow Agent appointed by the Designated Representative, pursuant to Section 13.

**Registered Owner** means the person named as the registered owner of a Bond in the Bond Register. For so long as the Bonds are held in book-entry only form, DTC or its nominee shall be deemed to be the sole Registered Owner.

**Registrar** means the Finance Director or, if the Bonds are sold to an Underwriter, the registrar appointed from time to time by the Finance Director (initially, the fiscal agency of the State of Washington) for the purposes of registering and authenticating the Bonds, maintaining the Bond Register, effecting transfer of ownership of the Bonds and paying interest on and principal of the Bonds.

**Reserve Account** means the account of that name created in the Bond Fund for the purpose of securing the payment of the principal of and interest on the Parity Bonds.

**Reserve Account Credit Facility** means any bond insurance policy, surety bond, guaranty, letter of credit or other similar credit support facility deposited into (a) the Reserve Account to
provide for or secure the payment of all or part of the principal of and interest on the Covered Bonds, or (b) any other reserve account created in the future to secure the payment of debt service on other Future Parity Bonds, in either case, issued by an institution which has been assigned a credit rating at the time of issuance of the facility in one of the two highest rating categories of any Rating Agency (without regard to any gradations within a rating category).

*Reserve Requirement* means the dollar amount to be calculated with respect to all Covered Bonds and separately with respect to other Parity Bonds.

(a) With respect to Covered Bonds, the Reserve Requirement shall be equal to the least of:

1. Maximum Annual Debt Service for Covered Bonds,
2. 10% of the initial principal amount of Covered Bonds of each series, and
3. 125% of average Annual Debt Service for Covered Bonds; provided, however, that the dollar amount required to be contributed, if any, as a result of the issuance of a series of Future Parity Bonds shall not be greater than the Maximum Reserve Requirement. If the dollar amount required to be contributed at the time of issuance of a series of Future Parity Bonds exceeds the Maximum Reserve Requirement, then the amount required to be contributed shall be equal to the Maximum Reserve Requirement; or
4. such lesser amount as designated in the Sale Resolution.

(b) With respect to other series of Parity Bonds, the Reserve Requirement shall be equal to the amount, if any, specified in the resolution authorizing the issuance of that series of Parity Bonds.
The Reserve Requirement shall be adjusted accordingly and remain in effect until the earlier of (i) at the Authority’s option, a payment of principal of Parity Bonds or (ii) the issuance of a subsequent series of Future Parity Bonds (when the Reserve Requirement shall be recalculated).

*Rule* means the Commission’s Rule 15c2-12 under the Securities Exchange Act of 1934, as the same may be amended from time to time.

*Sale Resolution* means the resolution of the Board confirming and ratifying the parameters for the sale of the Bonds, in accordance with Section 12.

*Separate Facility* means one or more additional market facilities established pursuant to Section 16.

*SIFMA Municipal Swap Index* means The Securities Industry and Financial Markets Association Municipal Swap Index as of the most recent date for which such index was published or such other weekly, high-grade index comprised of seven-day, tax-exempt variable rate demand notes produced by Municipal Market Data, Inc., a Thompson Financial Services Company, or its successor, or as otherwise designated by The Securities Industry and Financial Markets Association; provided, however, that, if such index is no longer produced by Municipal Market Data, Inc., a Thompson Financial Services Company, or its successor, then “SIFMA Municipal Swap Index” shall mean such other reasonably comparable index selected by the Authority.

*Taxable Bonds* means any Bonds determined to be issued on a taxable basis under the Code pursuant to Section 12.

*Tax-Exempt Bonds* mean any Bonds determined to be issued on a tax-exempt basis under the Code pursuant to Section 12.
**Underwriter** means any underwriter for the Bonds selected pursuant to Section 12.

In this resolution, unless the context otherwise requires:

(a) The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this resolution, refer to this resolution as a whole and not to any particular article, section, subdivision or clause hereof, and the term “hereafter” shall mean after, and the term “heretofore” shall mean before, the date of this resolution;

(b) Words of the masculine gender shall mean and include correlative words of the feminine and neuter genders and words importing the singular number shall mean and include the plural number and vice versa;

(c) Words importing persons shall include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public bodies, as well as natural persons;

(d) Any headings preceding the text of the several articles and Sections of this resolution, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this resolution, nor shall they affect its meaning, construction or effect; and

(e) All references herein to “articles,” “sections” and other subdivisions or clauses are to the corresponding articles, sections, subdivisions or clauses hereof.

**Section 2. Authorization of Bonds.** The Authority shall now issue and sell not to exceed $24,000,000 principal amount of Special Obligation and Refunding Bonds for the purpose of providing funds, together with any cash contribution, required to acquire, construct and equip parking and other market improvements including without limitation the planning, financing, design, purchase, acquisition, development, construction, equipping and operation of...
the PC-1 North parking facilities, public plaza and other improvements (the “Project”); refunding all or a portion of the Refunding Candidates; making a deposit to the Reserve Account; and paying cost of issuance of the bonds. The bonds shall be designated the “Pike Place Market Preservation and Development Authority Special Obligation and Refunding Bonds, 2015 [(Taxable)] (the “Bonds”), shall be dated their date of delivery, shall be fully registered as to both principal and interest, shall be in the denomination of $5,000 each or any integral multiple thereof (except as may be otherwise provided in the Purchase Contract or Loan Agreement), provided that no Bond shall represent more than one maturity, shall be numbered separately in such manner and with any additional designation as the Registrar deems necessary for purposes of identification and control, and shall bear interest payable as set forth in the Purchase Contract or Loan Agreement. Interest on the Bonds shall be calculated based on a 360-day year (twelve 30-day months) or as otherwise set forth in the Purchase Contract or Loan Agreement. The Bonds shall bear interest at the rates and mature on the dates set forth in the Purchase Contract or Loan Agreement within the parameters set forth in Section 12 and confirmed and ratified by the Sale Resolution.

Section 3. Registration, Exchange and Payments.

(a) Registrar/Bond Register. If the Bonds are sold to a Direct Purchaser, the Finance Director shall serve as Registrar. In the event the Bonds are sold to the Underwriter, the Authority adopts the system of registration approved by the Washington State Finance Committee, which utilizes the fiscal agency of the State of Washington as registrar, authenticating agent, paying agent and transfer agent (the Finance Director and such fiscal agency are each a “Registrar”). The Registrar shall keep, or cause to be kept, sufficient records for the registration and transfer of the Bonds (the “Bond Register”), which shall be open to inspection by
the Authority. The Registrar is authorized, on behalf of the Authority, to authenticate and deliver Bonds transferred or exchanged in accordance with the provisions of such Bonds and this resolution and to carry out all of the Registrar’s powers and duties under this resolution. The Registrar shall be responsible for its representations contained in the Certificate of Authentication on the Bonds.

(b) Registered Ownership. Except as provided in a continuing disclosure undertaking pursuant to Section 14, the Authority and the Registrar may deem and treat the Registered Owner of each Bond as the absolute owner for all purposes, and neither the Authority nor the Registrar shall be affected by any notice to the contrary. Payment of any such Bond shall be made only as described in subsection (h) hereof, but the transfer of such Bond may be registered as herein provided. All such payments made as described in subsection (h) hereof shall be valid and shall satisfy the liability of the Authority upon such Bond to the extent of the amount or amounts so paid.

(c) DTC Acceptance/Letter of Representations. If purchased by a Direct Purchaser, the Bonds shall be held in certificated form and delivered to the Direct Purchaser. If purchased by an Underwriter, the Bonds shall initially be held in fully immobilized form by DTC acting as depository. To induce DTC to accept the Bonds as eligible for deposit at DTC, the Authority shall execute and deliver to DTC a Blanket Issuer Letter of Representations (the “Letter of Representations”) prior to the Closing Date in the event the Bonds are purchased by an Underwriter.

Neither the Authority nor the Registrar will have any responsibility or obligation to DTC participants or the persons for whom they act as nominees with respect to the Bonds for the accuracy of any records maintained by DTC or any DTC participant, the payment by DTC or any
DTC participant of any amount in respect of the principal of or interest on Bonds, any notice that is permitted or required to be given to Registered Owners under this resolution (except such notices as shall be required to be given by the Authority to the Registrar or to DTC), the selection by DTC or any DTC participant of any person to receive payment in the event of a partial redemption of the Bonds, or any consent given or other action taken by DTC as the Registered Owner. Except as provided in the written undertaking of the Authority entered into pursuant to Section 14, for so long as any Bonds are held in fully immobilized form hereunder, DTC or its successor depository shall be deemed to be the Registered Owner for all purposes, and all references in this resolution to the Registered Owners shall mean DTC or its nominee and shall not mean the owners of any beneficial interest in any Bonds.

If any Bond shall be duly presented for payment and funds have not been duly provided by the Authority on such applicable date, then interest shall continue to accrue thereafter on the unpaid principal thereof at the rate stated on such Bond until such Bond is paid.

(d) *Use of Depository.*

(i) The Bonds sold to an Underwriter shall be registered initially in the name of CEDE & Co., as nominee of DTC, with a single Bond for each maturity in a denomination equal to the total principal amount of such maturity. Registered ownership of such immobilized Bonds, or any portions thereof, may not thereafter be transferred except (A) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (B) to any substitute depository appointed by the Authority pursuant to subsection (ii) below or such substitute depository’s successor; or (C) to any person as provided in subsection (iv) below.
(ii) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Authority to discontinue the system of book entry transfers through DTC or its successor (or any substitute depository or its successor), the Authority may appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(iii) In the case of any transfer pursuant to clause (A) or (B) of subsection (i) above, the Registrar shall, upon receipt of all outstanding Bonds, together with a written request on behalf of the Authority, issue a single new Bond for each maturity then outstanding, registered in the name of such successor or substitute depository, or its nominee, all as specified in such written request of the Authority.

(iv) In the event that the Bonds are sold to an Underwriter and (A) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (B) the Authority determines that it is in the best interest of the beneficial owners of the Bonds that the Bonds be provided in certificated form, the ownership of such Bonds may then be transferred to any person or entity as herein provided, and shall no longer be held in fully immobilized form. The Authority shall deliver a written request to the Registrar, together with a supply of definitive Bonds in certificated form, to issue Bonds in any authorized denomination. Upon receipt by the Registrar of all then outstanding Bonds, together with a written request on behalf of the Authority to the Registrar, new Bonds shall be issued in the appropriate denominations and registered in the names of such persons as are provided in such written request.
(e) **Registration of the Transfer of Ownership or the Exchange of Bonds; Change in Denominations.** The transfer of any Bond may be registered and any Bond may be exchanged, but no transfer of any Bond shall be valid unless the Bond is surrendered to the Registrar with the assignment form appearing on such Bond duly executed by the Registered Owner or such Registered Owner’s duly authorized agent in a manner satisfactory to the Registrar. Upon such surrender, the Registrar shall cancel the surrendered Bond and shall authenticate and deliver, without charge to the Registered Owner or transferee, a new Bond (or Bonds at the option of the new Registered Owner) of the same date, maturity and interest rate and for the same aggregate principal amount in any authorized denomination, naming as Registered Owner the person or persons listed as the assignee on the assignment form appearing on the surrendered Bond, in exchange for such surrendered and canceled Bond. Any Bond may be surrendered to the Registrar and exchanged, without charge, for an equal aggregate principal amount of Bonds of the same date, maturity and interest rate, in any authorized denomination. Except as otherwise set forth in the Loan Agreement, the Registrar shall not be obligated to transfer or exchange any Bond during a period beginning at the opening of business on the 15th day of the month next preceding any interest payment date and ending at the close of business on such interest payment date, or, in the case of any proposed redemption of the Bonds, after the mailing of notice of the call of such Bonds for redemption.

(f) **Registrar's Ownership of Bonds.** The Registrar may become the Registered Owner of any Bond with the same rights it would have if it were not the Registrar, and to the extent permitted by law, may act as depository for and permit any of its officers or directors to act as member of, or in any other capacity with respect to, any committee formed to protect the rights of the Registered Owners of the Bonds.
(g) **Registration Covenant.** The Authority covenants that, until all Tax-Exempt Bonds have been surrendered and canceled, it will maintain a system for recording the ownership of each Bond that complies with the provisions of Section 149 of the Code.

(h) **Place and Medium of Payment.** Both principal of and interest on the Bonds shall be payable in lawful money of the United States of America. For so long as all Bonds are in fully immobilized form, payments of principal and interest shall be made as provided in accordance with the operational arrangements of DTC referred to in the Letter of Representations. In the event that the Bonds are not in fully immobilized form, interest on the Bonds shall be paid as set forth in the Loan Agreement or otherwise by check mailed to the Registered Owners at the addresses for such Registered Owners appearing on the Bond Register on the 15th day of the month preceding the interest payment date, and principal of the Bonds shall be payable by check upon presentation and surrender of such Bonds by the Registered Owners at the principal office of the Registrar; provided, however, that if so requested in writing by the Registered Owner of at least $1,000,000 aggregate principal amount of Bonds, interest will be paid by wire transfer on the date due to an account with a bank located within the United States.

**Section 4. Redemption and Purchase of Bonds.**

(a) **Redemption.** The Bonds are subject to optional redemption and may be subject to mandatory sinking fund redemption, on the terms set forth in the Purchase Contract or Loan Agreement.

(b) **Selection of Bonds for Redemption.** If the Bonds are held in book-entry only form, the selection of Bonds within a maturity to be redeemed shall be made in accordance with the operational arrangements in effect at DTC. If the Bonds are held in certificated form, the
selection of such Bonds to be redeemed shall be made as provided in the Loan Agreement or otherwise as set forth in this subsection (c). If the Authority redeems at any one time fewer than all of the Bonds having the same maturity date, the particular Bonds or portions of Bonds of such maturity to be redeemed shall be selected by lot (or in such other manner determined by the Authority) in increments of $5,000. In the case of a Bond of a denomination greater than $5,000, the Authority and Registrar shall treat each Bond as representing such number of separate Bonds each of the denomination of $5,000 as is obtained by dividing the actual principal amount of such Bond by $5,000. In the event that only a portion of the principal sum of a Bond is redeemed, upon surrender of such Bond at the principal office of the Registrar there shall be issued to the Registered Owner, without charge therefor, for the then unredeemed balance of the principal sum thereof, at the option of the Registered Owner, a Bond or Bonds of like maturity and interest rate in any of the denominations herein authorized. If Bonds are called for redemption, portions of the principal amount of such Bonds, in installments of $5,000 or any integral multiple of $5,000, may be redeemed. If less than all of the principal amount of any Bond is redeemed, upon surrender of such Bond at the principal office of the Registrar there shall be issued to the registered owner, without charge therefor, for the then unredeemed balance of the principal amount thereof, a new Bond or Bonds, at the option of the Registered Owner, of like maturity and interest rate in any denomination authorized by this resolution.

(c) **Purchase of Bonds.** The Authority also reserves the right to purchase any of the Bonds offered to the Authority at any time at a price deemed reasonable by the Authority.

(d) **Notice of Redemption**

(i) **Official Notice.** Unless waived by any owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Registrar on behalf of the
Authority by mailing a copy of an official redemption notice by first class mail at least 30 days and not more than 60 days prior to the date fixed for redemption to the Registered Owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Registrar.

All official notices of redemption shall be dated and shall state:

(A) the redemption date,

(B) the redemption price,

(C) if fewer than all outstanding Bonds are to be redeemed, the identification by maturity (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,

(D) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date, and

(E) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the principal office of the Registrar.

On or prior to any redemption date, the Authority shall deposit with the Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

(ii) Effect of Notice; Bonds Due. Official notice of redemption having been given as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Authority shall default in the payment of the redemption price) such
Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender for any partial redemption of any Bond, there shall be prepared for the Registered Owner a new Bond or Bonds of the same maturity in the amount of the unpaid principal. All Bonds which have been redeemed shall be canceled and destroyed by the Registrar and shall not be reissued.

(iii) **Additional Notice.** In addition to the foregoing notice, further notice shall be given by the Authority as set out below, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed. Each further notice of redemption given hereunder shall contain the information required above for an official notice of redemption plus (A) the CUSIP numbers, if any, of all Bonds being redeemed; (B) the date of issue of the Bonds as originally issued; (C) the rate of interest borne by each Bond being redeemed; (D) the maturity date of each Bond being redeemed; and (E) any other descriptive information needed to identify accurately the Bonds being redeemed. Each further notice of redemption may be sent to such persons and with such additional information as the Finance Director shall deem appropriate, but such mailings shall not be a condition precedent to the redemption of such Bonds.

(iv) Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number if any identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.
(v) Amendment of Notice Provisions. The foregoing notice provisions of this Section 4, including but not limited to the information to be included in redemption notices and the persons designated to receive notices, may be amended by additions, deletions and changes in order to maintain compliance with duly promulgated regulations and recommendations regarding notices of redemption of municipal securities.

Section 5. Special Obligations. The Bonds shall be special obligations of the Authority payable only from the Bond Fund as provided herein. The Authority is organized pursuant to Seattle Municipal Code (SMC) 3.110 and RCW 35.21.660, 35.21.670, and 35.21.730-.755. RCW 35.21.750 provides in part 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 powers of the Authority are limited by state and federal law and regulations, ordinances of The City of Seattle, and other elements of the local regulatory scheme.

In no event shall the obligations of the Authority be payable by recourse against any properties, assets or revenues of the City, the State of Washington or any other political subdivision of the State of Washington. No person to whom such obligations are owed shall have any recourse or right of action against the City, the State of Washington or any other political subdivision thereof on account of such obligations.

In accordance with the Charter of the Authority and SMC 3.110.140 and 3.110.420.A., a statement specifying the above shall be printed on the Bonds and any additional documents that
may entail any debt or liability by the Authority in connection with the issuance of the Bonds.

Section 6. Form of Bonds. The Bonds shall be in substantially the following form:

STATEMENT OF INSURANCE

UNITED STATES OF AMERICA

NO. _______ $__________

STATE OF WASHINGTON

PIKE PLACE MARKET PRESERVATION AND DEVELOPMENT AUTHORITY

SPECIAL OBLIGATION AND REFUNDING BOND, 2015 [(TAXABLE)]

INTEREST RATE: MATURITY DATE: [CUSIP NO.:]

REGISTERED OWNER:

PRINCIPAL AMOUNT:

PIKE PLACE MARKET PRESERVATION AND DEVELOPMENT AUTHORITY (the “Authority”), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns, on the Maturity Date identified above, the Principal Amount indicated above and to pay interest thereon from ____________, or the most recent date to which interest has been paid or duly provided for until payment of this bond at the Interest Rate set forth above, payable on __________. Both principal of and interest on this bond are payable in lawful money of the United States of America. If the bonds of this issue are held in fully immobilized form, payments of principal and interest thereon shall be made as provided in accordance with the operational arrangements of DTC referred to in the Blanket Issuer Letter of Representations from the Authority to DTC. If the bonds of this issue are not held in fully immobilized form, interest on this bond shall be paid as provided in the Loan Agreement or otherwise by check or draft mailed to the Registered Owner at the address appearing on the Bond Register on the 15th day of the month preceding the interest payment date, and principal of this bond shall be payable upon presentation and surrender of this bond by the Registered Owner to the Registrar.

This bond is [one of an authorized issue of bonds of like date and tenor, except as to number, amount, rate of interest and date of maturity,] in the aggregate principal amount of $____________ (the “Bonds”), and is issued pursuant to Resolution No. ___ (the “Bond Resolution”) adopted by the Authority on March __, 2015, and confirmed and ratified by Resolution No. ___ adopted by the Authority on April __, 2015, to provide funds for the acquisition, construction and equipping of parking facilities and other market improvements, to refund outstanding obligations, [to make a deposit to the debt service reserve account], and to pay costs of issuance. Capitalized terms used in this bond and not otherwise defined shall have the meanings given them in the Bond Resolution.
The bonds of this issue are issued under and in accordance with the provisions of the Constitution and applicable statutes of the State of Washington and resolutions duly adopted by the Authority, including the Bond Resolution.

The bonds of this issue maturing on or prior to ________ are not subject to redemption prior to scheduled maturity. [The Authority has reserved the right to redeem the bonds of this issue maturing on and after __________, in whole or in part on any date on and after ________ at par together with accrued interest, if any, to the redemption date.][The bond is subject to prepayment as set forth in the Loan Agreement].

The Authority is organized pursuant to Seattle Municipal Code (SMC) 3.110 and RCW 35.21.660, 35.21.670, and 35.21.730-.755. RCW 35.21.750 provides in part 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 powers of the Authority are limited by state and federal law and regulations, ordinances of The City of Seattle, and other elements of the local regulatory scheme.

IN NO EVENT SHALL THE OBLIGATIONS OF THE AUTHORITY BE PAYABLE BY RECURSE AGAINST ANY PROPERTIES, ASSETS OR REVENUES OF THE CITY OF SEATTLE, THE STATE OF WASHINGTON OR ANY OTHER POLITICAL SUBDIVISION OF THE STATE OF WASHINGTON. NO PERSON TO WHOM SUCH OBLIGATIONS ARE OWED SHALL HAVE ANY RECURSE OR RIGHT OF ACTION AGAINST THE CITY OF SEATTLE, THE STATE OF WASHINGTON OR ANY OTHER POLITICAL SUBDIVISION THEREOF ON ACCOUNT OF SUCH OBLIGATIONS.

[The bonds of this issue are not “private activity bonds” as such term is defined in the Internal Revenue Code of 1986, as amended (the “Code”). The bonds of this issue are not “qualified tax-exempt obligations” under Section 265(b) of the Code for banks, thrift institutions and other financial institutions.]

The principal of and interest on the Bonds are payable solely out of the special fund of the Authority known as the “Special Obligation Bond Fund” (the “Bond Fund”). The Bonds are special limited obligations of the Authority and are not obligations of the State of Washington or any political subdivision thereof other than the Authority. The Authority has no taxing power.

Under the Bond Resolution, the Authority is obligated to set aside and pay into the Principal and Interest Account out of Gross Revenue of the Market certain fixed amounts sufficient to pay when due the principal of and interest and premium, if any, on the Bonds and all other Parity Bonds. To the extent provided by the Bond Resolution, the amounts pledged to be paid from Gross Revenue into the Bond Fund and accounts therein are a lien and charge thereon.
equal in rank to the lien and charge upon Gross Revenue of the amounts required to pay and secure the payment of any Future Parity Bonds that the Authority may issue hereafter, and superior to all other liens and charges of any kind or nature, except the Operations and Maintenance Costs of the Market.

The Bond Resolution sets forth covenants of the Authority to secure the payment of Parity Bonds, including but not limited to covenants relating to rates and charges of the Market, operations of the Market, and the issuance of Future Parity Bonds.

This bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Bond Resolution until the Certificate of Authentication hereon shall have been manually signed by or on behalf of the Registrar.

It is hereby certified that all acts, conditions and things required by the Constitution and statutes of the State of Washington to exist, to have happened, been done and performed precedent to and in the issuance of this bond have happened, been done and performed and that the issuance of this bond and the bonds of this issue does not violate any constitutional, statutory or other limitation upon the amount of bonded indebtedness that the Authority may incur.

IN WITNESS WHEREOF, Pike Place Market Preservation and Development Authority Washington has caused this bond to be executed by the manual or facsimile signatures of the President and Secretary of its Board of Directors as of this ____ day of __________, 2015.

PIKE PLACE MARKET PRESERVATION AND DEVELOPMENT AUTHORITY

By /s/ facsimile President, Board of Directors

ATTEST:

/s/ facsimile Secretary, Board of Directors

The Registrar’s Certificate of Authentication on the Bonds shall be in substantially the following form:

CERTIFICATE OF AUTHENTICATION

Date of Authentication:

This bond is one of the bonds described in the within-mentioned Bond Resolution and is one of the Pike Place Market Preservation and Development Authority Special Obligation and Refunding Bonds, 2015 [(Taxable)], of the Authority, dated ______________, 2015.

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Section 7. Execution of Bonds. The Bonds shall be executed on behalf of the Authority with the manual or facsimile signatures of the President and Secretary of its Board of Directors shall be impressed, imprinted or otherwise reproduced on each Bond.

Only such Bonds as shall bear thereon a Certificate of Authentication in the form hereinbefore recited, manually executed by the Registrar, shall be valid or obligatory for any purpose or entitled to the benefits of this resolution. Such Certificate of Authentication shall be conclusive evidence that the Bonds so authenticated have been duly executed, authenticated and delivered hereunder and are entitled to the benefits of this resolution.

In case either of the officers who shall have executed the Bonds shall cease to be an officer or officers of the Authority before the Bonds so signed shall have been authenticated or delivered by the Registrar, or issued by the Authority, such Bonds may nevertheless be authenticated, delivered and issued and upon such authentication, delivery and issuance, shall be as binding upon the Authority as though those who signed the same had continued to be such officers of the Authority. Any Bond may also be signed and attested on behalf of the Authority by such persons who are at the actual date of delivery of such Bond the proper officers of the Authority although at the original date of such Bond any such person shall not have been such officer of the Authority.
Section 8. **Bond Fund.** There is hereby created and established a special fund of the Authority to be known as the “Special Obligation Bond Fund” (the “Bond Fund”). The Bond Fund shall be divided into two accounts, a Principal and Interest Account and a Reserve Account.

(a) So long as any Parity Bonds are outstanding against the Bond Fund, the Authority obligates and binds itself to set aside and pay into the Bond Fund out of Net Revenue, certain fixed amounts without regard to any fixed proportion, namely:

(1) Into the Principal and Interest Account on or before each debt service payment date an amount which, together other money on deposit therein, will be sufficient to pay the debt service on all outstanding Parity Bonds coming due and payable on that next debt service payment date, including mandatory redemption amounts due on that date with respect to any Term Bonds, and to pay regularly scheduled net payments on Parity Derivative Products; and

(2) Into the Reserve Account at least annually an amount that, together with other money and Reserve Account Credit Facilities on deposit therein, will equal the Reserve Requirement for all Covered Bonds.

(b) The Reserve Account has been established in the Bond Fund to serve as a common reserve securing the repayment of the Covered Bonds. The Bonds are Covered Bonds. On the date of issue of the Bonds, the Authority shall deposit net proceeds of the Bonds and/or available funds of the Authority into the Reserve Account to satisfy, together with any funds currently on deposit therein, the Reserve Requirement for all Covered Bonds as of the date of issue of the Bonds. The Authority covenants and agrees that it will at all times maintain in the Reserve Account an amount (including the value of all Reserve Account Credit Facilities deposited therein) equal to the Reserve Requirement for all Covered Bonds, except for withdrawals as authorized in this subsection, until there is a sufficient amount in the Principal
and Interest Account and Reserve Account to pay the principal of and interest on all outstanding
Covered Bonds, at which time the money in the Reserve Account may be used to pay any such
principal and interest so long as the money remaining on deposit in the Reserve Account is not
less than the Reserve Requirement calculated based on the remaining outstanding Covered
Bonds. If there are sufficient funds in the Bond Fund to pay all outstanding Covered Bonds and
the Reserve Requirement as to those outstanding Covered Bonds is met, excess money in the
Bond Fund may be used for any Authority purpose.

In the event that the amounts in the Principal and Interest Account are insufficient to
make any debt service payment on any outstanding Covered Bonds, amounts shall be withdrawn
from the Reserve Account to make up that deficiency. Any deficiency created in the Reserve
Account by reason of such a withdrawal shall then be made up from Net Revenue, but only after
necessary provision has been made for Operations and Maintenance Costs and for the required
payments into the Principal and Interest Account.

(c) All money in the Bond Fund may be kept in cash; deposited with an institution (as
permitted by law) in an amount in each institution not greater than the amount insured by any
department or agency of the United States Government; or invested in Permitted Investments or
other legal investments permitted to the Authority maturing not later than the date when needed
(for investments in the Principal and Interest Account) or the last maturity of any outstanding
Covered Bonds (for investments in the Reserve Account). Income from investments in the
Principal and Interest Account shall be deposited in that account. Income from investments in
the Reserve Account shall be deposited in that account until the amount therein is equal to the
Reserve Requirements of all Covered Bonds, and thereafter shall be deposited in the Principal
and Interest Account.

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(d) The Authority may create sinking fund accounts or other accounts in the Bond Fund for the payment or securing the payment of Parity Bonds as long as the maintenance of such accounts does not conflict with the rights of the owners of Parity Bonds.

(e) It is declared that in creating the Bond Fund and in fixing the amounts to be paid into it as aforesaid, the Board has had due regard for Operations and Maintenance Costs (including without limitations the Authority’s obligations under the City 2009 Loan), and declares that it is not setting aside into the Bond Fund a greater amount than in its judgment will be available over and above such Operations and Maintenance Costs.

If the Authority fails to set aside and pay into the Bond Fund the amounts set forth above, the owner of any of the outstanding Parity Bonds may bring action against the Authority and compel the setting aside and payment.

The Board finds and determines that the Gross Revenue and benefits to be derived from the operation and maintenance of the Market at the rates to be charged for service from the System will be more than sufficient to meet all Operations and Maintenance Costs (including without limitation the Authority’s obligations with respect to the City 2009 Loan) and to permit the setting aside into the Bond Fund of the amounts of Net Revenue that will be sufficient to pay the principal of and interest on the Parity Bonds when due. The Net Revenue is pledged for the payment of the Bonds and all Future Parity Bonds. This pledge shall constitute a lien and charge upon the Net Revenue prior and superior to any other liens, and charges whatsoever.

Section 9. Bond Covenants. The Authority covenants and agrees with the owner of each of the Bonds as follows:
(a) It will establish, maintain, revise as necessary, and collect such rents, rates and charges at the Market such that Net Revenue will be sufficient to at least equal the Coverage Requirement.

(b) It will at all times maintain and keep the Market in good repair, working order and condition, and also will at all times operate such business in connection therewith in an efficient manner and at a reasonable cost.

(c) It will not sell mortgage or dispose of (but may lease for Market purposes) all the property of the Market unless provision is made for payment into the Bond Fund of a sum sufficient to pay the principal of and interest on all outstanding Parity Bonds. Furthermore, it will not sell, mortgage, or dispose of (but may lease for Market purposes) any part of the property of the Market that is used, useful and material to its operation, unless provision is made (a) for the replacement of that portion of the Market, or (b) for the payment into the Bond Fund of an amount bearing the same ratio to the par amount of outstanding Parity Bonds as the amount of Net Revenue available for debt service derived during the preceding 12-month period from that portion of the Market bears to the total Net Revenue available for debt service for such bonds for the same period; provided that the Authority need not provide for (a) or (b) if the Authority executes a certificate demonstrating that the Authority would have met the Coverage Requirement for the prior fiscal year disregarding the Net Revenue attributable to that portion of the Market. Any such money so paid into the Bond Fund shall be used to retire outstanding Parity Bonds at the earliest possible date and may be invested to the same extent and in the same manner as provided for the investment of money in the Reserve Account until so used.
(d) While any of the Parity Bonds remain outstanding it will keep proper and separate accounts and records in which complete and separate entries shall be made of all transactions relating to the Market, and it will furnish the owner or owners of the Parity Bonds or any subsequent owner or owners thereof, at the written request of such owner or owners, complete operating and income statements of the Market in reasonable detail covering any fiscal year. It will grant any owner or owners of at least 25 percent of the outstanding Parity Bonds the right at all reasonable times to inspect the entire Market and all records, accounts and data relating thereto, and upon request of any owner of any of the Parity Bonds a copy of the most recently completed audit of the Authority accounts by the State Auditor of Washington.

(e) It will at all times carry fire and such other forms of insurance on such of the buildings, equipment, facilities and properties of the Market as are ordinarily carried on such buildings, equipment, facilities, and properties by entities engaged in the operation of similar public markets to the full insurable value thereof, and also will carry adequate public liability insurance at all times. The premiums on such insurance policies are declared to be a normal part of Operations and Maintenance Costs.

(f) It will pay all Operations and Maintenance Costs and otherwise meet the obligations of the Authority as herein set forth.

(g) Except as expressly permitted under this resolution, the Authority will not create any special fund or funds for the payment of the principal of and interest on any other revenue obligations which will have any priority over or which will rank on a parity with the payments required by this resolution to be made out of the Net Revenue, nor will it issue Parity Bonds except as permitted pursuant to this resolution.
Section 10. Defeasance. In the event that money and/or Government Obligations maturing at such time or times and bearing interest to be earned thereon in amounts (together with such money, if necessary) sufficient to redeem and retire part or all of the Bonds in accordance with their terms, are set aside in a special account of the Authority to effect such redemption and retirement, and such moneys and the principal of and interest on such Government Obligations are irrevocably set aside and pledged for such purpose, then no further payments need be made into the Bond Fund of the Authority for the payment of the principal of and interest on the Bonds so provided for, and such Bonds shall cease to be entitled to any lien, benefit or security of this resolution except the right to receive the moneys so set aside and pledged, and such Bonds shall be deemed not to be outstanding hereunder.

Upon the defeasance of Bonds the Registrar shall provide notice of defeasance of Bonds to registered owners and the MSRB in accordance with the written undertaking of the Authority pursuant to Section 14.

Section 11. Tax Covenants.

(a) Arbitrage Covenant. The Authority hereby covenants that it will not make any use of Net Proceeds of the Tax-Exempt Bonds or any other funds of the Authority which may be deemed to be proceeds of such Tax-Exempt Bonds pursuant to Section 148 of the Code which will cause the Tax-Exempt Bonds to be “arbitrage bonds” within the meaning of said section and said Regulations. The Authority will comply with the requirements of Section 148 of the Code (or any successor provision thereof applicable to the Tax-Exempt Bonds) and the applicable Regulations thereunder throughout the term of the Tax-Exempt Bonds, and will enter into the Federal Tax Certificate.
(b)  *Private Person Use Limitation for Bonds.* The Authority covenants that for as long as the Tax-Exempt Bonds are outstanding, it will not permit:

(i)  More than 10% of the Net Proceeds of the Tax-Exempt Bonds to be used for any Private Person Use; and

(ii) More than 10% of the principal or interest payments on the Tax-Exempt Bonds in a Bond Year to be directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the Authority) in respect of property, or borrowed money, used or to be used for any Private Person Use.

The Authority further covenants that, if:

(iii) More than five percent of the Net Proceeds of the Tax-Exempt Bonds are to be used for any Private Person Use; and

(iv)  More than five percent of the principal or interest payments on the Tax-Exempt Bonds in a Bond Year are (under the terms of this resolution or any underlying arrangement) directly or indirectly: (A) secured by any interest in property used or to be used for any Private Person Use or secured by payments in respect of property used or to be used for any Private Person Use, or (B) derived from payments (whether or not made to the Authority) in respect of property, or borrowed money, used or to be used for any Private Person Use, then, (1) any Private Person Use of the projects described in subsection (iii) hereof or Private Person Use payments described in subsection (iv) hereof that is in excess of the five percent limitations described in such subsections (iii) or (iv) will be for a Private Person Use that is related to the state or local governmental use of the projects financed or refinanced with Tax-Exempt Bond
proceeds, and (2) any Private Person Use will not exceed the amount of Net Proceeds of the Tax-Exempt Bonds used for the state or local governmental use portion of the projects to which the Private Person Use of such portion of such projects relates. The Authority further covenants that it will comply with any limitations on the use of the projects by other than state and local governmental users that are necessary, in the opinion of its bond counsel, to preserve the tax exemption of the interest on the Tax-Exempt Bonds. The covenants of this section are specified solely to assure the continued exemption from regular income taxation of the interest on the Tax-Exempt Bonds.

Section 12. Sale of Bonds and Official Statement. The Board has determined that it would be in the best interest of the Authority to delegate to the Designated Representative for a limited time the authority to approve the method of sale and to approve the final interest rates, maturity dates, redemption terms, tax status, and principal maturities for the Bonds for confirmation and ratification pursuant to the Sale Resolution. The Designated Representative is hereby authorized to designate a portion or all of the Refunding Candidates as Refunded Bonds (which may include one or both series of Refunding Candidates and/or certain maturities or partial maturities within a series) and may also determine the date to which interest on the Bonds shall be capitalized, whether the Bonds shall be issued in one or more series, and to determine whether the Bonds (or the Bonds of a series) shall be issued as Taxable Bonds or Tax-Exempt Bonds. The Designated Representative is hereby authorized to approve the sale and/or delivery of one or more Bonds to a Direct Purchaser or to an Underwriter, as set forth below.

(a) Direct Purchaser Loan or Private Placement. If the Designated Representative determines that the Bonds are to be privately placed or delivered to a Direct Purchaser, the Designated Representative or his designee shall solicit proposals and shall select one or more
Direct Purchasers that submit a proposal that is in the best interest of the Authority. The Bonds (or a single Bond) shall be sold or delivered to the Direct Purchaser pursuant to the terms of the Loan Agreement.

Subject to the terms and conditions set forth in this Section 12, the Designated Representative is hereby authorized to accept one or more Direct Purchaser proposals for the Bonds in one or more series upon his or her approval of the final interest rates, maturity dates, aggregate principal amounts, principal maturities, tax status, and redemption or prepayment rights set forth therein for the Bonds in accordance with the authority granted by this section and as confirmed and ratified by the Sale Resolution so long as:

1. the aggregate principal amount of the Bonds does not exceed $24,000,000;
2. the final maturity date for the Bonds is no later than December 1, 2040;
3. the Bonds are sold (in the aggregate) at a price not less than 96% and not greater than 120%; and
4. the true interest cost for the Bonds (in the aggregate) does not exceed 5.00%.

(b) Negotiated Bond Sale. If the Designated Representative determines that the Bonds are to be sold to an Underwriter, the Designated Representative shall solicit bond underwriting proposals and shall select the Underwriter that submits the proposal that is in the best interest of the Authority. The Bonds shall be sold to the Underwriter pursuant to the terms of the Purchase Contract.

Subject to the terms and conditions set forth in this Section 12, the Designated Representative is hereby authorized to enter into the Purchase Contract with the Underwriter to issue and sell the Bonds in one or more series upon his or her approval of the final interest rates,
maturity dates, aggregate principal amounts, principal maturities, and redemption rights set forth therein for the Bonds in accordance with the authority granted by this section and as confirmed and ratified by the Sale Resolution so long as:

(1) the aggregate principal amount of the Bonds does not exceed $24,000,000;

(2) the final maturity date for the Bonds is no later than December 1, 2040;

(3) the Bonds are sold (in the aggregate) at a price not less than 96% and not greater than 120%; and

(4) the true interest cost for the Bonds (in the aggregate) does not exceed 5.00%.

(c) Report to Board; Expiration of Authority. Following the sale or delivery of the Bonds, the Designated Representative shall provide a report to the Board, describing the method of sale and final terms of the Bonds approved pursuant to the authority delegated in this section and confirmed and ratified pursuant to the Sale Resolution.

The authority granted to the Designated Representative by this Section 12 shall expire one year after the effective date of this resolution. If a Loan Agreement or Purchase Contract has not been accepted within one year after the effective date of this resolution, the authorization for the issuance of the Bonds shall be rescinded, and the Bonds shall not be issued nor their sale approved unless such Bonds shall have been re-authorized by resolution of the Board. The resolution re-authorizing the issuance and sale of such Bonds may be in the form of a new resolution repealing this resolution in whole or in part or may be in the form of an amendatory resolution approving a Loan Agreement or Purchase Contract or establishing terms and conditions for the authority delegated under this Section 12.
(d) **Delivery of Bonds; Documentation.** Upon the passage and approval of this resolution, the proper officials of the Authority, including the Designated Representative, are authorized and directed to undertake all action necessary for the prompt execution and delivery of the Bonds to the Direct Purchaser or Underwriter thereof and further to execute all closing certificates and documents required to effect the closing and delivery of the Bonds.

(e) **Preliminary and Final Official Statements.** The Authority authorizes the Finance Director to approve the preliminary official statement, if any, for the Bonds and authorizes the distribution of the preliminary official statement in connection with any public offering of the Bonds. Pursuant to the Rule, the Designated Representative is hereby authorized to deem the preliminary official statement as final as of its date except for the omission of information dependent upon the pricing of the Bonds. The Authority agrees to cooperate with the successful bidder or Underwriter to deliver or cause to be delivered, within seven business days from the date of the sale of the Bonds and in sufficient time to accompany any confirmation that requests payment from any customer of the successful bidder or Underwriter, copies of a final official statement in sufficient quantity to comply with paragraph (b)(4) of the Rule and the rules of the MSRB. The Authority’s Finance Director is authorized to approve, supplement or amend the final official statement.

**Section 13. Application of Bond Proceeds.** From the money derived from the sale of the Bonds together with any cash contribution of the Authority, as determined by the Designated Representative, shall be applied as specified by the Designated Representative as follows:

(a) **New Money Bonds.** The net proceeds derived from the New Money Bonds, and any cash contribution to the costs of the Project, shall be deposited in the Reserve Account and in the “Construction Fund,” which the Authority is hereinafter authorized to create.
The money on deposit in the Construction Fund shall be utilized to pay or reimburse the Authority for the costs of the Project and costs incidental thereto, and costs incurred in connection with the issuance and sale of the Bonds, to the extent designated by the Designated Representative.

All or part of the proceeds of the Bonds may be temporarily invested in or with such institutions or in such obligations as may now or hereafter be permitted to public development authorities of the State of Washington by law that will mature prior to the date on which such money shall be needed.

In the event that it shall not be possible or practicable to accomplish all of the Project, the Authority may apply the proceeds of the Bonds to pay the costs of such portion thereof or such other projects as the Board shall determine to be in the best interests of the Authority.

Any part of the proceeds of the Bonds remaining in the Construction Fund after all costs referred to in this section have been paid may be used to acquire, construct, equip and make other improvements to the Project or may be transferred to the Bond Fund for the uses and purposes therein provided.

(b) **Refunding Bonds.** The Refunded Bonds shall include all or a portion of the Refunding Candidates as designated by the Designated Representative when the Bonds are sold pursuant to the Purchase Contract or delivered pursuant to the Loan Agreement. A portion of proceeds of the Bonds, together with any cash contribution as set forth in the Escrow Agreement, shall be deposited pursuant to the Escrow Deposit Agreement, to be used immediately upon receipt thereof to defease or pay the Refunded Bonds and to pay costs of issuance of the Bonds.

The proceeds and cash deposited with the Escrow Agent shall be used to defease or pay
the Refunded Bonds and discharge the obligations thereon by the purchase of certain Government Obligations (which obligations so purchased, are herein called “Acquired Obligations”), bearing such interest and maturing as to principal and interest in such amounts and at such times which, together with any necessary beginning cash balance, will provide for the payment of:

(1) interest on the Refunded Bonds due and payable on and prior to the Call Date; and

(2) the redemption prices of the Refunded Bonds on the Call Date.

Such Acquired Obligations shall be purchased at a yield not greater than the yield permitted by the Code and regulations relating to acquired obligations in connection with refunding bond issues. The Designated Representative is authorized to appoint an escrow agent or Escrow Agent for the Refunded Bonds (the “Escrow Agent”). A beginning cash balance, if any, and the Acquired Obligations shall be deposited irrevocably with the Escrow Agent in an amount sufficient to defease or pay the Refunded Bonds. The proceeds of each series of the Bonds remaining after acquisition of the Acquired Obligations and provision for the necessary beginning cash balance shall be utilized to pay expenses of the acquisition and safekeeping of the Acquired Obligations and costs of issuance of the Bonds.

In order to carry out the purposes of this subsection, the Designated Representative is authorized and directed to execute and deliver to the Escrow Agent, an Escrow Deposit Agreement.

(c) *Call for Redemption of Refunded Bonds.* The Authority hereby irrevocably sets aside sufficient funds out of the purchase of Acquired Obligations from proceeds of the Bonds to make the payments described above.
The Authority hereby irrevocably calls the Refunded Bonds for redemption on their Call Date. Said defeasance and call for redemption of the Refunded Bonds shall be irrevocable after the issuance of the Bonds and delivery of the Acquired Obligations to the Escrow Agent.

The Escrow Agent is hereby authorized and directed to provide for the giving of notices of the redemption of the Refunded Bonds. The costs of publication of such notices shall be an expense of the Authority.

The Escrow Agent is hereby authorized and directed to pay to the Finance Director, or, at the direction of the Finance Director, to the paying agent for the Refunded Bonds, sums sufficient to pay, when due, the payments specified in this section. All such sums shall be paid from the moneys and Acquired Obligations deposited with the Escrow Agent, and the income therefrom and proceeds thereof. All such sums so paid to said Finance Director shall be credited to the Refunding Account. All moneys and Acquired Obligations deposited with the Escrow Agent and any income therefrom shall be held, invested (but only at the direction of the Finance Director) and applied in accordance with the provisions of this resolution and with the laws of the State of Washington for the benefit of the Authority and owners of the Refunded Bonds.

The Authority will take such actions as are found necessary to see that all necessary and proper fees, compensation and expenses of the Escrow Agent for the Refunded Bonds shall be paid when due.

Section 14. Future Parity Bonds.

(a) The Authority may issue Future Parity Bonds only for lawful Authority purposes and only if the following conditions are met and complied with at the time of the issuance of those Future Parity Bonds:

(1) The resolution authorizing those Future Parity Bonds must provide for the
payment of the principal of and interest thereon out of the Bond Fund;

(2) The Authority shall not be in default with respect to any of its obligations under this resolution;

(3) The applicable resolution authorizing those Future Parity Bonds must provide for the deposit into the Reserve Account (in the case of Covered Bonds) or any other applicable reserve account of any combination of Future Parity Bond proceeds, Reserve Account Credit Facilities or other money legally available, in the amount necessary (if any) to make the amount on deposit in the Reserve Account or other applicable reserve account equal to the applicable Reserve Requirement upon the issuance of those Future Parity Bonds.

(4) Except as provided in Section 14(b) hereof, there shall be on file with the Authority a certificate (prepared as described in Section 14(c) or Section 14(d) hereof) demonstrating fulfillment of the Parity Requirement, commencing with the first full fiscal year following the date on which any portion of interest on the series of Future Parity Bonds then being issued no longer will be paid from the proceeds of such series of Future Parity Bonds.

(b) The certificate described in Section 14(a)(4) hereof shall not be required as a condition to the issuance of Future Parity Bonds:

(1) If the Future Parity Bonds being issued are for the purpose of refunding outstanding Parity Bonds (including incidental costs and costs related to the sale and issuance thereof and providing for any applicable Reserve Requirement) and Annual Debt Service on the Future Parity Bonds is less than Annual Debt Service on the Parity Bonds to be refunded for each year such Future Parity Bonds are to be outstanding; or

(2) If the Future Parity Bonds are being issued to pay costs of construction of facilities of the Market for which Future Parity Bonds have been issued previously and the
principal amount of such Future Parity Bonds being issued for completion purposes does not exceed an amount equal to an aggregate of 15% of the principal amount of Parity Bonds theretofore issued for such facilities and reasonably allocable to the facilities to be completed as shown in a certificate of the Designated Representative.

(c) If required pursuant to Section 14(a)(4) hereof, a certificate may be delivered by the Authority (executed by the Designated Representative) without an Independent Consultant if Net Revenues for the Base Period demonstrate that the Parity Requirement will be fulfilled commencing with the first full fiscal year following the date on which any portion of interest on the series of Future Parity Bonds then being issued will not be paid from the proceeds of such series of Future Parity Bonds.

(d) Unless compliance with the requirements of Section 14(a)(4) hereof have been satisfied as provided in Section 14(c) hereof, compliance with the Parity Requirement shall be demonstrated conclusively by a certificate of an Independent Consultant.

In making the computations of Net Revenues for the purpose of certifying compliance with the Parity Requirement, the Independent Consultant shall use as a basis the Net Revenues (which may be based upon unaudited financial statements of the Authority if the applicable audit has not yet been completed) for the Base Period. Such Net Revenues shall be determined by adding the following:

(1) The historical net revenue of the Market for the Base Period being issued as determined by an Independent Consultant.

(2) The net revenue derived from those tenants of the Market that have become tenants during such 12-month period or thereafter and prior to the date of such certificate, adjusted to reflect a full year’s net revenue from each such tenant to the extent such net revenue
was not included as described in Section 14(d)(1) hereof.

(3) The estimated annual net revenue to be derived from any person, firm, association, private or municipal corporation under any executed contract with the Authority, which net revenue was not included in any of the sources of net revenue described in this Section 14(d).

(4) The estimated annual net revenue to be derived from the operation of any additions or improvements to or extensions of the Market under construction but not completed at the time of such certificate and not being paid for out of the proceeds of sale of such Future Parity Bonds being issued, and which net revenue is not otherwise included in any of the sources of net revenue described in this Section 14(d).

(5) The estimated annual net revenue to be derived from the operation of any additions and improvements to or extensions of the Market being paid for out of the proceeds of sale of such Future Parity Bonds being issued.

In the event the Authority will not derive any revenue as a result of the construction of the additions, improvements or extensions being made or to be made to the Market within the provisions of Sections 14(d)(4) and 14(d)(5) hereof, the estimated normal Operations and Maintenance Costs of such additions, improvements and extensions shall be deducted from estimated annual net revenue.

The words “historical net revenue” or “net revenue” as used in this Section 14(d) shall mean the Gross Revenue or any part or parts thereof less the normal expenses of maintenance and operation of the Market or any part or parts thereof, but before depreciation.

Such “historical net revenue” or “net revenue” shall be adjusted to reflect the rates and charges effective on the date of such certificate if there has been any change in such rates and
charges during or after such 12-consecutive-month period.

(e) Nothing contained in this Section 14 shall prevent the Authority from issuing revenue bonds or other obligations that are a charge upon the Net Revenue of the Market junior or inferior to the payments required by this resolution to be made out of such Net Revenue to pay and secure the payment of any outstanding Parity Bonds. Such junior or inferior obligations shall not be subject to acceleration. This prohibition against acceleration shall not be deemed to prohibit mandatory tender or other tender provisions with respect to variable rate obligations or to prohibit the payment of a termination amount with respect to an Other Derivative Product or a Parity Derivative Product.

(f) Nothing contained in this Section 14 shall prevent the Authority from issuing revenue bonds to refund maturing Parity Bonds for the payment of which moneys are not otherwise available.

Section 15. Derivative Products. The Authority hereby reserves the right to enter into Parity Derivative Products and Other Derivative Products. The Authority may amend this resolution to accommodate new or modified definitions of Debt Service in connection with a Parity Derivative Product, to implement the Authority’s intent that regularly scheduled payments made by or received by the Authority in connection with a Parity Derivative Product be added to or deducted from, respectively, Debt Service on such Parity Bonds. The Authority may amend this resolution to reflect the lien position and priority of any payments made in connection with a Parity Derivative Product or Other Derivative Product; provided, however, that any lien to secure regularly scheduled payments made in connection with a Parity Derivative Product may not be prior to the lien of the Parity Bonds and that any lien to secure any other payments under Parity Derivative Products and all payments under any Other Derivative Products must be subordinate.
to the lien of Parity Bonds. If the Authority enters into a Parity Derivative Product, the Authority shall not be required to satisfy the conditions set forth in Section 14 of this resolution with respect to the Parity Derivative Product provided that the conditions set forth in Section 14 of this resolution are satisfied with respect to the associated Parity Bonds. Each Parity Derivative Product shall set forth the manner in which the Authority’s and its counterparty’s payments are to be calculated and a schedule of payment dates.

Section 16. Separate Facilities. The Authority may create, acquire, construct, finance, own and operate one or more additional market facilities. The revenue of that Separate Facility, payable solely with respect to improvements to a Separate Facility, shall not be included in the Gross Revenue and may be pledged to the payment of revenue obligations issued to purchase, construct, condemn or otherwise acquire or expand the Separate Facility. Neither the Gross Revenue nor the Net Revenue may be pledged to the payment of any obligations of a separate utility Separate Facility except that the Net Revenue may be pledged on a basis subordinate to the lien of the Parity Bonds.

Section 17. Flow of Funds. The Net Revenue shall be used for the following purposes only and shall be applied in the following order of priority:

(a) To make when due the required payments into the Principal and Interest Account in respect of interest on the Parity Bonds and, without duplication, to make regularly scheduled payments due with respect to any Parity Derivative Product.

(b) To make when due the required payments into the Principal and Interest Account in respect of principal of and premium, if any, on the Parity Bonds, whether at maturity or pursuant to redemption prior to maturity, and to make payments due under any reimbursement agreement with a provider of a Credit Facility for any Parity Bonds that requires those payments.
to be made on a parity with the Parity Bonds.

(c) To make when due all payments required to be made into the Reserve Account for the Covered Bonds, all payments required to be made into any other reserve account created in the future to secure the payment of debt service on other Future Parity Bonds, and all payments required to be made under any reimbursement agreement with a provider of a Reserve Account Credit Facility that requires those payments to be made on a parity with the payments required to be made into the Reserve Account or such other reserve account created in the future to secure the payment of debt service on other Future Parity Bonds.

(d) To make when due all payments required to be made under any reimbursement agreement with a provider of a Credit Facility for any Parity Bonds other than payments to be made on a parity with the Parity Bonds, and all payments required to be made under any reimbursement agreement with a provider of a Reserve Account Credit Facility other than payments to be made on a parity with the payments to be made into the Reserve Account or such other reserve account created in the future to secure the payment of debt service on other Future Parity Bonds, in any priority not inconsistent with this resolution that the Authority may hereafter establish by resolution.

(e) To make when due the payments required to be made into any revenue bond, note, warrant or other revenue obligation redemption fund, debt service account or reserve account created to pay and secure the payment of any revenue bonds, warrants, notes or other obligations of the Market having a charge upon the Net Revenue junior and inferior to the charge thereon for the payment of the principal of and premium (if any), and interest on the Parity Bonds, or under any reimbursement agreement with a provider of a Credit Facility or reserve account credit facility therefor, and all regularly scheduled payments due pursuant to an Other Derivative Finance & Asset Management 1/20/15 - 74
Product, as set forth in such Other Derivative Product, in any priority not inconsistent with this resolution, that the Authority may hereafter establish by resolution.

(f) To make when due all nonscheduled payments (i.e., any termination payment or other fees) under any Parity Derivative Product as set forth in such Parity Derivative Product and under any Other Derivative Product as set forth in such Other Derivative Product, and for any other lawful Authority purposes, in any priority not inconsistent with this resolution, that the Authority may hereafter establish by resolution.

Section 18. Supplemental Resolutions.

(a) This resolution shall not be modified or amended in any respect subsequent to the initial issuance of the Bonds, except as provided in and in accordance with and subject to the provisions of this section.

(b) The Authority may from time to time and at any time, without the consent of or notice to the registered owners of the Parity Bonds, pass supplemental resolutions for any one or more of the following purposes:

(1) To cure any formal defect, omission, inconsistency or ambiguity in this resolution;

(2) To impose upon the Bond Registrar (with its consent) for the benefit of the registered owners of the Bonds any additional rights, remedies, powers, authority, security, liabilities or duties which may lawfully be granted, conferred or imposed and which are not contrary to or inconsistent with this resolution as previously in effect;

(3) To add to the covenants and agreements of, and limitations and restrictions upon, the Authority in this resolution other covenants, agreements, limitations and restrictions to be observed by the Authority which are not contrary to or inconsistent with this resolution as previously in effect;
(4) To confirm, as further assurance, any pledge under, and the subjection to any claim, lien or pledge created or to be created by this resolution of any other money, securities or funds;

(5) To authorize different denominations of the Bonds and to make correlative amendments and modifications to this resolution regarding exchangeability of Bonds of different authorized denominations, redemptions of portions of Bonds of particular authorized denominations and similar amendments and modifications of a technical nature;

(6) To authorize the issuance of any (A) Future Parity Bonds, (B) revenue bonds or other obligations which are a charge upon the Net Revenue of the Market junior or inferior to the payments required by this resolution to be made out of such Net Revenue to pay and secure the payment of any outstanding Parity Bonds, or (C) revenue bonds to refund maturing Parity Bonds for the payment of which moneys are not otherwise available, in each case, to the extent permitted by this resolution; or

(7) To modify, alter, amend or supplement this resolution in any other respect which is not materially adverse to the registered owners of the Bonds and which does not involve a change described in Section 18(c) hereof.

Before any supplemental resolution described in this Section 18(b) shall become effective, there shall be delivered to the Authority and the Bond Registrar an opinion of Bond Counsel, stating that such supplemental resolution is authorized or permitted by this resolution and will, upon its effective date, be valid and binding upon the Authority in accordance with its terms and will not adversely affect the exemption from federal income taxation of interest on the Bonds.

(c) (1) Except for any supplemental resolution passed pursuant to Section 18(b)
hereof, subject to the terms and provisions contained in this Section 18(c) and not otherwise, registered owners of not less than a majority of the aggregate principal amount of the Parity Bonds then outstanding shall have the right from time to time to consent to and approve the passage by the Board of any supplemental resolution deemed necessary or desirable by the Authority for the purposes modifying, altering, amending, supplementing or rescinding, in any particular, any of the terms or provisions contained in this resolution.

However, unless approved in writing by each registered owner of each Parity Bond then outstanding, nothing contained in this Section 18 shall permit, or be construed at permitting:

(A) A change in the times, amounts or currency of payment of the principal of or interest on any outstanding Bond, or a reduction in the principal amount or redemption price of any outstanding Bond, or a change in the method or redemption price of any outstanding Bond, or a change in the method of determining the rate of interest thereon;

(B) A preference or priority of any Bond or Bonds over any other Bond or Bonds, or

(C) A reduction in the aggregate principal amount of Bonds the consent of the registered owners of Bonds of which is required for any such supplemental resolution.

(2) If at any time the Authority shall pass any supplemental resolution for any of the purposes of this Section 18(c), the Bond Registrar shall cause notice of the proposed supplemental resolution to be given by first class United States mail to all registered owners of the then outstanding Parity Bonds, to each Rating Agency that has provided a rating on an issue of the Parity Bonds. Such notice shall briefly set forth the nature of the proposed supplemental resolution and shall state that a copy thereof is on file at the office of the Bond Registrar for inspection by all registered owners.

(3) Within two years after the date of the mailing of such notice, the Authority may
pass such supplemental resolution in substantially the form described in such notice, but only if there shall have first been delivered to the Bond Registrar: (A) the required consents, in writing, of the registered owners, and (B) an opinion of Bond Counsel, stating that such supplemental resolution is authorized or permitted by this resolution and, upon the execution and delivery thereof, will be valid and binding upon the Authority in accordance with its terms and will not adversely affect the exclusion from federal income taxation of interest on the Bonds.

(4) If the registered owners of not less than the percentage of Parity Bonds required by this subsection (c) have consented to and approved the execution and delivery thereof as herein provided, no owner of the Parity Bonds shall have any right to object to the passage of such supplemental resolution, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the passage thereof, or to enjoin or restrain the Authority or the Bond Registrar from passing the same or from taking any action pursuant to the provisions thereof.

(5) Upon the execution and delivery of any supplemental resolution pursuant to the provisions of this section, this resolution shall be, and be deemed to be, modified and amended in accordance therewith, and the respective rights, duties and obligations under this resolution of the Authority, the Bond Registrar and all Owners shall thereafter be determined, exercised and enforced under this authority subject in all respects to such modifications and amendments.

Section 19. Undertaking to Provide Ongoing Disclosure. The Designated Representative is authorized to enter into a written undertaking for the benefit of the owners (including Beneficial Owners) of the Bonds as required by Section (b)(5) of the Rule.

Section 20. Severability. If any one or more of the covenants or agreements provided in this resolution to be performed on the part of the Authority shall be declared by any court of
competent jurisdiction to be contrary to law, then such covenant or covenants, agreement or agreements, shall be null and void and shall be deemed separable from the remaining covenants and agreements of this resolution and shall in no way affect the validity of the other provisions of this resolution or of the Bonds.

Section 21. Effective Date. This resolution shall become effective immediately upon its adoption.

ADOPTED by the Board of Directors of the Pike Place Market Preservation and Development Authority at a special meeting thereof held this _____ day of ______, 2015.

PIKE PLACE MARKET PRESERVATION AND DEVELOPMENT AUTHORITY

By ____________________________

President

By ____________________________

By ____________________________

By ____________________________

By ____________________________

By ____________________________
SECRETARY’S CERTIFICATE

I, the undersigned, the duly chosen, qualified and acting Secretary of the Pike Place Market Preservation and Development Authority (the “Authority”), and keeper of the records of the Authority’s Board of Directors (the “Board), DO HEREBY CERTIFY:

1. That the attached Resolution No. 1 (the “Resolution”) is a true and correct copy of a resolution of the Board, as finally adopted at a special meeting of the Board held on the ___ day of _______, 2015, and duly recorded in the offices of the Authority.

2. That said meeting was duly convened and held in all respects in accordance with law, and to the extent required by law, due and proper notice of such meeting was given; that a legal quorum was present throughout the meeting and a legally sufficient number of members of the Board voted in the proper manner for the adoption of said Resolution; that all other requirements and proceedings incident to the proper adoption of said Resolution have been duly fulfilled, carried out and otherwise observed, and that I am authorized to execute this certificate.

IN WITNESS WHEREOF, I have hereunto set my hand as of this ___ day of _______, 2015.

__________________________
Secretary of the Board of Directors
Pike Place Market Preservation and Development Authority
PROPOSED RESOLUTION 15-16

Approval in Upgrading PPM PDA’s Access Control System
March 2015

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, among other things, preservation and rehabilitation of the structures and open spaces in the Market Historic District, and:

WHEREAS, in order to maintain the quality, reliability, and expansion capability of the PPMPDA’s access control system the PPMPDA has determined that the current software and specific portions of the hardware are outdated and not compatible with any future access control components, and;

WHEREAS, the PPMPDA has executed a competitive bid review process to upgrade the PPMPDA’s current Maxxess access control software to the latest version and upgrade or replace the access control hardware

NOW, THEREFORE BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA to purchase the software and hardware from Reliable Security in an amount not to exceed $25,700.00, for upgrades to the PPMPDA’s access control system.

The funds for this project will be drawn from Capital Repair and Replacement Reserve, Account number 110630-00

____________________________________  _______________________________
Gloria Skouge, Secretary/Treasurer                            Date

Date Approved by Council:
For:
Against:
Abstained:
PROPOSED RESOLUTION 15-17

Authorization for Contract Authority – Replace roof and gutter system over Pike Place Fish March 2015

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 roof and gutter system over Pike Place Fish, leaks, and needs to be replaced

WHEREAS, the PPMPDA has executed a bid process to replace the roof and gutter system over Pike Place Fish

NOW, THEREFORE, BE IT RESOLVED that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Cobra in an amount not to exceed $23,784.06 for replacing the roof and gutter system

The funds for this project will be drawn from the Capital Projects Budget, 2015 COMLAS – CC Replace roof and gutter system over Pike Place Fish: 163775--00

______________________________ ________________________________
Gloria Skouge, Secretary/Treasurer Date

Date Approved by Council:

For:  
Against:  
Abstained:
Proposed Resolution 15-17
Authorization for Contract Authority – Replace roof and gutter system over Pike Place Fish March 2015

Proposed Resolution Costs: $23,784.06
Current Budget: $55,000
Project: Replace roof and gutter system over Pike Place Fish
Account: Capital Projects
Accounting Code: 163775-00

Project Description:
Install a new roof and gutter system, with a 20 year warranty

Scope:
The purpose of this project is to install a new roof and gutter system, the roof and gutter both currently leak

Bid Process:
Bid process: Solicited four bids, and received four bids:

- **Cobra** $21,621.87 ($23,784.06 with 10% Contingency)
- **Centimark** $28,128.36
- **NW Roofing Solutions** $48,633.34
- **Snyder Roofing** $51,246.00
Authorization for Contract Authority – Replace Lowell’s and Elevator Penthouse Roofs
March 2015

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 roofs over the Fairley Elevator Penthouse and Lowell’s Restaurant are in need to be replaced; and,

WHEREAS, the PPMPDA has executed a bid process to replace the roofs over the Fairley Elevator Penthouse and Lowell’s Restaurant; 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 in an amount not to exceed $63,264.72 for the replacement of both roofs over the Fairley Elevator Penthouse and Lowell’s Restaurant.

The funds for this project will be drawn from the Capital Projects Budget, 2015 COMFAI – CC Lowell’s and Elevator Penthouse Roofs: 163772-00

Gloria Skouge, Secretary/Treasurer

Date

Date Approved by Council:

For:

Against:

Abstained:
Proposed Resolution 15-20
Authorization for Contract Authority – Replacement of Lowell’s and Elevator Penthouse roofs
March 2015

Proposed Resolution Costs: $63,264.72
Current Budget: $65,000
Project: Replace roofs over Fairley Elevator Penthouse and Lowell’s Restaurant
Account: Capital Projects
Accounting Code: 163772-00

Project Description:
Install new roof systems, with a 20 year warranty

Scope:
The purpose of this project is to install a new roof system over the elevator penthouse and Lowell’s. Lowell’s roof system is deteriorating.

Bid Process:
Bid process: Solicited five bids, and received four bids:

- **Cobra** $55,012.80 ($63,264.72 with 15% Contingency)
- **Snyder** $58,582.50
- **Chinook** $62,415
- **Centimark** $74,815.88
- **NW Roofing** Walked Project/Declined to submit proposal
# Lease Proposals

**March 2015**

<table>
<thead>
<tr>
<th>Tenant</th>
<th>Term</th>
<th>Start Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country Dough, The Art Brokeress, LLC</td>
<td>Two (2) Years</td>
<td>April 1, 2015</td>
</tr>
<tr>
<td>Old Stove Brewing, LLC, Christopher Moore</td>
<td>Five (5) Years</td>
<td>April 1, 2015</td>
</tr>
<tr>
<td>Our Fabric Stash, The Art Brokeress, LLC</td>
<td>One (1) Year</td>
<td>March 1, 2015</td>
</tr>
<tr>
<td>Shug’s Soda Fountain &amp; Ice Cream Shop, Colleen Wilkie &amp; Paul Dormann</td>
<td>Five (5) Years</td>
<td>April 1, 2015</td>
</tr>
<tr>
<td>Conscious Wear, Tashi Dawa</td>
<td>One (1) Year</td>
<td>March 1, 2015</td>
</tr>
<tr>
<td>House of Silver &amp; Gold, Vinod &amp; Pooja Herkishnani</td>
<td>Three (3) Years</td>
<td>March 1, 2015</td>
</tr>
</tbody>
</table>

_______________________________
Gloria Skouge, Secretary/Treasurer  
Date

**Date Approved by Council:**

For:  
Against:  
Abstained:
## Lease Summary

### Country Dough / Biao Yang & Yue Yang

- **Address/Building/Square feet:** 1916 Pike Place #14 / Soames-Dunn / 435 sf
- **Tenant Since:** New Tenant
- **Primary Term:** Two (2) Years
- **Options:** Three (3) Years
- **Use Description:** Business specializing in Szechuan style cooking; offering dumpling cakes with savory meat and vegetarian meat fillings, noodle dishes, shave ice and assortment of dried ginseng.

### Old Stove Brewing, LLC / Christopher Moore

- **Address/Building/Square feet:** 1525 1st Avenue #16 / First & Pine / 1,483 sf
  1530 Post Alley #19 / First & Pine / 770 sf
- **Tenant Since:** New Tenant
- **Primary Term:** Five (5) Years
- **Options:** Two – Five (5) Year options
- **Use Description:** Brewery specializing in the brewing of original craft beer on-site for the purposes of selling beer for on-site and off-site consumption. Featuring other local beers on-tap and beer driven pub fare.

### Our Fabric Stash / The Art Brokeress, LLC

- **Address/Building/Square feet:** 93 Pike St #103 / Economy / 1,262 sf
- **Tenant Since:** New Tenant
- **Primary Term:** One (1) Year
- **Options:** Two (2) Years
- **Use Description:** Business specializing in the consignment and re-sale of specialty and designer fabrics, including notions and other related sewing items; finished goods made from fabric, materials and notions; and classes, alteration and customer sewing services
**Business Name/Owner:** Shug’s Soda Fountain & Ice Cream Shop / Colleen Wilkie & Paul Dormann  
**Address/Building/Square feet:** 1525 First Avenue #2A / First & Pine / 1285 sf  
**Tenant Since:** New Tenant  
**Primary Term:** Five (5) Years  
**Options:** Three (3) Years  
**Use Description:** Vintage soda fountain and ice cream shop with private party room, featuring carbonic flavored sodas, floats, shakes and malts; ice cream by the scoop, sundaes w/fresh local fruit, and ice cream novelties; and assortment of locally brewed beers, wines, champagne and espresso; no more than 10% of sales from daily soup and sandwich offerings, no more than 2% of sales from “Shug’s at the Market” T-Shirts, and other merchandise related to the soda fountain.

**Business Name/Owner:** Conscious Wear / Tashi Dawa  
**Address/Building/Square feet:** 1501 Pike Place #402 / Leland 480 sf  
**Tenant Since:** Since 2010 / Change of Ownership  
**Primary Term:** One (1) Year  
**Options:** Two (2) years  
**Use Description:** Business specializing in natural fiber clothing and accessories (such as hemp, jute, cotton, and silk jackets, shirts, yoga pant, trousers, dresses, hats, scarves, gloves, and bags), fine ethnic jewelry (5%) and unique wooden masks and art objects (5%), and bolts of fabric.

**Business Name/Owner:** House of Silver & Gold / Vinod & Pooja Herkishanani  
**Address/Building/Square feet:** 1501 Pike Place #407 / Leland / 220 sf  
**Tenant Since:** Since 2005  
**Primary Term:** Three (3) Years  
**Options:** Two (2) Years  
**Use Description:** Shop specializing in the sale of jewelry and crystals and a limited amount of (not to exceed 15%) miniatures and Mt. St. Helen’s items.
Approval of for Rental of Emergency Overflow Shelter for Daystall Vendors
March 2015

WHEREAS, From March 2014 through May 2014 the PDA experienced an extreme shift in Daystall table availability, resulting in a total of 140 vendor turn-aways, including as many as 22 in a single day; and,

WHEREAS, the PDA has acquired approval from the Market Historical Commission for temporary placement of a 20’ x 40’ tent providing up to 16 extra covered Daystall tables from early April through mid-May; and,

WHEREAS, the PDA staff has solicited four bids for temporary shelter options, including two rentals and two custom tent purchases; and,

WHEREAS, the PDA has secured approval from Seattle Fire Department and Seattle Department of Transportation; and,

WHEREAS, the PDA has solicited input and support of Daystall Craftspeople affected by the shortage of table availability and the placement of the proposed temporary shelter structure; and,

NOW, THEREFORE BE IT RESOLVED, that the PDA contract for a 6-week rental of a 20’ x 40’ tent set up from ABC Special Event Rentals by CORT for an amount not to exceed $13,000.

The funds for this project will be drawn from the Contingency for Unknown Projects budget. GL code: 160970-00.

Gloria Skouge, Secretary/Treasurer

Date

Date Approved by Council:
For:
Against:
Abstained: