

Pike Place Market PDA Council Special Meeting Minutes

Date: Thursday, October 26, 2023

Time: 1:00 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), Gundeep Singh (Treasurer), Patrice Barrentine, Gina Karaba, Ray Ishii, Gordie McIntyre, Paul Neal, Margaret Norton-Arnold, Nick Setten, and Russell Monroe

Staff/Consultants Present: Mary Bacarella, Karin Moughamer, John Turnbull, Brady Morrison, Juan Medina, EJ Griffin, Erica Bates, Ashley Conradi, Sabina Proto, Zack Cook, Madison Bristol, Deb Guenther (Mithun), Rosemarie Gregoire (Mithun), Doug Sharp (Mithun), Evan Bourquard (Mithun), Hillary Noll (Mithun), Candace Damon (HR&A), Ashley So (HR&A), Sulin Carling (HR&A), Mike Rubin (MRA International), Allegra Calder (BERK), Maddie Immel (BERK)

Others Present: Bob Messina, Joan Paulson, Chris Scott, Lillian Sherman, Annie Lannin, Heather Pihl, Clint Bennet, Craig Eidsmoe, Alex Rasmussen, Mark Childs, Haley Land, Christine Vaughan, Buster Simpson, Bruce Rutledge, Skip Knox, Jon Cracolichi

The meeting was called to order at 1:05 pm by Devin McComb, Chair.

1. Administration

A. Approval of the Agenda

The agenda was approved by acclamation.

B. Approval of the September 28, 2023 Meeting Minutes

The September 28, 2023 Meeting Minutes were approved by acclamation.

2. Public Comment Including the Market Community

Haley Land commented in favor of increased support for flower farmers. He requested more promotion for buskers and more recruitment efforts. He suggested a greater effort to recruit crafters and commented in support of more activation of the MarketFront Pavilion.

Joan Paulson commented on the history of Pike Place Market. She expressed opposition to the use of the phrase highest and best use. She shared her concerns with the Master Plan process. She concluded her comments noting she had Constituency membership paperwork for those interested.

Bob Messina commented noting some of the ideas proposed in the scenarios were backwards in their approach. He questioned the meaning and specificity of the term DownUnder in the Physical Experience sections.

3. Action Items

A. New Business

There was no new business.

B. Consent Agenda

- i. Proposed Resolution 23-49: Authorization for Contract Authority – Replace PC1 Alaskan Way Entry/Exit Overhead Grille Door
- ii. Proposed Resolution 23-50: Authorization for Contract Authority – Market Parking Garage PC-1 Conduits and Cabling Project
- iii. Proposed Resolution 23-51: Authorization for Contract Authority – Neighborcare Clinic Repair
- iv. Proposed Resolution 23-52: Lease Proposals October 2023

The Consent Agenda was approved by acclamation.

4. Discussion Items – Master Plan Scenario Presentation

A. Introduction

Devin McComb led the introduction noting the reason for the Master Plan and the process leading to the day's meeting. He encouraged the sharing of ideas and brainstorming. Mary Bacarella then emphasized the importance of the Master Plan in the continuation and enhancement of the success of the Market. She stressed the importance of the economic success of Pike Place Market in the furtherance of its social service missions.

B. Scenarios Presentation & Breakout Discussion

Candace Damon started the discussion reviewing where in the timeline the process was. She then shared the objectives for the workshop. Which were:

1. Choosing a preferred scenario including which items were critical or nice to have
2. Not selecting a single scenario, but the preferred components of each
3. The Consultant Team would craft a preferred scenario for the next meeting based on discussions

She then gave an overview of what a potential Master Plan would look like. She noted there was no plan yet, but the final plan would likely include three components: program, physical, organization, with DEI encompassing all components.

Next, she shared the three scenarios that would be discussed, which were:

- Food Life Destination
- Small Business Hub
- Downtown Anchor

She noted all three would include the five Master Plan goals. Additional constants in all scenarios were:

- Mission, values, and roles in the Charter remain a “north star”
- DEI is advanced
- Social services visibility and coordination is increased

- Physical improvements (such as ADA and universal accessibility), existing capital investment needs, and street management partnerships and seasonal adaptation strategies

Candace Damon provided a definition for activation and tenants as they relate to the Master Plan. She highlighted tenant mix as part of the Pike Place Market leasing guidelines and noted its importance in maintaining authenticity.

Sulin Carling then reviewed scenario one, Food Life. She appraised the premise of the scenario, citing the Market's mission, challenges, and unique opportunities around it. Next, she shared data from the survey of external visitors to the Market. She then shared strategies around the scenario's potential implementation and what potential changes might look like. Additionally, she presented sustainability's role as part of this scenario. She concluded by sharing the before and after for its potential implementation.

Ashley So next presented the second scenario, Small Business Hub. She shared the premise, noting the inspiration for this role and how historically the Market has played this role and can do more. She shared quotes from businesses interviewed in the interval market survey. In discussing strategies, she noted examples for tenant curation, activation, and DEI. She gave an overview of potential physical implementation of the scenario. She then reviewed three potential sustainability strategies included, which were:

- Improving indoor environmental quality
- Expanding economic opportunities
- Enhancing sense of comfort, safety, and belonging

She concluded with what the Market would look like before and after the implementation of this potential scenario.

Candace Damon then shared the third and final scenario, Downtown Anchor. She shared the premise, highlighting the contradicting need for the Market to have a seat at the table in the City, but also being a separate entity. She shared results from the internal survey showing strong support for Pike Place Market playing part in the revitalization of downtown. She then shared the key strategies for the scenario. She finished by sharing what the Market would look like before and after the implementation of the scenario.

Candace Damon then evaluated each of the three scenarios based on the goals of the Master Plan and the efficacy of each scenario in furthering those goals.

Sulin Carling reviewed Goal #4, defining financial sustainability, and discussed operating and capital costs associated with the goal. She noted operating expenses are rising faster than revenue. She reiterated Mary Bacarella's earlier point that in order to further the missions of the Market, revenue would need to increase. Regarding capital costs, she noted there had been a previous assessment in 2020 and there would likely be a levy funding some of the projects. She noted the Master Plan would incorporate a strategy for pursuing funding sources and generating public support.

Sulin Carling gave an overview of Pike Place Market's financial sustainability, with a chart showing expenses, revenue, and the net operating result. Key takeaways were:

- Historically, the Market operated at a 20-35% margin
- From 2016-2022 costs rose by 32%, but revenue only grew by 25%

She then reviewed the revenue structure, noting the largest sources of revenue were Commercial and Garage. She noted the top 20% of businesses accounted for over \$1M in sales and only one was in the DownUnder and only two were retail businesses. She shared potential strategies to increase revenue, including:

- Curation of dynamic tenant mix
- Investment in under-visited areas
- Attraction of more locals in shoulder seasons

She provided further suggestions to promote the three potential strategies to increase revenue.

JJ McKay asked for data on what Millennials are purchasing and interested in getting at the Market. He encouraged the consideration of who the customer would be in the coming years. Candace Damon agreed it would be good to consider and Mike Rubin would circulate the room to discuss JJ McKay's point with the various groups.

Candace Damon then explained the purpose of the breakout discussions. Allegra Calder gave an overview of the format for the discussions.

Councilmembers, PDA staff members, and members from the consultant teams broke out into group discussions from 2:20 p.m. to 3:10 p.m.

Patrice Barrentine gave a report out from her breakout group, noting the interest in the following:

- Local re-attraction and generating local revenue
- Emphasizing the Market's authenticity through featuring the Market's identity, digging into DEI
- Adaptability and the flexibility in curating tenants
- Partnerships with CID and Pioneer Square

Gundeep Singh gave a report out from his breakout group, noting the importance of these topics:

- Financial strength by growing revenue sustainably
- Ways to provide for tenants to help them grow long term
- Better metrics for tracking growth
- Emphasis on authenticity and attracting locals

Margaret Norton-Arnold gave a report out from her breakout group, sharing the following findings:

- Strong interest in a Food Life Scenario with built in Small Business Incubation and authenticity
- Supporting the missing middle
- Better financial data from tenants
- Flexibility in responding to changing customer needs

Candace Damon noted the groups had very similar findings, but the order was different from each. She shared her understanding of the discussions was there was a desire to balance authenticity and financial sustainability, and that this could be achieved through Food Life. She asked if there were any changes or additions from Council.

Nick Setten observed Food Life is part of the foundation of the Market. Amy Wallsmith responded that locals were a focus of her group's discussions. Ray Ishii noted engaging BIPOC communities was also a

major point of discussion. JJ McKay added that a lack of data from Market businesses challenges potential growth.

Gundeep Singh noted the similarity in the groups' conversations. He proposed streamlining business operations for better tracking of data.

Paul Neal added attracting locals would move the Market toward authenticity. Mary Bacarella commented tourists are increasingly interested in the local's experience and Seattle is known for being a city of innovation. The group discussed ways to attract locals and generate more revenue with the Master Plan.

Candace Damon asked if attracting local customers might include bringing in larger businesses currently unavailable downtown. Mary Bacarella commented the question was provocative, but played into a larger discussion on the limits of the rules for businesses in the Market and if there was room for adjustments that could be made to allow for more businesses. The group discussed the current tenancing situation at Pike Place Market and what potential changes could be implemented.

C. Break

There was a break from 3:35 p.m. to 3:50 p.m.

D. Physical Experience Presentation & Breakout Discussion

Evan Bourquard led the second session highlighting physical space concepts and issues as part of the Master Plan effort. He shared an agenda. He then reviewed a map of the Market highlighting places identified with different levels of need. He then identified three "experience zones" within the Market:

- 1st Ave Experience
- Pike Place Experience
- Western Ave Experience

He noted there were some concepts present in all ideas, including:

- Improving ADA and universal accessibility
- Partnering with BIPOC businesses to define presence
- Fostering street management partnerships
- Developing seasonal adaptation strategies of public space for locals
- Continuing discussions with MHC
- Prioritizing maintenance and upkeep initiatives

As a reminder, Evan Bourquard reviewed the components of the physical planning process, which were:

- Evaluation/further studies
- Financial/logistical challenges
- More conversations/many ways to solve

He then shared the four guiding principles for the physical strategies:

1. Be inclusive for all
2. Respond to the remaking of downtown and waterfront
3. Grow program capacity
4. Expand on seasonal and delightful public space

He shared the physical ideas along the three zones again and noted there were 15 proposed total and encouraged attendees to mark the ideas they found most compelling. Before providing an overview of the concepts, he noted any of the spaces could accommodate any scenario.

First, he presented ideas for Western Ave, noting with the opening of the waterfront there would be a lot of changes and opportunities. Proposed projects included:

- Redevelop Heritage House
- Expand pedestrian experience to/from Overlook Walk
- DownUnder: encourage tenants to improve views to/from the waterfront
- DownUnder: create larger entries around vertical circulation
- DownUnder: reconfigure retail space organization
- Improve Pike Place Market's presence on both sides of Western Avenue
- MarketFront: improve connection to Desimone Bridge

Deb Guenther then shared potential physical changes for First Avenue. She commented in addition to serving as a connection to downtown, there are many underutilized quiet spaces along First Avenue. The ideas presented were:

- Sanitary Atrium: vertical connection between 1st Ave & Post Alley
- Soames Dunn Courtyard: terracing to create new social dining
- Economy Atrium: increase visibility of entrances
- Post Alley: enhance sense of delight and exploration

Next, Maddie Immel discussed potential opportunities for Pike Place based on external and internal survey responses. She emphasized how complicated the discussion around the street usage was. She noted in an open ended question, 133 responses indicated they wanted to see street usage changed, 38 wanted no change. She stated there is a need for a management plan, which would come in the future and before the November meeting, survey results would be made available.

Deb Guenther and Evan Bourquard then presented ideas for Pike Place, which involved:

- Pike Place: iteratively test street management
- Pine/Stewart/Virginia: grow capacity of seasonal street use
- Main arcade: increase visibility of entrances at Pine and Stewart
- North arcade: enhance seasonal market stalls

Evan Bourquard encouraged the groups to select the most compelling ideas from the 15 proposed. He suggested groups consider the first session and think about which space changes would best support the potential scenarios from session one.

Councilmembers, PDA staff members, and members from the consultant teams broke out into group discussions from 4:30 p.m. to 5:15 p.m.

Margaret Norton-Arnold left the meeting at 4:32 p.m.

The groups returned from the breakout discussions and report outs were shared by their representatives.

Nick Setten shared his group's preferred physical ideas noting:

- Most compelling were the ideas along Western Avenue and the MarketFront

- Temporary and permanent roof structures along the Desimone Bridge connections and the Pavilion were discussed
- Redeveloping the parking lot entrance, Heritage House, and work along Western Ave were of particular interest and felt the most interesting
- Some in the group were interested in opening a vertical walkway from the Overlook through the DownUnder
- Repurposing the DownUnder to create a “speak easy” type of space
- Eating on Pike Place or on the adjoining streets
- Roof structures on Soames Dunn or creating a rooftop garden
- Maintaining water front views in the Down Under
- Creating visual commonality in stalls on the main street
- Expanding storage and office space off site

Gina Karaba shared her group’s discussion points, noting the takeaways were:

- Raising Western Avenue’s appeal to customers, such as opening the vertical connection to the Down Under
- An elevator in the DownUnder
- Connecting Heritage House to the waterfront
- More booths along the street
- Increasing seating
- Lactation areas
- Making use of pop-up spaces during construction
- Making the Atrium more inviting inside with better signage

Paul Neal presented his group’s findings, noting it was less about selecting and more about deselecting ideas. He added the group kept more ideas than they rejected. The difficulty and cost of a project was not a consideration as long as the value added exceeded other components. The ideas they found most compelling were:

- Reimagine Heritage House’s space and improve Pike Place Market’s presence on both sides of Western Avenue were ideas they felt tied together and were important
- Expand pedestrian experience to/from Overlook Walk in order to capitalize on projects along the waterfront
- Long term, local traffic would likely come from downtown, but there was a question on what was the definition of a local
- It would be impractical to tell tenants how to use their window space
- Instead of creating larger entries around vertical circulation, reconfiguring retail space organization in the DownUnder was preferred
- In improving the connection to Desimone Bridge, his group felt it was best to create a permanent covered space
- There was a lot of interest in better use of the Soames Dunn courtyard
- Spotlighting farmers on Pike Place

Candace Damon noted how difficult deselection could be, but felt the discussion was helpful and provided strong direction. Her takeaways were that PDA Council and staff liked Mithun’s ideas and there were three ideas for categories. The categories she identified were:

1. Programmatic and could be implemented right away with relatively low costs
2. Cheap ideas but difficult to implement
3. Expensive, long term ideas

She noted the ideas in category three were ideas that played into authenticity and dealt with increasing the connection to downtown. The ideas she noticed were agreed upon were one, two and six. There were ideas proposed not in the original 15 outlined by Mithun identified by staff and Council as well. These ideas included:

- Moving certain operations off-site
- Ensuring tenant services are effective and correctly placed
- Redesigning the Atrium to be more welcoming

JJ McKay asked for next steps and what would be expected of the PDA Council. He asked Mary Bacarella if there was a Heritage House update.

Mary Bacarella answered there would be an update at a later meeting on Heritage House from Juan Medina. Juan Medina added there was a Conditions Need Assessment underway and a full report would be available sometime in November. The report would outline where investments should be made, how much work would be required, if there is a need for internal programming in the space, and a projected cost for the renovation or if there would be a renovation at all.

JJ McKay asked if this would be done in partnership with other organizations. Juan Medina confirmed that with senior housing, there are special demands of the project and the property is being subleased to another organization.

Sulin Carling shared the next steps for the Master Plan. An additional meeting prior to the final draft of the Master Plan will be scheduled. The identified preferred scenario will be shared in that meeting. The consultant team would meet the following day to debrief and share takeaways from the Retreat. There would be more granular details following the in depth discussion. In December, the team planned to share a draft Master Plan.

Candace Damon reflected the consultant team would prepare a one page document for the PDA Council to review and critique the next day. Paul Neal commented it would be useful to have the consensus from councilmembers collected. JJ McKay requested Mike Rubin follow up with relevant retail information. Candace Damon replied that many experts do not know where retail is going and the present state could be shared, but the future is uncertain. She stressed that other organizations are advancing different exciting strategies but it wasn't clear what strategy would be successful. Mike Rubin commented patterns could be shared that would be relevant to the Market.

JJ McKay left the meeting at 5:43 p.m.

Paul Neal asked about the ideas prepared by the consultant team that ultimately were not shared at the Retreat. Candace Damon answered there were three categories for the 15 ideas, but ultimately none were eliminated. The three categories identified were:

- A programmatic and operational decision that is cheap and easy to implement
- A decision requiring collaboration with outside organizations that is difficult to implement and less valuable to the mission of the Market
- An expensive decision that builds on the mission; difficult to implement but worthwhile

Candace Damon noted there were ideas not present in the 15 shared at the Retreat that fell off.

Devin McComb made note of the 20 hours of PDA staff time in preparation of the Retreat, with an additional seven hours at the Retreat. He further commented on the extra hours put in by HR&A and the extended consultant team. He thanked the team for their informative presentations and discussions and noted he felt more prepared entering the next phase. He concluded his comments by thanking the PDA Council for preparing ahead of the meeting and reminded them there would be a Special PDA Council Meeting on October 27.

5. Public Comment

Bob Messina commented that SDOT had listed Pike Place as a potential project in the Seattle Transportation Plan. He encouraged restoring the brick street. He opposed the idea of an Apple store in the Market and inviting an executive chef with established businesses into the Market. He felt it was counter to the Market's authenticity. He concluded his comments expressing opposition to opening the vertical spaces for better wayfinding.

Buster Simpson recommended replanting a cherry tree in the Market removed for construction.

Christine Vaughan commented that restaurants are a great source of revenue for the Market. She noted there was interest in businesses having a food component. She encouraged considering the farmers and the Meet the Producer history of the Market. She encouraged partnership with local groups that would support local farmers sustaining agricultural land near the Market. She emphasized the importance of the PDA managing the street and changes can be made as needed. She added that businesses expanding outside of the Market has the same effect as franchises moving into the Market and that the Market should make money off of businesses expanding. She felt data collection from craft vendors is not a battle worth fighting. She added the PDA already supports small businesses through its website directory and could build on that. Lastly, she noted the best aspect of the Market is its person-to-person contact.

Haley Land commented that Pike Place Market must be experienced in person versus online. Additionally, he requested the issue of crowding at the Market be addressed. He proposed arranging businesses so local oriented businesses could be more accessible. He encouraged better community outreach and requested the consultant team reach out to the Market community again with their proposed scenarios. He concluded his comments noting some ideas had been discussed previously or attempted in the past and it is important to acknowledge these are questions and thoughts held for a long time.

Jon Cracolichi encouraged the PDA staff and Council to engage the Market Historical Commission on hard conversations early.

Skip Knox commented that those under 20 years old should be engaged in the outreach. He emphasized a need to examine what aspects haven't been considered in the Master Plan process. He requested the term local be defined and thought be given to what customers want versus what the Market wants from customers. He noted that BIPOC communities ought to be more engaged in ongoing conversations. His final comment was that PDA Council meetings should be more accessible and broadcasted on channels such as TVW.

Bruce Rutledge commented supporting more programming in the DownUnder, such as a first Thursday art walk. He noted there were many opportunities for collaboration and activation outside of food related businesses.

Heather Pihl commented requesting the PDA Council adds its voice in opposition to the street car. She added there have been guest chefs previously in the Market and there were opportunities to expand upon that. She requested the physical ideas be brought to the Market Historical Commission for their feedback. She concluded she would be meeting with Friends of the Market the following week to review the Retreat and would possibly be sending a letter with their thoughts.

Joan Paulson supported Heather Pihl and Bob Messina's comments on the SDOT projects. She noted the reserves have grown immensely in 18 years and it should be celebrated and noted. She requested a more robust programming effort throughout the year. She commented the 30 year reserves study should be presented at Council. She concluded her comments noting there were comments last year from PDA Councilmembers showing support for changing the Charter, which she thought may lead to the privatization of the Market.

6. Concerns of Councilmembers

Devin McComb thanked Karin Moughamer and EJ Griffin for the coordination of the Retreat and Matt from Perkins Coie's AV team for their services.

Mary Bacarella thanked the Perkins Coie staff for hosting the Retreat at their offices.

7. Adjournment

The meeting was adjourned at 6:13 p.m. by Devin McComb, Chair.

Meeting minutes submitted by: EJ Griffin, Executive Administrator