

# Pike Place Market, Seattle, United States

## Full Description

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### **Project Summary:**

#### **Background**

In the late 1960's, the citizen head of urban renewal plans aimed to modernize the Pike Place Market in Seattle. To this end, a group called Friends of the Market initiated a vote on the plan in 1971 to save the market, leading to the establishment of the Pike Place Market Preservation and Development Authority (PDA) in 1973.

#### **Project Structure**

PDA is a non-profit, public company chartered by Seattle City in 1973 with a mandate to manage 80 percent of the properties in the nine-acre Market Historic District. PDA also acts as an oversight body responsible for the long-term development of the market, with the aim of ensuring that the market would remain a place that welcomed everyone, residents and visitors, regardless of their background. The PDA council members are appointed by the Mayor, while a separate non-profit, Pike Place Market Foundation, was established to provide funding and community organizing, coordination and support. While PDA acts as a public steward responsible for all operational funds, the Market Foundation is responsible for devising fundraising strategies and actually fundraising for the project.

The project includes a nine-acre complex comprising a public market, more than 500 units of rental housing - mostly for low- and moderate income residents, luxury condos, a boutique hotel, a bed-and-breakfast, a children's day-care and preschool, a community health clinic, a food bank, and a neighborhood senior center.

The project derives its core revenues from the tenants of the market through rents, utility fees, and other property management activities including parking fees (approximately 60 percent of the total revenue), as well as other investments and bonds (around 40 percent of the total revenue). The market's operation and maintenance costs (including security, insurance, property management, and marketing) are sourced from the revenues obtained from the rental income. Any revenue surplus and revenues coming from bonds are utilized for new developments – making the project sustainable in the long-run.

#### **Lessons Learned**

The project serves not only as a small business incubator, but also helps connect local farmers to consumers, provides social services and affordable housing, preserves historic buildings, is a popular tourist destination, and enhances community cohesion and economic development in general. The project received the Rudy Bruner gold medal for Urban Excellence in 1987.

The project faced challenges in its initial phase, including with generating support from the community for a 40-year development scheme, securing funding, and managing the incremental renovation and rehabilitation of properties. The project was considered a success due to its long-term property ownership structure, clear vision and goals, advanced financing mechanisms, and innovations in community involvement.

Recently, the project has been expanded to include a public plaza connecting the market with the central waterfront, a food hall with four new producer-based businesses, 40-units of very low-income senior housing, a community center, and 300 additional parking spaces. The expansion was fully financed by issuing USD 26 million in bonds, a portion of which was used to pay down existing debt.<sup>1</sup>

*Footnote 1: Case source(s): <https://cidco-smartcity.niua.org/the-economyof-public-marketscase-study-of-pikeplace-market-seattle/> Accessed on June 24, 2019*

*<http://www.rudybruneraward.org/blog/building-equitypike-place-market/> Accessed on June 24, 2019*

*<https://www.brookings.edu/blog/metropolitanrevolution/2016/03/29/qa-with-john-turnbullwhat-pike-placeteaches-us-aboutplace-governance/> Accessed on June 24, 2019*

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