



PDA Council Meeting Minutes

Thursday, April 30, 2015
4:00 p.m. to 6:00 p.m.
The Elliott Bay Room

Committee Members Present: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Patrice Barrentine, Betty Halfon, Rico Quirindongo, John Finke, Bruce Burger, Ann Magnano, David Ghoddousi

Staff Present: Ben Franz-Knight, Tamra Nisly, Lillian Hochstein, Randy Stegmeier, Kelly Lindsay, John Turnbull, Dianna Goodsell

Others Present: Justine Kim, Carrie Holmes, Stacey Crawshaw-Lewis, Fred Eoff, Bo Zhang, John Fleming, David Kenagy, Kathi Allen, Nancy Sherman, Sharon Mukai, Joan Paulson, Bob Messina, Haley Land, Chris Scott, Howard Aller

The meeting was called to order at 4:01p.m.by Matt Hanna, PDA Council Chair.

I. Administration

- A. Approval of the Agenda
The agenda was approved by Acclamation
- B. Approval of the March 26th, 2015 PDA Council Meeting Minutes
The minutes were approved by Acclamation

II. Announcements and Community Comments

Haley Land had inquired on Howard Aller's status. He had congratulated the PDA Council and staff on their work with the MarktFront. He read a public letter regarding the PDA Council's rationale and decision to not approve Proposed Resolution 15-23: Approval for Rental of Emergency Overflow Shelter for Daystall by the PDA Council at the March 26th meeting; he had requested to include the letter in the PDA Council records.

Frank Coble commented on the MarktFront project design in which provided several design suggestions regarding the main stairway.

David Ghoddousi had reported that Ya'acov Reuven, a Market community member had suddenly passed away

Rico Quirindongo entered into the meeting at 4:10pm

Betty Halfon entered into the meeting at 4:11pm

Kathi Allen commented on the PDA Council's decision to not approve Proposed Resolution 15-23: Approval for Rental of Emergency Overflow Shelter for Daystall.

Jim Savitt entered into the meeting at 4:15pm

III. Reports and Information Items

A. Council Chair Report

Matt Hanna presented a brief Council Chair report for the month of March. He provided a general outline of the meeting's agenda including an update on the MarketFront Bond Issuance process, amendment to the Development Agreement Covenant and a presentation on the MarketFront public artwork along Western Avenue.

B. Executive Director's Report

Ben Franz-Knight noted that there was a written ED Report included in the PDA Council packet for April. He briefly discussed the "9 ½ Block" efforts from the Seattle Mayor, noting that we had hosted a Downtown Stakeholders meeting with SPD and the Mayor's office following the Mayor's announcement of "9 ½ Block Strategy" to address crime downtown. He lastly noted that there would be a resolution coming to the May Finance & Asset Committee meeting regarding an attempt to resolve the odor issues in the preschool.

I. Update on MarketFront Public Art "Reflection" by graypants

Ben Franz-Knight briefed the PDA council on the status of the proposed public art, "Reflection" by artist's graypants. He reported that the graypants art proposal was denied by the Market Historic Commission (MHC) by a vote 4-4. He had noted that there are two options to proceed which include appealing the decision or reapplying. He lastly mentioned that Tamra and Lillian would meet with the artist on Friday.

Matt Hanna asked for further detail on the denial with the basis of the MHC criteria.

Ben Franz-Knight mentioned a few aspects for MHC denial included potential view blockage, circulation and materiality issues compared with the new site.

Bruce Burger asked about the timeline for the artwork and choosing which path to proceed with MHC. Bruce also asked if there would be any challenges with the approval and timing of the art piece.

II. Western Avenue Improvements

Ben Franz-Knight provided a report on the Western Avenue Enhancements noting that a resolution would be returning to the Committee in May for the work proposed for the Pine Street steps.

Matt Hanna added that there was good follow-up on the Western Avenue efforts and integrating the Market as a whole and thinking creatively at the recent Executive Committee meeting.

Rico Quirindongo mentioned cross pollinating the discussion with all committees in support of the idea that Western Avenue can become a connector to the Waterfront and Market.

C. Committee Chair Report

None

D. Other Reports

None

IV. Key Issues and Presentations

A. MarketFront Financing Update & Revision to Resolution 15-07: Issuance of Special Obligation and Refunding Bonds

Fred Eoff provided an update to the MarketFront financing components. He discussed the work being done in regards to the bond credit rating with Standard & Poor's (S&P), which would be presented on in San Francisco early next week.

Stacey-Crawshaw Lewis, Counsel from Pacifica Law Group reviewed the revisions to Resolution 15-07: Issuance of Special Obligation and Refunding Bonds. She reported to the committee that this resolution would be later ratified at the Special PDA Council meeting, tentatively set for May.

There was a discussion that followed by the PDA Council.

Matt Hanna asked if there was any concern on the impacts of the credit rating with underwriting constraints.

Fred Eoff had explained the rating evaluating service with the PDA Council.

John Finke noted that it sounds like they want to put us in a project based financing instead of a government based model.

Fred Eoff commented on John's comment, stating that the PDA is an established industry, which is not true project based financing.

John Finke asked that if we do not like the rating, would we look at other options such as with credit agencies like Moodys or Fitch.

Fred Eoff noted that S&P would have the ability to grapple with this rating. He further added that Moodys have similar criteria as with S&P.

John Finke noted that he would like to see a copy of the ratings book.

Matt Hanna asked about what concerns Fred had that would have an impact on the rating.

Fred Eoff responded that we are more confident, especially since we have brought in more senior analysts. He added that now that we have the team in place that we have, he is more optimistic.

B. Action item: Proposed Amended Resolution 15-15: Approval of Development Agreement Exhibits: Exhibit E- Form of Quit Claim Deed, Exhibit F - Form of Covenant and Exhibit G - Form of Easement

Ben Franz-Knight introduced Proposed Amended Resolution 15-15 which states that The Pike Place Market Preservation and Development Authority (“PPMPDA”) has been actively engaged in the prospective redevelopment of the PC-1N site with the MarketFront project (MarketFront) in conjunction with emerging plans for the redevelopment of the central waterfront by the City, as reflected in over 15 resolutions adopted by the PPMPDA Council since 2012; and Whereas, Consistent with the guidance provided by the PPMPDA Council-adopted resolutions, the PPMPDA has completed the negotiation process with the City for a Development Agreement Concerning Redevelopment of the PC-1 North Site Within the Pike Place Market Historical District (the “Development Agreement”); and Whereas, The PPMPDA previously approved the Development Agreement Concerning Redevelopment of the PC-1 North Site Within the Pike Place Market Historical District (the “Development Agreement”) between the between the Pike Place Market PDA and the City of Seattle at the February 9th Special Meeting of the PDA Council with Resolution 15-10; and Whereas, The PDA Council approval of the Development Agreement was subject to review and approval of exhibits E - Quit Claim Deed, F - Form of Covenant and G - Form of Easement by the PDA council at its February 26, 2015 meeting; and Whereas, The PDA Council approval of the Development Agreement was subject to review and approval of exhibits E - Quit Claim Deed, F - Form of Covenant and G - Form of Easement by the PDA council at its February 26, 2015 meeting; and

Now, therefore be it resolved that

1. Exhibit E- Form of Quit Claim Deed, Exhibit G - Form of Easement and as amended by the Seattle City Council, Exhibit F - Form of Covent as attached hereto are approved by the PDA council.

Jackson Schmidt moved, Gloria Skouge seconded

Ben Franz-Knight briefly discussed the changes made to the covenant as part of the Development Agreement with the City.

Matt Hanna talked about potential constraints with the updated covenant and the requirements with the parking garage that could potentially overlap. Matt added that we have the ability to decide when that driveway access is available. He also noted that the city covenant does not strictly define short term parking unlike the state covenant.

John Finke noted to make sure that the covenant does not become part of the security package since this could be a problem if this had to be approved by the bond holders.

For: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Patrice Barrentine, Betty Halfon, Rico Quirindongo, John Finke, Bruce Burger, Ann Magnano, David Ghoddousi

Against: 0

Abstained: 0

Resolution **15-15**: Approval of Development Agreement Exhibits: Exhibit E- Form of Quit Claim Deed, Exhibit F - Form of Covenant and Exhibit G - Form of Easement passed unanimously by the PDA Council by a vote of 11-0-0.

V. Resolutions and Other Action Items (Old and New Business)

A. Consent Agenda

Proposed Resolution **15-24**: Insurance Renewal for period May 1, 2015 - April 30, 2016

Proposed Resolution **15-25**: Lease Proposals - April 2015

Proposed Resolution **15-26**: Authorization for Contract Authority - Replacement of Cardboard Compacter

Motion to approve the Consent Agenda

For: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Patrice Barrentine, Betty Halfon, Rico Quirindongo, John Finke, Bruce Burger, Ann Magnano, David Ghoddousi

Against: 0

Abstained: 0

The Consent Agenda passed unanimously by the PDA Council by a vote of 11-0-0.

B. New Business

Action Item: Proposed Resolution: **15-19**: MarketFront Public Art Design - “Western Tapestry” by John Fleming

Tamra Nisly provided a brief introduction to the Western Avenue Public Art Presentation by John Fleming. She had noted that the presentation was recently given at the recent Finance & Asset Management Committee meeting.

John Fleming presented on his proposed art piece for Western Avenue called “Western Tapestry”. He provided a background on artist concept for the piece including the following technical elements for the proposed art which included a 250-ft. long curving aluminum tapestry, 6-ft tall at North end, 23’ tall at South end, Tapestry composed of 1/8” thick 4” wide aluminum strips cut in 12’, 8’, 6’, and 4” lengths to accommodate height variations from 6’ to 23’,. The bottom height of aluminum strips would be placed approximately 8-ft above the sidewalk. There would be aluminum strips painted on one side through a crowd-sourcing project in which the back side of aluminum strips would be left unpainted. Lastly, the back wall would be illuminated with a programmable color changing LED lighting system. He lastly discussed about potential color and themes that would be transposed on the panels with the Committee.

Tamra Nisly introduced Proposed Resolution **15-19** to the PDA Council which states that the Pike Place Market Preservation and Development Authority (“PPMPDA”) was chartered by the City of Seattle pursuant to RCW 35.21.730 *et. seq* with the mission of, among other things, preservation and rehabilitation of the structures and open spaces in the Market Historic District, and: Whereas in order to maintain the viability of the Pike Place Market and the PPMPDA has undertaken an effort to identify and address issues and opportunities related to the design of the Central Waterfront and the development of parcels adjacent to the Market including PC-1N that may directly affect the future of the Market. Whereas, the PPMPDA is required to include public art as a component of the MarketFront project and identified the Market Foundation to lead the art procurement and fundraising efforts; and, Whereas, the Market Foundation in coordination with the City of Seattle Office of Arts and Culture conducted a public art procurement process which consisted of a public Call for Artists issued in November 2013 seeking unique works of art. The art procurement process included a Selection Committee consisting of two PDA Council Members, two Market Foundation Board Members, one project team member and one community member; and, Whereas, the Market Foundation in coordination with the City of Seattle Office of Arts and Culture and the Selection Committee selected artist John Fleming to commission a piece of art now entitled “Western Tapestry.” This installation is a 250 ft. long curving aluminum tapestry composed of aluminum strips in varying lengths. The front side of the piece will be painted in a multitude of colors and the back side will be illuminated with a programmable color changing LED lighting system as shown in attached Exhibit A.

Now, therefore be *it* resolved that the PPMPDA approves of “Western Tapestry” being included as an installation along the east side of Western Ave. as shown in Exhibit A.

John Finke moved, Ann Magnano seconded

For: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Patrice Barrentine, Betty Halfon, Rico Quirindongo, John Finke, Bruce Burger, Ann Magnano, David Ghoddousi
 Against: 0
 Abstained: 0

Resolution **15-19**: MarketFront Public Art Design - “Western Tapestry” by John Fleming passed unanimously by the PDA Council by a vote of 11-0-0.

Action Item: Proposed Resolution: **15-27**: MarketFront Project (PC1N) Miller Hull - Construction Administration

Ben Franz-Knight introduced Proposed Resolution **15-27** which states that the Pike Place Market Preservation and Development Authority (“PPMPDA”) was chartered by the City of Seattle pursuant to RCW 35.21.730 *et. seq* with the mission of, among other things, preservation and rehabilitation of the structures and open spaces in the Market Historic District, and; Whereas, in order to maintain the viability of the Pike Place Market and the PPMPDA has undertaken an effort to identify and address issues and opportunities

related to the design of the Central Waterfront and the development of parcels adjacent to the Market including PC-1N that may directly affect the future of the Market, and; Whereas, the PPMPDA has completed Construction Documents phase of design and have determined that Construction Administration is the final segment of design work that is critical to successful construction, and; Whereas, the PPMPDA executed a public process to select Miller Hull, and executed a contract for Schematic Design, Design Development and Construction Documentation phases, which are now complete, and; Whereas, the PPMPDA has successfully completed negotiations with Miller Hull, and established a scope of work for the completion of Construction Administration responsibilities for a fee of \$680,000 and is now ready to enter into a contract for those services, and;

Now, therefore be it resolved that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Miller Hull in an amount not to exceed \$680,000 for Construction Administration services during the construction of the Waterfront Entrance project. Consistent with Resolution 15-07 and consistent with any subsequent Council resolutions, the contract for this work is contingent upon a successful bond sale and the PPMPDA receiving a notice to proceed from the City of Seattle.

The funds for this project will be drawn from 110635-00 MarketFront Project Funds.

Betty Halfon moved, Rico Quirindongo seconded

For: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Patrice Barrentine, Betty Halfon, Rico Quirindongo, John Finke, Bruce Burger, Ann Magnano, David Ghoddousi

Against: 0

Abstained: 0

Resolution **15-27**: MarketFront Project (PC1N) Miller Hull - Construction Administration passed unanimously by the PDA Council by a vote of 11-0-0.

Action Item: Proposed Resolution: **15-28**: MarketFront Project (PC1N) Shiels Obletz Johnsen, Inc - Project Management Services

Ben Franz-Knight introduced Proposed Resolution **15-28** which states that the Pike Place Market Preservation and Development Authority (“PPMPDA”) was chartered by the City of Seattle pursuant to RCW 35.21.730 *et. seq* with the mission of, among other things, preservation and rehabilitation of the structures and open spaces in the Market Historic District, and: Whereas in order to maintain the viability of the Pike Place Market and the PPMPDA has undertaken an effort to identify and address issues and opportunities related to the design of the Central Waterfront and the development of parcels adjacent to the Market including PC-1N that may directly affect the future of the Market. Whereas, the PPMPDA has determined that Project Management services are necessary for the design, development and construction of the PC1-N project; and, whereas, the PPMPDA executed a public process to select Shiels Obletz Johnsen, Inc. and executed a contract for Project Management Services which is now complete; and, whereas, the PPMPDA has

successfully completed negotiations with Shiels Obletz Johnsen, Inc. and established a scope of work for additional Project Management Services for Construction Administration services per the Consultant Project Management Services for PC1-N an amount not to exceed \$850,000; and

Now, therefore be it resolved that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract for Project Management Services with Shiels Obletz Johnsen, Inc. in an amount not to exceed \$850,000 to provide Construction Administration for the execution of the Pike Place Market Waterfront Entrance project. Consistent with Resolution 15-07 and consistent with any subsequent Council resolutions, the contract for this work is contingent upon a successful bond sale and the PPMPDA receiving a notice to proceed from the City of Seattle.

The funds for this project will be drawn from 110635-00 MarketFront Project Funds.

Betty Halfon moved, Rico Quirindongo seconded

For: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Patrice Barrentine, Betty Halfon, Rico Quirindongo, John Finke, Bruce Burger, Ann Magnano, David Ghoddousi
Against: 0
Abstained: 0

Resolution **15-28**: MarketFront Project (PC1N) Shiels Obletz Johnsen, Inc - Project Management Services passed unanimously by the PDA Council by a vote of 11-0-0.

Action Item: Proposed Resolution: **15-29**: MarketFront Project (PC1N) Special Inspection Services – Mayes Testing Engineers, Inc.

Ben Franz-Knight introduced Proposed Resolution **15-29** which states that the Pike Place Market Preservation and Development Authority (“PPMPDA”) was chartered by the City of Seattle pursuant to RCW 35.21.730 et. seq with the mission of, among other things, preservation and rehabilitation of the structures and open spaces in the Market Historic District, and: Whereas in order to maintain the viability of the Pike Place Market and the PPMPDA has undertaken an effort to identify and address issues and opportunities related to the design of the Central Waterfront and the development of parcels adjacent to the Market including PC-1N that may directly affect the future of the Market. Whereas, the PPMPDA has determined that Special Inspections Services are required for monitoring during construction for the MarketFront project; and, Whereas, the PPMPDA executed a public process to select Mayes Testing Engineers, Inc. to provide special inspection services; and, Whereas, the PPMPDA has successfully completed negotiations with Mayes Testing Engineers, Inc. to establish the scope and budget for the required special inspections scope of work necessary to complete the construction monitoring and is now ready to enter into a contract for services in an amount not to exceed \$230,000.

Now, therefore be it resolved that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract for Special Inspection Services with Mayes Testing Engineers, Inc., in an amount not to exceed \$230,000 for the execution of the MarketFront project. Consistent with Resolution 15-07 and consistent with any subsequent Council resolutions, the contract for this work is contingent upon a successful bond sale and the PPMPDA receiving a notice to proceed from the City of Seattle.

The funds for this project will be drawn from 110635-00 MarketFront Project Funds.

Betty Halfon moved, Rico Quirindongo seconded

For: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Patrice Barrentine, Betty Halfon, Rico Quirindongo, John Finke, Bruce Burger, Ann Magnano, David Ghoddousi

Against: 0

Abstained: 0

Resolution **15-29**: MarketFront Project (PC1N) Special Inspection Services – Mayes Testing Engineers, Inc. passed unanimously by the PDA Council by a vote of 11-0-0.

Action Item: Proposed Resolution: **15-30**: MarketFront Project (PC1N) Sellen Pre-Construction Add Services and Early Works

Ben Franz-Knight introduced Proposed Resolution **15-30** which states that the Pike Place Market Preservation and Development Authority (“PPMPDA”) was chartered by the City of Seattle pursuant to RCW 35.21.730 *et. seq* with the mission of, among other things, preservation and rehabilitation of the structures and open spaces in the Market Historic District, and; Whereas in order to maintain the viability of the Pike Place Market and the PPMPDA has undertaken an effort to identify and address issues and opportunities related to the design of the Central Waterfront and the development of parcels adjacent to the Market including PC-1N that may directly affect the future of the Market, and; Whereas, the PDA Council adopted Resolution 13-56 approving PPMPDA selection of Sellen as the GC/CM Contractor and enter into a contract with Sellen for Pre-Construction Services and adopted Resolution 15-01 approving PPMPDA to enter into an early works contract with Sellen for release of early work scope, and; Whereas, PPMPDA has extended pre-construction services February 2015 – May 2015 due to delay in start of construction. Additionally Sellen has identified additional early work scope to set the project up and begin construction, and;

Now, therefore be it resolved that the PPMPDA Council authorizes the PPMPDA Executive Director or his designee to enter into a contract with Sellen in an amount not to exceed \$ 316,000 which includes \$66,000 for pre-construction services through May 2015 and \$250,000 for additional NSS early works.

The funds for this project will be drawn from 110630-01 – PC1-N State Funds.

Rico Quirindongo moved, Rico Quirindongo seconded

For: Matt Hanna, Gloria Skouge, Jim Savitt, Jackson Schmidt, Patrice Barrentine, Betty Halfon, Rico Quirindongo, John Finke, Bruce Burger, Ann Magnano, David Ghoddousi

Against: 0

Abstained: 0

Resolution **15-30**: MarketFront Project (PC1N) Sellen Pre-Construction Add Services and Early Works passed unanimously by the PDA Council by a vote of 11-0-0.

C. Other

VI. Further Public Comment

Frank Coble commented on the proposed public art noting that it does look like the Market. He said that we should go back to the drawing board for the public art on the Plaza.

Joan Paulson commented on the presentation with Citibank and the expectations on paying a higher interest rate for their service. She stated that we needed to start now with our negotiations with the new expansion, adding that what we see as assets now could be a liability. She separately commented on the planning efforts for the PDA Council retreat, noting that the retreat should be scheduled between May through July, and prior to when the budget is established. She lastly commented on the Western Tapestry art work by John Fleming noting that the art structure should be programmed to withstand 110 mph winds.

Pearl Vernon noted that she had spoken a year ago to the PDA Council about the poor condition of the ladies restrooms in the DownUnder. She had stated that she had called Ben about having the locks replaced, in which four out of the five stalls had broken locks. She had come to the meeting tonight requesting that something gets done with the ladies restrooms.

Haley Land noted that the fact that there were not enough craftspeople at the meeting when the PDA Council voted for Proposed Resolution 15-23 may be by some fault from the community. He asked if there was a way to publicize to the community regarding issues that may require community input prior to voting.

VII. Concerns of Committee Members

Ann Magnano had mentioned that there was an article recently in the Sunday's times on the Pike Place Market regarding sustainable local farming. She separately asked about Matt Steinbrueck's comments regarding the Market line policy management. She has asked if there is something that can be done to address the crowds and noise.

Ben Franz-Knight responded Ann's previous comment on the line management policy in the Market. He had mentioned that Matthew Steinbrueck's concern has been ongoing for the last 25 years. He had identified one potential new approach which has to do with

sound travelling down the hallway to Matt's business. He said he would report back to the Council on this front. -

Ann Magnano also mentioned that the stairway near Pike Place Fish that also leads down to the restrooms is frequently blocked; she noted that this is not just a noise concern but also a crowd concern.

Frank Coble mentioned getting a light at the crosswalk on Western Avenue since it is very dark on that street way.

VIII. Adjournment

The meeting was adjourned at 6:02pm. Matt Hanna, PDA Council Chair

Meeting minutes submitted by:
Dianna Goodsell, Administrative Services Coordinator