

NFM Regular Board Meeting 5/24/2017 Minutes

The regularly scheduled meeting of the Nashville Farmers' Market Board was called to order by Board Vice-Chair Priscilla Norman at 9:32 am May 24, 2017

In attendance were Board members Norman, Tyler Brown, Margot McCormack and Brian Copeland. NFM Staff members present were Tasha Kennard, Charles Kizer, Jackie Contreras, Rebecah Boynton and Kay West, and Metro Legal representative Susan Jones. A quorum was present.

Also in attendance: Beth Piper, Lily Webb, Janice Simons, Tim McKinney, Sam Davidson, Eric Woodard, Julie and Michael Grande and Troy Smiley.

Vice-chair Norman read the following standard announcement.

As information for our audience, if you are not satisfied with a decision made by the Farmers' Market Board today, you may appeal the decision by petitioning for a writ of cert with the Davidson County Chancery or Circuit Court. Your appeal must be filed within 60 days of the date of entry of the Board's decision. To ensure that your appeal is filed in a timely manner, and that all procedural requirements have been met, please be advised that you should contact your own independent legal counsel.

Public comments were invited at the start of the meeting to ensure that anyone who wants to comment can do so prior to the Board discussing the business on the agenda. Vice-chair Norman read the following standard announcement:

Individuals, requesting to address the Board; will be limited three (3) minutes unless granted more time by the Board Chair. Each person authorized to speak is expected to state her/his name and address and the organization represented if any, and if the speaker reads prepared text, to provide a copy to Board staff.

Sam Davidson of Batch requested time to address the Board. He spoke in place of Rob Williams, also of Batch, who is on the Market Merchants committee. The committee has issues/questions that linger:

- The Merchant community is very happy about parking improvements on 6th and 7th, and the Merchant parking lot. There are questions about signage and security. Specifically signage about merchant usage and hours, so non-merchants don't park there. With regard to security, in the fall, what security measures will be in place and can merchants be escorted by security to the lot after dark? This also applies to Night Market nights when merchants remain open until 9 pm.
- If there is an incident, what is the process of how it is reported and handled?
- A request has been made for clarity on what the Board and staff considers when approving a new tenant. What is looked for, what is criteria. The merchant community wants to see a diversity of products in the Market House, not for the sake of no competition but just so merchants understand the overall plan and approval process. Merchants would like to be made aware of and see documentation of that process. The Merchant community would like to let the staff and Board know their thoughts on the applicants.

Ms. McCormack asks if other people are parking in the Merchant lot; Mr. Davidson says no. . An incident report could be filed and shared.

ED Kennard says that the Market does not assume responsibility for incidents with personal cars wherever they are parked, on the property or in Merchant lot. Market management issued a memo with each parking permit that explained how to request an escort and how to report an incident. It was also included in the weekly 411. She says she can re-issue that memo and publish it again in the 411. But everyone who received a parking pass received the memo. If there are additional questions beyond what was outlined in the previously shared and published memo, merchants can contact the ED or Market Manager.

For purposes of the record, the process for requesting a security escort, simply call security. That has always been policy, no matter where the merchant is parked.

If there is any incident such as theft or damage to vehicle, contact security and they will write a report. If it is something that needs to be handled by MNP, Market security will assist with that.

In terms of signage, Public Works was to install signage when the work was completed. To date, the only signage that has been installed is one-way and Do Not Enter signage for 6th and 7th. Public Works is making the signage for the Merchant parking lot. They will also install speed bumps on 6th and 7th at the request of the state. Those projects are underway.

Mr. Copeland says that standards for applying to be a Market House tenant and approval of new Market House tenants has also been public record. The Strategic Plan states what type of merchants Board and management seek for the Market House as part of its vision and mission. The Strategic Plan is public record and the Merchant committee and individual merchants can request a copy at any time, the process is very transparent.

ED Kennard notes standards are included on the Merchant Lease application when space becomes available and those are issued.

Ms. McCormack says the Board would welcome suggestions from the Merchant community on what the Market House is lacking and what they believe would be a bonus. She reminds that the last Strategic Plan of several years ago stated a desire for meat, seafood, cheese, bread, bakery and juice. Over time, and as applications have come in, that has been modified. The Board and staff are currently in the process of redoing the Strategic Plan. The marketscape has changed in 5 years, the food scene has changed considerably, so the Board and staff try to adapt and react to those changes. And the Board welcomes feedback.

Lily Webb asks to address the Board. She says she has three things.

- Tarps around the shed: since the old tarp that was removed, shed vendors are shivering. Will something to replace it be installed around the sheds?
- Marketing: her son is a graphic designer and gives her advice and help. She shares some of her marketing material.

- Communication: She believes Market staff is doing a wonderful job but everyone can always do a better job. She reads a poem about communicating using the letters in the word communication.

Supe Grande of Buttercake Babe asks to address the Board on behalf of himself and Julie, owners of Buttercake Babe. He says they have been ill and missed Board meetings that included presentations by merchants being considered for the Market House, but that the grapevine comes through their coffee shop, and there is a coffee shop in the Market House. He asks if anyone on the Board or staff thinks another coffee shop will not impact the existing coffee shop? They also hear a flower shop is being considered. A wonderful idea. Would another coffee shop 50 feet from Buttercake Babe reflect the diversity the Board and staff seek? They believe there should be more diversity, more open-mindedness. They have been advised that the Board wants concrete numbers and bottom line. Sometimes the bottom line should be usurped by diverse thinking. Merchants who have been in the Market House for more than a couple years and helped pull the Market out of the flood mud, invested a lot of money in the business, worked hard and didn't always make a lot of money.

They ask that adding another coffee shop be re-examined. That it would hit them hard, and would affect the diversity, aura and charisma of the Market House. The Museum will be open soon and new people will come to the Market. He hopes for them to see diversity of people and products. He hopes that when the Board votes they will take that into consideration.

Ms. McCormack says the Board appreciates that Buttercake Babe has been at the Market for a long time and have done a great job. The Trailer Perk has not yet been approved. Ms. McCormack says the 'bottom line' is not what has been discussed by the Board during consideration of new tenants. Things get lost in translation and she would appreciate that assumptions not be made based on the grapevine. The bottom line is not the last thing considered and that the Board and staff go out of their way to consider the humanity in the room before the bottom line. That is factual. The Board and staff are looking for diversity but that doesn't mean that any one business has a corner on the market. Trailer Perk offers things that Buttercake Babe does not and vice versa. The world of coffee has changed considerably. The impact to Buttercake Babe has been considered and discussed.

ED Kennard says that the references to the bottom line likely stem from phone calls Buttercake Babe made to some Board members and ED Kennard regarding the impact Trailer Perk has had on their business since it has been operating outside. She asked them to provide back-up and financials on what that impact has been. Mr. Grande confirms. ED Kennard has not received that information and would still like to have it.

Vice-Chair Norman asks for approval of 4/19/2017 regular meeting minutes. Moved, seconded, approved.

Financial Overview & Fee Waivers

Executive Director Tasha Kennard reports. Effective July 1, 2017 the NFM operating budget is \$1,952,700 which includes total revenue of \$952,700 and an operating subsidy of \$1 million. The operating subsidy will utilize funds from the State lease agreement that was completed last year.

As of April 30, 2017 the Market earned \$798,145 in revenue collections. Revenue collections are ahead approximately \$59,000 primarily due to special event and shed occupancy revenue collections. The Market expenses total \$1,426,209 per the attached BAR. Expenses are under budgeted projections by approximately \$166,000 at this time and are not projected to exceed the operating budget. Should the Market continue to operate ahead of the budgeted revenue and below budgeted expenses, the operating subsidy utilizing the funds from the state lease amendment will be decreased and the remaining balance will remain in the fund balance to subsidize the FY18 operating budget.

The FY18 Budget Hearing was held on March 14 at 2:15 before the Mayor, the Finance Director and the COO. The NFM budget for FY18 continues to demonstrate steady year over year revenue growth of \$285,000 and reallocation of \$59,000 to expand services and programs, community engagement and provide incremental pay increases to staff that are not covered in the General Pay plan and provide youth internship opportunities. In addition, the budget includes a \$59,000 improvement request for one new full time, non-civil service position that will become a program coordinator that will enable the Market to expand neighborhood market services to at risk communities. The budget also includes a \$750,000 request to subsidize the Market's operational needs in FY18. Again, if there is remaining balance from FY17 that will go towards the \$750,000. This represents a subsidy decrease of \$250,000 year over year and we anticipate that the implementation of the proposed rental rate plan we will be discussing today and completion of all proposed facility improvements will continue to lessen ongoing subsidy requests over the next few years. In an update. the Mayor's recommended budget for NFM does not include the requested improvement funding of \$59,000 or the subsidy allocation of \$750,000. Subsidy allocations were not included in the budget for any Metro department other than General Services. It does not mean it won't happen, it just means they want an updated report next spring on how revenue is performing. Specific to the Market, they want to see how the new rate plan affects revenue and

The FY18 Capital Improvement request was presented of \$3.6 million which includes major renovation projects, replacement of HVAC system and the expansion of Market services in the community. As an update, the Mayor's recommended Capital Spending Plan does not include the requested funding for the Nashville Farmers' Market. The Market will continue to work with Metro Council and the Mayor's office on those requests and hope to be included in a future Capital spending plan should the Mayor make one this year

The Market's Metro Council Budget Hearing is scheduled for Wednesday, May 24th at 4:15 pm in the Metro Council chambers.

There are no additional fee waivers to report at this time.

The analysis snapshot is included, with the monthly projected analysis. She asks for questions and there are none.

Capital Projects Update

ED Kennard reports there are multiple capital projects. She will update and preview what will take place at the June board meeting.

Last year at this time, a significant request was made to Mayor and Council for major renovations including the loading dock and waste center, the sheds and HVAC. NFM received some of that funding, as well as an allocation from the lease amendment to be used towards those projects. There is a budget of a little over \$6 million for those projects. The NFM has been working with General Services and Gobbell Hays Partners to prioritize projects and begin the design phase of some of the major projects. Some of those projects were easy wins, things the Market could take care of. Some are long-term planning projects that are currently underway. Those designs will be shared at the June board meeting. Some board members have offered feedback on the rough designs, Gobbell Hays has taken that under consideration and will bring the revised plans to the June meeting. The two options were for the face of the current loading dock. One maintained two entrances and more retail space where the loading dock is, and one created a grand entrance where the loading dock is and also maintained the secondary entrances on the side. The board feedback in general leaned toward the second, with the inclusion of public art. There was concern on how the redesign will affect current retail and how to create new retail zones.

There was lots of feedback on how to include the Market story and history in the design of the entrance.

On the waste dock side, there were no designs but ED Kennard did receive feedback from merchants and board on examining opportunities for composting, more recycling and new retail areas. Gobbell Hayes will include options on how the redesign will look on the exterior and interior. Gobbell Hays has been updated on the budget since the Market did not receive additional funds requested. The designs need to be tailored to that budget.

There was lots of feedback on how the redesign of the Market House and in particular the waste dock connects to the Sheds. Gobbell Hays will re-imagine what the Sheds will look like. There will be a wonderful opportunity at the June meeting to see how the future might look. Once the Board, General Services and the Mayor's office are comfortable with the plans, they will go to the State Architect and the Capital Building Commission. Gobbell Hays has put together a timeline to have those plans presented no later than the end of August so an RFP can be put out in the fall.

ED Kennard reports on what has been accomplished and completed so far and commends the work Charles Kizer has done.

- Access to available parking. All of the parking projects are complete with the exception of some signage. Secured temporary merchant parking (76 spaces); parking spaces inside the fence line is

now available to customers; there is improved traffic flow on 6th and 7th Avenues, as well as the addition of 80 parking spaces for a total of 120 on 6th and 7th. It is much easier to get in and out of the Market. Security is doing a great job of directing traffic through the parking lot. The Nashville Farmers' Market is one of the few public markets in the country that offers free parking to customers and merchants. Other markets charge merchants and customers for parking.

- Restroom renovations are complete and some door issues are being addressed.
- Patio renovations. An RFP has been issued twice and generated zero bids. It is a small project and there are a lot of big projects going on in Nashville now. General Services has worked with the NFM and Gobbell Hays to break the project down into components which do not require RFPs. POs have been issued for lighting and furnishings and waiting on quotes for landscaping, shade awning and fencing. The work should be completed by July 1, 2017. The original deadline was May 1, 2017.
- Parking lot lighting. In order to stay open late, the parking lot is too dark and needs new lighting. Mr. Kizer reports a company has been awarded the lighting job. They have surveyed the needs and will be installing two new lights on each pole in the lot. Hopefully that will be completed by the end of June.
- Interior painting has been completed and the fence around the sheds has been painted for the first time since it was installed.
- The NFM is adding storage to the Shed area to replace what was lost with the loss of north sheds. A PO has been approved for additional storage and one additional cooler.
- HVAC: This is the Market House's biggest issue and it is significant. Three merchants agreed to track daily temperatures in the Market House. The temperatures have gotten as high as 89' inside the Market House. It is a significant fix, as high as \$1 million to do the required work. The NFM did not receive the requested funding for that. She asks that at the June Board meeting, when the plans for renovation are presented, they also consider the request to reallocate some of that funding to do the HVAC. That means tough decisions will need to be made on the loading dock and waste dock, but the overall functionality of the Market will be improved if the HVAC is fixed.

Ms. McCormack asks if the plan is for a new system or repairing the old. She points out she has an old building and even with two new units, her interior temps were in the 80s. She warns against perceptions that new machines will significantly cool the building, The Market House is an HVAC nightmare, it is not built well as far as HVAC is concerned.

ED Kennard says that the lead architect on the NFM project helped evaluate the same issues on the Opryland Hotel. He is recommending to not only we move forward with HVAC improvements but also circulation improvements. The Market House has circulation issues and also needs to be addressed in conjunction with HVAC. There are major tonnage issues.

Mr. Kizer adds that another challenge is space, that the necessary units are so large, they have to be replaced or another place has to be found on the property when realistically there is none. One of the options would be replacing the current ones with new ones.

Mr. Copeland asks if there are Plans A, B and C. We have to have Plans B and C if there is no funding for Plan A.

ED Kennard says Plan A is to ask for the improvement funding. Plan B is to reallocate funds the Market already has. Plan C is to apply for sustainability grants and Laurel Creech has been helpful. ED Kennard's recommendation is to consider Plan B.

Mr. Brown believes there is a negative pressure issue caused by the restaurant hoods and the Market House doors and he would be skeptical that it could ever be solved without air movement. In the Hermitage Hotel even with new units, if the pressure is off the system will not function properly.

Mr. Copeland says in HVAC there is a 20 degree differential from the highest level to the lowest. If it is 100' outside, it will not get below 80' inside. There will be lots of 100' days in Nashville.

Eric Woodard asks what is being measured aside from temperature. ED Kennard reminds that two assessments have been done. One while General Services was running the Market and one recently. She offers to share the data at the June board meeting but says those assessments take into account many variables to assess how the current HVAC is performing. The Market House is extremely short 80 tonnage according to one assessment, the other says 85 tonnage short. Circulation, doors and hoods are all part of it, but the current system is not sized appropriately to function efficiently as the Market is now. A large amount of money has been spent—over \$200,000—trying to repair the existing system.

Mr. Woodard asks if the Market should consider making a smaller investment in fans to get air moving and see if that improves the situation.

Mr. Kizer reports that a new fan company has started up, Hunter Fans, in competition with Big Ass Fans. Hunter Fans is coming to assess the Market House and make recommendations and a proposal.

Mr. Copeland says MNPS has a program that did energy evaluations in conjunction with Hands on Nashville through a grant. What ancillary things can be done to help the situation.

Market House Merchant Request: Extension of the Picnic Tap Square Footage

ED Kennard directs attention to a document in the Board packet titled Merchant Lease Recommendations, two items.

- The Picnic Tap has requested a square footage extension and staff recommends approval for up to 960 square feet of unconditioned patio space at the \$10/square foot rate. The tenant has requested approval to utilize a minimum of 480 square feet and a maximum of 90 square feet to expand the services and available seating for the Picnic Tap. NFM will provide picnic table seating, lights and a perimeter fence as presented in the patio improvement plan. If approved

Eric Woodard will have to go back to the Beer Board and get approval to expand his square footage. It should not be a difficult ask as long as we have the perimeter fence to create what they call an enclosed space. Mr. Copeland moves for discussion. Seconded, approved. None, all in favor, motion carried and approved. Mr. Woodard asks what unconditioned space means. ED Kennard replies it is outdoor space with no heating or AC.

- Anchor Tenant Request for Smiley's Produce. ED Kennard reports that the staff recommends approval to renew the anchor tenant agreement with Smiley's Produce for a 60-month term. All terms as outlined in the document were previously agreed to by the Board and management and this is simply a renewal. Mr. Copeland moves to open for discussion. No discussion. Motion to approve anchor tenant renewal is made, seconded and passed.

Recap of Strawberry Jubilee and Night Market

Market Manager Jackie Contreras reports that the May 19th Night Market was most successful since she has been there (two years). There were 45 merchants outside, a record, and most of the indoor merchants were open. Some reported record-breaking sales. Hours were expanded to 9 pm and it made a big difference. People stayed and spent money. New merchants had such a successful night they want to return. Word of mouth is so positive that merchants immediately asked to reserve space for the June Night Market and 10 new Night Market merchants made inquiries this week. Restaurants inside the Market House were extremely busy. Rebecah Boynton reports that the two djs did great and were very well-received and want to come back. She also reports that she has received inquiries via Facebook from interested new merchants.

Ms. Contreras reports on success of Strawberry Jubilee. More than 10,000 visitors, over 5,000 quarts of strawberries sold and 10 strawberry farmers. The kids strawberry eating contest was a big hit, over 20 kids each ate a quart of strawberries. The Strawberry Cake Contest drew 9 entries and a passionate audience. The Strawberry sampling table run by the Junior League went through 40+ quarts of berries. Mayor Barry kicked off peak season ringing the farm bell with Troy Smiley, council member Freddie O'Connell and board members. The addition of 150 parking spaces was very helpful and security kept traffic moving.

Ms. McCormack says that the day was fantastic, and that the ice cream cranking at the Simons stand was great. She encourages more children's activities to keep families engaged in the day and there longer.

Mr. Brown suggests more messaging on the types of strawberries and where they come from.

ED Kennard reports that Ms. Boynton is planning a marketing and merchandising workshop for merchants.

Grow Local Kitchen Residency Program

Kay West reports on GLK residency. There are currently five residents—City Farm Co, Conexion Americas, Caracasville, Delicias Colombianas and Legumes. They have the same dates every month and account for about 17 days. Intermittent renters fill in the other days. There are two consistent renters since January—Laovin’ It and Chef Batts, and three newly approved renters: Succulent Vegan Taco, Evans Family Kitchen and Boricua Grill. There are several people who rent the 4pm-midnight shift for production. One day a month is held open for a deep cleaning.

Executive Director Report

ED Kennard says she has covered most of her topics. She calls attention to two documents in the Board packet.

- NFM Merchant Advisory Committee. The NFM staff announced the formation of the committee and announced the opportunity for nominations at the last Merchant meeting and in the March and April 411s. Eight merchants are on the committee representing Market House, farm, flea and gardens. The expectation is that they be engaged and represent people other than themselves and bring feedback to the Board and staff.
- A list of major events scheduled at the Market for the rest of the year which includes festivals and Night Markets. The next big event is Community Farm Day on July 1. It will include a corn shucking contest, tomato sampling, a pie contest, grilling and music.
- Kay West reports that for the July Night Market Von Elrod’s will create a beer garden inside the Market House and preview their menu, and in August the Loveless will rent the Kitchen to do watermelon ribs.

The June meeting will start at 8:30 am to allow for the Strategic Plan Overview/Feedback session, and the presentation of the Capital Improvement Plan renderings. Additionally, Gary Gaston of the Civic Design Center will present a plan for a pop-up park in the Farm Sheds alley. Clay Ezell of Compost Nashville will also present.

Vice-Chair Norman asks if there is any other business. There is none and the meeting is adjourned at 11:02 am.