

Pike Place Market PDA Council Meeting Minutes

Date: Thursday, September 28, 2023

Time: 4:00 p.m. – 6:00 p.m.

Location: Economy Building Classroom (1435 First Ave, 3rd Floor) **OR**

Join Zoom:

<https://us02web.zoom.us/j/81690121247?pwd=eINoZTNzMjlWSXNuYWR5TWxMR010dz09>

OR Dial 253-215-8782 (alternative number 253-205-0468), Meeting ID: 816 9012 1247, Passcode 850646

ALL PPMPDA COUNCIL MEETINGS ARE BEING HELD BOTH IN PERSON AND VIRTUALLY VIA ZOOM.

Council Members Present: Devin McComb (Chair), JJ McKay (Vice-Chair), Jan Hendrickson (Secretary/Treasurer), Patrice Barrentine, Gina Karaba, Ray Ishii, Gordie McIntyre, Paul Neal, Margaret Norton-Arnold, Nick Setten, Russell Monroe, and Gundeep Singh

Staff/Consultants Present: Mary Bacarella, Karin Moughamer, John Turnbull, Brady Morrison, EJ Griffin, Erica Bates, Ashley Conradi, Sabina Proto, Tanya Sinkovits, Zack Cook, Madison Bristol, Deb Guenther (Mithun), Ashley So (HR&A), Sulin Carling(HR&A), Mike Rubin

Others Present: Bob Messina, Joan Paulson, Chris Scott, Lillian Sherman, Emily Pike, Frank Coble, Annie Lannin, Heather Pihl, Daniel Flemming, Craig Eismoe, Chuck Saul, Robert Jones, Jonathan Berner, Alex Rasmussen, Miranda Arney, Mark Childs, Megan Carlisle, Tisbury Pringle-Ennis, Fanny Andrews, Kelice Penney, Rachel Powell, and five other member of the public.

The meeting was called to order at 4:02 pm by Devin McComb, Chair.

1. Administration

A. Approval of the Agenda

The agenda was approved by acclamation.

B. Approval of the August 31, 2023 Meeting Minutes

The August 31, 2023 Meeting Minutes were approved by acclamation.

C. Approval of the September 5, 2023 Special Meeting Minutes

The September 5, 2023 Special Meeting Minutes were approved by acclamation.

D. Approval of the September 14, 2023 Special Meeting Minutes

The September 14, 2023 Special Meeting Minutes were approved by acclamation.

2. Public Comment Including the Market Community

Lillian Sherman commented on behalf of the Foundation and Five Families sharing excitement at the Special Council Meeting on August 17. She expressed hope the conversation would continue and asked for clarification if there would be further conversations on the topic of Social Services in the Master Plan.

Margaret Norton-Arnold joined the meeting at 4:07p.m.

Frank Coble commented he would like the revocation of his Daystall permit reevaluated.

Daniel Flemming commented in opposition to the 5% processing fee that would be applied to rent payments.

Jonathan Berner commented in opposition to the 5% processing fee for credit payments. He noted it was higher than other institutions and asked it be reevaluated.

JB commented in favor of an ACH payment option. She noted the 5% fee seems high.

Tisbury Pringle-Ennis commented in opposition to the 5% fee. She also requested the PDA office be open in order for physical checks to be delivered.

Bob Messina commented slide number 23 of the Small Business Hub stated visitors recognize Pike Place Market is not a launch pad for new businesses and felt it wasn't a correct interpretation of survey responses. He noted businesses do expand beyond Pike Place Market, but not all and this should not be an expectation for Market businesses.

Joan Paulson thanked the Council for two public comment periods. She commented she felt the subject is valuable and that it is good DEI was included. She added the PDA does not have a DEI policy or implementation plan. She appreciated the inclusion of the Charter, leasing guidelines, the Hildt-Licata Agreement and the Daystall Rules as the basis of the conversation. She noted the information included should have been provided earlier. She added the data showing tenure of Market businesses evinces the Market's success. She expressed concern at the inclusion of the term highest and best use.

Rayana White commented in opposition to the 5% credit card fee. She expressed support of having an employee at the PDA office window to accept physical checks.

Cindy Mounts commented in opposition to the 5% fee and would like clarification on what happened.

3. Discussion Items

A. Master Plan: Pike Place Market as a Small Business Hub

Sulin Carling prefaced the presentation with a review of the potential plan with Small Business Hub as a focus. She then reviewed the historical documents informing this discussion, such as the Charter, leasing guidelines, the Hildt-Licata Agreement, and the Daystall reviews.

1. Defining a Small Business Hub

Sulin Carling provided an overview of the functions of a Small Business Hub, including:

- Incubation
- Acceleration
- Sustainability

She then defined what a business incubator and accelerator does and shared what an entrepreneur's journey under both. She also shared what a legacy business may need.

Ashley So shared an example of business incubation. The business was the Seattle Food Innovation Network and she highlighted key points, which were:

- Business Planning support
- Affordable kitchen and retail space
- Networking and mentorship opportunities.

Ashley So shared a business as an example of business acceleration. Propeller Impact Accelerator in New Orleans, a small business accelerator, had these key features:

- Inclusive entrepreneurial ecosystem responding to community needs
- Support for ventures grounded in financial viability, social impact, racial equity, and a commitment to the city and region
- 5-month program
- Free co-working space
- 1 on 1 consulting

Ashley So then shared a model of sustaining a business, Welcome to Chinatown. The takeaways from this model were:

- Keeping Chinatown open for generations to come
- Empower new AAPI entrepreneurs in NYC's Chinatown and preserve and support legacy businesses
- Create a community space that embraces innovation and creativity
- 1 on 1 small business support and referrals to professional services
- Free workshops
- Cohort-based training programs
- Networking and community building events
- Co-working space
- Marketing and pop-up opportunities

Finally, Ashley So shared some examples of other public markets. She noted only a handful of public markets are currently thinking of accelerating and incubating businesses in house. These examples were Boston Public Market, which hosted a six-seminar educational program and Reading Terminal Market, where repurposed carts were rented out as flexible kiosks for vendors in a short period.

Ashley So then discussed identified best practices from all of the above, acknowledging some were already provided to Pike Place Market businesses. These best practices included:

- Explicit mission statement
- Targeted audience
- Defined educational program period
- Resources such as small business training, mentorship, affordable/dedicated space, financial resources, network and community, opportunities to meet investors, and Market exposures

Nick Setten asked if Ventures was not included in the main deck of the PowerPoint and why it was left to the appendix. He'd like to hear key takeaways from Ventures. Ashley So clarified the incubator example provided demonstrated a potential strategy focusing on one sector of business, such as food over a diverse range of businesses. Sulin Carling also added the team wanted to share outside examples as it has been of interest to the Council in previous discussions.

Nick Setten commented acceleration and incubation are efforts are already underway at the Market. He wanted that in mind as the conversation moves forward. Sulin Carling agreed and commented there would be suggestions of ways the Market could expand upon those efforts.

2. Small Business at PPM Today

Ashley So shared a pie graph detailing business tenure at Pike Place Market. She emphasized nearly 40% of businesses had been at the Market for over 30 years and 16% had been at the Market for under five years. In the next slide, she noted farm businesses tend to have the highest number of new vendors and food vendors tended to have a higher number of established businesses.

Devin McComb commented he'd seen previous versions of the data and wondered what makes for a more successful incubator or accelerator. He wondered if it was better to have a mix of new and established businesses. He commented having newer businesses coming in could suggest businesses are doing well enough to move out of the Market and expand. There was a discussion on the importance of having a mix of legacy and new businesses as well as whether the goal of incubation and acceleration was to have businesses grow beyond Pike Place Market.

Patrice Barrentine commented for farm businesses, it was rare to last above 40 years and that succession planning can be a challenge. She noted the discussion of businesses leaving Pike Place ties back to the question of capitalizing on previous and future successes.

Ashley So then discussed challenges facing incubation and acceleration at Pike Place Market, including:

- A long and complicated leasing process
- Exclusive leasing to one and only businesses
- Limited shared working/studio spaces and temporary spaces
- Strict Daystall rules
- Lack of a merchants' association
- Lack of revenue data from Daystall
- Current small business support and training has a limited reach

Ashley So reviewed a list of businesses that had grown out of Pike Place Market and noted there could be more. In the following slide, she shared the data from visitors on their impression of the Market and how relatively few people think of it as a launch pad for new businesses. Sulin Carling followed by sharing suggestions based on their findings.

3. Discussion

Margaret Norton-Arnold asked if the role of Small Business Hub would be different from Food Life Destination. Sulin Carling answered that these two roles would likely be different scenarios in October, but favoring one role would not mean forgetting the other roles. She added the scenarios presented in October would allow for councilmembers to prioritize what resonates the most. All roles would be present in the final plan, with some roles being larger than others.

JJ McKay asked if other public markets have limits on the types of offerings to avoid overlap. Mike Rubin commented the Reading Terminal Market requires 70% producers and is working hard to cultivate producers. The kiosk program offers different foods and a greater diversity in prepared foods.

Gundeep Singh commented it is important to analyze incubation and acceleration in the Market and should be a part of tenanting in the future. He noted there should be consideration of the resource

intensity and legal structures required. He suggested the team considers what is possible now and what changes could be made to provide business incubation and acceleration, such as a unified POS system. Sulin Carling commented it would be an operation lift, but there was a potential to partner with an established incubator or building an in house incubation system. Ashley So commented it was useful to consider whether being an accelerator took a cut from businesses starting in the Market, as it could limit businesses.

Patrice Barrentine commented partnering with established incubators could help in diversifying the Market and there are many successful accelerators and incubators in Washington.

Nick Setten commented the Small Business Association could be a potential partner and wondered if they'd be considered. Sulin Carling and Ashley So answered in their work with other organizations they had not partnered with such an organization, but it was something that could be explored. Mary Bacarella clarified that there are many organizations that would be identified as potential partners.

Patrice Barrentine noted past partnerships that could tie into future partnerships and sources of funding.

Devin McComb discussed the difficulties in incubating businesses and the tension of wanting to grow businesses but keep them. Nick Setten commented this has been a struggle of the Market since its early days. Devin McComb noted there were finite resources, limited space, and a there was a need to maintain legacy businesses' happiness and profitability.

Gundeep Singh commented there needs to be a way to measure success and part of that success was keeping tenured businesses and the ability remain occupied. He noted the value provided to tenants with below market rents, a captive audience, and facilities management which exceeds what is offered in a normal business setting. He noted there isn't often a return in that value provided.

Ray Ishii commented in agreement with Devon McComb. He noted there was likely a large difference between the ideas laid out in 50 years ago and the present day. He was interested in how a plan could engage the Native American community.

Nick Setten commented it would be interesting to map out what it would look like to be a business in the Market. He added there were instances of other businesses copying the Market's business model.

Paul Neal asked if there was a way to capitalize on those visiting the Market for one specific attraction and having them explore new businesses. Mike Rubin responded that having interesting, limited events can pull in local visitors. John Turnbull added there needs to high rotation, short term stays in a centralized location that locals would be aware of. One such example he provided was creating a space for vendors from seasonal farmers markets coming in during the off seasons. He also proposed these pop ups could be themed or focused, highlighting different cuisines and topics.

Jan Hendrickson commented she would like to explore further ways to support incubation and acceleration, whether that be partnering with another organization or developing that competency within the Market. She continued in noting the partner agency did not necessarily have to be local, as there are federal programs that could support the Market.

Gina Karaba commented her business was incubated at the Market and it was useful having an affordable space. She commented in support of bringing festivals back. She questioned if businesses leaving during COVID impacted the tenure rates at the Market.

Paul Neal observed he'd heard the notion that being a Small Business Hub was essential, but couldn't be the full focus. He suggested it could be folded into the role of Food Life Destination as a support. Devin McComb agreed, but noted it should be part of the key goals and would play into some of the partnerships Pike Place Market plays as part of the Downtown Activation. JJ McKay mentioned there was a potential for pop ups outside of the Market as well, drawing business back through activation events around the city as one of the anchors of downtown.

Ashley So returned to Gundeep Singh's earlier comments on economics, noting that requiring incoming businesses at the Market be unique to the Market at their inception presented some risk. She cited this as reasoning for why extra support would be useful to guaranteeing better economic performance. She concluded emphasizing this conversation was of interest to many, and should there be further ideas it was possible to reach out through email.

4. Action Items

A. New Business

i. Proposed Resolution 23-45: Regarding Pike Place Market Preservation and Development Authority Council Officers and Committees

Jan Hendrickson presented Proposed Resolution 23-45 which states:

WHEREAS, The Pike Place Market Preservation and Development Authority (the "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, under its City Charter, the PPMPDA Council is to have certain officers and an Executive Committee. The Charter authorizes the Council to form additional committees. The Charter also directs the Council to adopt Rules and Regulations "for governing the PDA and its activities as are not inconsistent with (its) Charter",¹ specifically including "(t)he existence of committees. . ."². The Charter provides additional direction with respect to amending the Rules and Regulation³; and,

WHEREAS, the Council wishes to alter the composition of its Executive Committee, as currently comprised. Accordingly, as required under its Charter, the PPMPDA Rules and Regulations, Article III, Section 7 is proposed to be amended as follows:

Section 7. Executive Committee.

The Executive Committee shall be comprised of six members, as follows: the Chairperson of the PDA Council (who shall serve as Chair of the Executive Committee); the Vice Chairperson of the PDA Council; the Secretary of the PDA Council; the Treasurer of the PDA Council (who shall serve as the Chair of the Council Finance and Asset Management Committee); Chairperson of the

¹ PDA Charter Article X

² PDA Charter Article X(1)

³ PDA Charter Article XI

Council Market Programs Committee; and one at-large member. The election, qualifications and term of office of the member at-large of the Executive Committee shall be identical to those of officers of the Council as provided herein in Section 2, 4, and 5 of this Article III.

Except as provided in Sections 2 and 3 of Article VII of the Charter of Pike Place Market Preservation and Development Authority, the Executive Committee shall have and exercise such powers of the Council of Pike Place Market Preservation and Development Authority as the Council shall from time to time provide by resolution.

NOW, THEREFORE BE IT RESOLVED that the PPMPDA Council hereby adopts the Amendment to PPMPDA's Rules and Regulations as provided herein. As provided in the Charter, such amendment shall take effect ten (10) days after it is filed with the City of Seattle Clerk.

Jan Hendrickson noted this work has been underway for a year, almost two and that typically officers of an institution would serve on its Executive Committee. She highlighted additional changes that would be implemented by this resolution.

Jan Hendrickson moved the motion and Margaret Norton-Arnold seconded the motion.

Patrice Barrentine asked for clarification on the purpose of the proposed resolution. Jan Hendrickson answered that while the Executive Committee rarely votes, it can, and any votes in the Executive Committee would have to be approved by the Council at large. She noted there has been interest in refining and streamlining leadership of the Council. Paul Neal added this change isn't due to a crisis or unworkable situation, but this proposed resolution standardizes the Executive Committee and sets the Council up for stronger leadership.

JJ McKay asked if governance would be something investigated in the Master Plan process. Sulin Carling answered Council's structure and best practices would not be part of the discussion.

Nick Setten asked what the Executive Committee would potentially vote on. Devin McComb clarified the Executive Committee must always report back to the Council, but in an emergency situation there could be an Executive Committee meeting called. He clarified there used to be six members on the committee when there was a Waterfront Committee. He added there wasn't a historical reason for not having the Vice Chair on the committee. He voiced his support in merging the role of Chair of the FAM Committee and Treasurer.

Patrice Barrentine thanked Paul Neal and Jan Hendrickson for the clarification, and noted that there could be potential impacts to be considered. Gundeep Singh commented he agreed with Patrice Barrentine in that the quorum aspect could be potentially detrimental, but found the idea of combining the FAM Committee Chair with the role of Treasurer worthwhile.

For: Devin McComb, JJ McKay, Jan Hendrickson, Gina Karaba, Ray Ishii, Gordie McIntyre, Paul Neal, Margaret Norton-Arnold, Nick Setten, Russell Monroe, and Gundeep Singh

Against:

Abstain: Patrice Barrentine

Proposed Resolution 23-45 passed by a vote of 11-0-1

ii. Proposed Resolution 23-48: Reappointment of Council-selected Councilmember and Recommended Mayoral Re-Appointment

Devin McComb then presented Proposed Resolution 23-48, which states:

WHEREAS, the PDA Council annually selects a member of the Council to serve a four year term subject to approval by the Seattle City Council of such selection; and,

WHEREAS, the PDA Council annually puts forth a recommendation for a mayoral PDA Council to serve a four year term subject to approval by the mayor of Seattle and approval by the Seattle City Council of such selection.

NOW, THEREFORE, BE IT RESOLVED that the PDA Council elects Ray Ishii as a Council-selected councilmember for a four year term beginning July 1, 2023 to June 30, 2027 and recommends the Mayor re-appoint Jan Hendrickson for her second term as Mayoral Appointee from July 1, 2023 to June 30, 2027.

Paul Neal noted this would be Jan Hendrickson's second term. He added this would be Ray Ishii's third term and their experience would be important in the Master Plan process.

Paul Neal moved the motion and Margaret Norton-Arnold seconded the motion.

For: Devin McComb, JJ McKay, Jan Hendrickson, Patrice Barrentine, Gina Karaba, Gordie McIntyre, Paul Neal, Margaret Norton-Arnold, Nick Setten, Russell Monroe, and Gundeep Singh

Against:

Abstain: Ray Ishii

Proposed Resolution 23-48 passed by a vote of 11-0-1

B. Consent Agenda

i. Proposed Resolution 23-46: Authorization for Contract Authority Scanning and Digitizing Building Plans

ii. Proposed Resolution 23-47: Lease Proposals September 2023

The Consent Agenda was approved by acclamation.

5. Public Comment

Bob Messina commented there is a guest vendor program, Ventures, and the MarketFront Plaza. He felt the role of Small Business Hub is one already in place and not something the Market is deficient in. He expressed concern at the idea of accelerating businesses and having them leave.

Gundeep Singh left the meeting at 6:11p.m.

Rachel Powell agreed with Bob Messina's comments noting a space issue in the Craft line. She commented in opposition to the 5% billing fee. She requested better wayfinding in the parking garage.

A member of the public asked if there could be clarification on potential changes to the Daystall rules as part of the Small Business Incubation.

Jonathan Berner commented that many successful businesses in the Market do not leave. The businesses who do leave do so because they cannot grow in the Market. He added succession planning was challenging for Daystall vendors.

Gina Karaba commented the rules regarding succession planning are in place to prevent abuse of the system.

Joan Paulson supported previous comments on the 5% fee. She commented the PDA should develop a DEI policy. She expressed support for opening the PDA offices to the public. She concluded her comments noting the phrase highest and best use was struck from the 1971 planning process and she worried it would continue to play a role. She added with Resolution 23-45, there was a chance the Charter could be amended.

Cindy Mounts commented the 5% fee should be waived. She questioned who brings forward the ideas for the Master Plan process. She added the Market is a place for everyone.

Russell Monroe left the meeting at 6:25p.m.

Alex Rasmussen introduced himself and commented that a big way to support small and growing businesses would be to waive the 5% charge.

Daniel Flemming commented the meeting was useful and as a business owner of 17 years at the Market, he had not seen crafters leave the Market from successful incubation. He believed part of the growth provided by incubation could be further codified support for crafters.

Frank Coble commented in support of heating the outdoor areas in the winter.

Craig Eidsmoe shared his idea to put rubber pigs around Seattle with a QR code directing people to the Market.

Chris Scott commented the Rummage Hall should be reopened.

Rachel Powell commented expressing interest in reopening the PDA offices to the public.

6. Concerns of Councilmembers

Margaret Norton-Arnold shared that she will be receiving medical care and would likely miss the Market Programs Committee in October, but would hopefully attend the October Council meeting and Retreat.

Jan Hendrickson thanked councilmembers on a productive conversation on Resolution 23-45.

Paul Neal gave a point of order requesting councilmembers only speak during concerns of councilmembers and do not speak during the public comment period.

Devin McComb apologized to the Constituency leadership for the Council meeting running long.

7. Adjournment

The meeting was adjourned at 6:36 p.m. by Devin McComb, Chair.

Meeting minutes submitted by: EJ Griffin, Executive Administrator