

NFM Regular Board Meeting 7/26/17 Minutes

The regularly scheduled meeting of the Nashville Farmers' Market Board was called to order by Board Chairman Frank Cardenas at 9:31 am July 26, 2017.

In attendance were Board members Frank Cardenas, Priscilla Norman, Tyler Brown 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 were Metro Legal Susan Jones, Kia Jarmon, Beth Piper, Tim McKinney, Ed Smith, Ron Williams, Jolie Yockey, Angel May, Oscar Flores, Tammy Whitehouse, Nancy Whittemore, Nina Marton, Eric Hoke, Hunter Moore and Matt Bogner.

Chairman Cardenas 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. Chair Cardenas 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.

Kia Jarmon requests time to speak. She notes she had planned to deliver the results of the community and merchant survey she has been conducting. In light of a very light participation from merchants—only 23 of a possible 200 completed the survey, as well as a desire for more participation from the community—the deadline is being extended to mid-August. In addition, she is requesting the Mayor's office and council members push out the survey to the community. There will also be more social media, and some tabling in the Market House and sheds. She invites members of the Board to assist with the tabling. She will also go to merchants personally. She asks for questions. There are none.

No other public comments.

Request for approval of 6/28/17 regular meeting minutes. Motion made, seconded and approved.

Financial Overview & Fee Waivers

Executive Director Tasha Kennard reports that the year in close is in process currently so the financial analysis in the Board packet is a preliminary report. Typically it is held and reported in August but she is reporting what is currently being tracked as books are closing.

Effective July 1, 2016 the NFM operating budget was \$1,952,700 which included total revenue of \$952,700 and an operating subsidy of \$1 million. The operating subsidy will utilize funds from the State lease amendment agreement that was completed last year.

As of the close of books June 30, 2017, in a preliminary report, the Market earned \$969,171 in revenue collections. Revenue collections are ahead approximately \$12,000 primarily due to special event and shed occupancy revenue collections. The Market expenses preliminary total \$1,771,700 per the attached BAR. Expenses are currently under budgeted projections by approximately \$180,000 at this time and are not projected to exceed the operating budget.

Based on this preliminary analysis, the Nashville Farmers' Market has utilized approximately \$800,000 of positive cash balance and reserve funds to balance the FY17 budget. The remaining fund balance will be utilized to subsidize the FY18 operating budget.

There are no additional fee waivers to report at this time. The analysis snapshot is included, with the monthly projected analysis. The Market is ahead on revenue and down on expenses and it has been a very positive year for the Market showing incremental revenue increases. The efforts to overcome parking challenges as well as increased revenue in GLK and events has helped. She asks for questions and there are none.

2% FY18 Cost of Living Increase

ED Kennard brings a recommendation to approve a 2% FY18 Cost of Living Increase for the staff effective August 1, 2017. This COL increase is happening across the board for Metro but the Market is not included in the general plan, so any increases to staff have to come from operating budget. There is room in the existing salary fund. The total impact resulting from all existing employees would be \$7,600 and she would like to request approval. Motion made, seconded, approved.

HVAC Assessment

There was an HVAC assessment made at request of Board and management to bring in a third party and analyze the facility from a design and operational standpoint. It was done within 30 days of request. ED Kennard has a preliminary report to share; it is not final. Data is still being analyzed.

The Market has requested a full assessment detail by tenants and location in the Market House. The Market is carrying a very heavy heat load, from three tenants in particular. That will be in the detailed report. The assessment will provide an individual snapshot of every tenant in the Market House.

Basically the conclusion is that the facility was not designed to be a food hall. It was designed to be an open air market, and the Market House over time has become a food hall. There are multiple restaurant hoods operating in the MH and some are not compliant with current code adopted in 2012. They were pre-existing. Some are not on interlock system which means all components should come on at same time when the hoods are turned on. Most businesses in the MH operate separated systems so you can choose what to turn on or not turn on. Issues with that include operators not utilizing their exhaust fans and several do not have make-up air attached to hood.

One of the main issues is that the facility was not designed to operate in this fashion. Before going all in and getting more tonnage/upgrading the current system, the underlying problems need to be fixed. A three-pronged approach is recommended by the vendor. Some of those recommendations will be Market cost, some will be tenant cost. They are as follows:

- 1. Repair/Improve/Upgrade commercial kitchen hoods and refrigeration units throughout the facility**
 - a. All existing and new kitchen hoods should be required to have an interlock make up air system to operate with kitchen exhaust hood during normal operation;
 - b. Evaluate all commercial kitchen tenants that do not currently have a hood installed to determine tenant requirements;
 - c. Repair two existing make up air systems that are not working properly;
 - d. Temper kitchen hood make up air by installing cooling coils and pre-heating, if required, to protect cooling coils to temper the make-up air to each hood (the City of Nashville has adopted the 2012 International Mechanical Code, Section 508 Commercial Kitchen Make up air, 508.11 Make up air temperature: "the temperature differential between make up air and the air in the conditioned space shall not exceed 10 degrees F;"
 - e. Test and balance to confirm exhaust air quantity and make up air quantities to ensure make up air is around 75% of hood exhaust quantity;
 - f. Require use of remote condensers for tenants utilizing commercial freezers and refrigerators.
 - g. Implement tenant equipment requirements for lease renewals and new leases to meet new or existing industry standards for commercial kitchens
 - h.
- 2. Install high quality sun control window film on all exterior glazing and save approximately 52 tons of cooling**
- 3. After completing recommendations 1 & 2, reassess building cooling capacity and invest to increase tonnage to balance the system**

As discussed two meetings ago, simply purchasing and installing new units will not solve the problem. The staff recommendation is to continue to move forward with the assessment team, get the analysis

back on each tenant, their load and what needs to happen in each tenant space, look at the costs and who bears responsibilities for the costs, and bring that information to the board as soon as possible. They have requested to cost out Phase 1 and Phase 2 addressing the hoods and glazing on the windows and it is hoped to present that cost at the next board meeting.

Mr. Copeland asks if management knows who is not using hoods. ED Kennard says yes, and that will be part of the report.

ED Kennard says that the individual assessments will be looked at along with each tenant's lease. A meeting was scheduled for the next day with merchants.

Steps have been taken to address the issue in the short term. Mr. Kizer has set up a walk through with procurement and several fan companies. The plan is for two 18' ceiling fans to bring down some of the air and will help reduce amount of tonnage. He will bring more information to the next meeting. There will also be screens installed over the garage doors to allow the doors to be open when the weather cools, and in compliance with Metro health department.

Mr. Copeland asks if current leases have tenant and market responsibilities written in, and if not, can they be amended. ED Kennard says there is some language in current leases. What is recommended is that the Market create equipment standards that merchants are required to comply with in regard to hood installation, which is already in the leases, and refrigeration, which is not. A refrigeration standard will be added. There is a Metro hood spec, utilized since at least 2012.

ED Kennard says this is a big fix, will not happen overnight but will move it as quickly as possible.

No other questions

Merchant Advisory Committee

Rob Williams of Batch Nashville reports that the Merchants Advisory Committee just had their first meeting. ED Kennard, Mr. Kizer and 10 or 11 merchants were there. It is a working group coming together because the merchants on the committee signed up for it to work towards pushing the Market towards its potential. Each vendor shared how they think the Market can continue to grow and reach its potential. They also brainstormed a few goals and tactics: to help share honest feedback, focus on helping Market achieve strategic goals, improve communications between NFM and from merchants, and from Market to community. Ways to do that might include: host merchant workshops such as how to use Square; understand finances better; work on messaging so everyone is on same page; a shared workforce pool so that merchants who need temporary help can share staff as needed. They talked about quick wins, if you see something, say something, bring the committee and act on it, not just let it fester and grow.

The committee will meet once a month and what will help is open communication, candid feedback and focusing on the future.

Chair Cardenas lauds the goals of the Merchant committee and that they have a unified voice of the Merchants. ED Kennard points out it is a great cross section of people who have been at the Market a long time and new people, Market House and sheds, farmers, flea restaurants and retail. They have each been asked to sign up to attend board meetings so the Board will have a chance to meet all of them and they are represented.

Chair Cardenas asks that when problems arise, they also come in with some possible solutions to save time and get it taken care of as quickly as possible.

Nashville Civic Design Center Presentation

ED Kennard invites Jolie Yockey and Eric Hoke to expound upon the printed material the board has received. Management has been in discussion with NCDC for several months about how to better utilize the area between the sheds, improve traffic flow, improve the appearance, create retail opportunities, and create hang areas where people can just sit, eat and relax in some shade. The goal is to envision a space to make it more inviting and there are some quick wins based on things they have already done around the city.

Ms. Yockey says the drawing the Board has received is an overall topline design, a dynamic model and that things change. There have been meetings since the original design and NCDC will come back with finer details and more information. She introduces Eric Hoke with NCDC.

Eric explains the drawing: from north end, it would keep that space open for food trucks. The addition of café tables is part of design. There is space for around 25 new café tables. The bigger tables are the large umbrella tables. Keep the northern vendors in that area and try to define a walkway around them for seating and walking areas.

The middle is seen as a central community space where all the paths conjoin in the middle. Discussion on some kind of new community vendors that might be coming, allow space for container style farm, showcasing that within that area. Toward the south end would be an activity zone with giant chess or checker board, hopscotch and corn hole. The front of opens into stage, an open area with kind of a picnic feel where you can bring the food you've purchased and eat. That is pretty much the base level, the NCDC is still working on it and very open to ideas from staff and Board.

Ms. Yockey points out how concrete the middle area of the market is and such a contrast to what's under the sheds. It is indisputable that the concrete needs to remain for the vehicles that use it. The most simple start to changing the perception is green paint, which will give the concrete a warmer feel. Large items need to be able to be moved to accommodate events. They heard that public art is important, which could be a mural on the ground. Having a stage at the back close to GOB brings people down to that end of the sheds, having a cover over the stage is critical. The red on the cross walks is simply to highlight them, but it helps make very clear where the crosswalks are, which is not currently clear.

ED Kennard points out this type of design is happening all over the country. New York City set up pop-up pockets parks in high-zone areas where community could congregate and be safe. It can be very simple, very cost-efficient. One of the first in NY in Times Square was set up with paint and lawn chairs from a nearby hardware store. It was up for 18 months and when it was done, people lobbied to make it permanent. The Market hears often about the area between the sheds, to bridge the two sheds so they do not seem separate but a whole. Artists also want to perform here but better staging and a cover is needed. The Market is also reaching capacity on Night Markets and weekends, and does not want to give up shed space for entertainment.

Mr. Copeland wants to know how to add opportunities to educate youth and teens about food origins. It is important to maintain the NFM mission of educating and engaging lower-income and at-risk communities and not just to appeal to hip, new Nashville. He would like there to be more interactive opportunities and activities. Recycling and composting is also important. Not just farm to table but table to farm.

ED Kennard points out that education can be incorporated into the games and activities, the public art and even the tables.

Ms. Contreras says having a permanent place for Fresh Savings and information has been helpful but it needs to look better and be placed better. We want it to be more inviting and to be proud of what we are.

Mr. Copeland asks about the murals. ED Kennard says two artists so far have expressed genuine interest. Mr. Copeland says Nashville Walls should be considered.

ED Kennard says NFM would like to proceed with plans, and they will have the costs by the August board meeting.

Mars Petcare Presentation

ED Kennard introduces Nancy Whittemore from General Services and Angel May from Mars Pet Care; Jolie Yockey is also involved. According to Ms. Whittemore, there have been preliminary discussions with the Mayor's office on how Nashville can be a more pet-friendly city. The NFM receives a lot of visitors with pets on leashes. They have abided by Metro Health Department policy to allow only service animals under sheds and in Market House. NFM is in discussion with General Services and Metro Health on how to create a better environment for people visiting the Market with their pets. The Market is located next to a park where pets are allowed and in a growing residential community of people walking and running with their pets. They are either being left on the patios or in cars, or pet owners simply aren't visiting the Market. NFM receives a lot of negative feedback on pet policy, to the Market and to the Mayor's office. Angel May is here to talk about what is being done on a national level and the city.

Ms. May shares a printed presentation. Over the next few years, there will be 1 million pets in Nashville. Mars' partnership with the city was begun because the NCDC has put together a big document on shaping a healthy Nashville for the future. What was missing was pets. Mars and NCDC

got together to help start a movement. The foundation of the movement is about science. Studies show that pets increase people's mental, physical and emotional health. There are several elements: welcoming shelters, places to play, support for pet owners. The goal is to be an advocacy program, a voice for people with pets. The program being piloted in Franklin is "Pets Welcome," and is working with the downtown Franklin Merchants Association to identify what level of welcome is at the businesses: pets allowed anywhere, pets allowed on patios, or signs that say 'we love pets but they are not permitted here.' That identifies that the entire community is recognizing the value of pets and that Franklin is pet friendly. Pets can help drive business and keep customers longer.

Mars would like to work with the NFM on a pilot program as well. The NFM is a unique kind of farmers' market, with merchants inside, patios outside. They would like to show visitors where they can go. What that looks like in the Shed area is an unknown and they would like to work together to figure that out. They have been working with mayors around the country and Mayor Barry has been receptive.

On August 24th there will be a media event that will discuss the program, commitments and where and how plans are being made around the city. They are working to get pets out of shelters and in to homes, and places for pets and pet owners to go outside of the home and be welcomed.

When Mayor Bary came into office she approached Ms. Whittemore about creating a more collaborative pet policy. She asked Ms. Whittemore to put together a group. They have been working two years, the first year was funded through PIP, the second one is a coalition that will look at operational things with the goal of making sure 100% of all treatable and adoptable animals find homes and reduce the euthanasia rate. They have gone from an 85% euthanasia rate four years ago to 15% now but there are still many issues.

Ms. Whittemore knows the plan has to comply with Metro and State Health Departments, but how can the message be positive? They want to create an environment with positive messaging and find ways people can bring their pets. The ideal area would be the patio. The sheds are unique and much thought needs to be given to that. The Mayor wants to identify areas, particularly in increasingly dense residential areas of downtown that can be more pet friendly.

Ms. May shows materials that could be created for merchants, including window clings; a code of conduct that would be owned by the Market. The Program Guide is created with dog trainers and animal behaviorists. The tone of voice comes from the pets prospective, fun and educational. Ms. Whittemore says they are working with the Parks Department on signage, hydration stations and waste stations. These stations could be installed in patios and wrapped in signage.

ED Kennard says the NFM currently has a prohibitive message, all saying no. All that signage had to be taken down because it included things that are no longer prohibited per state law. This is an opportunity to create more positive, welcoming signage. There are policies with the Health department and Agriculture Department that need to be accommodated in the shed area. The current policy is very difficult to enforce, especially since signs have been taken down. People point out that there are no signs. There is also the challenge of service animals which is very prohibitive. Many people post things on social media about our policy, and it's all negative. She would like to see a more positive

message. The NFM will be included in the August 24th event but those policies will not be implemented by then.

Ms. Whittemore would like to be able to include the NFM in the Mayor's comments as moving towards being a more pet friendly destination.

Ms. West asks how policies to keep pets away from food and plants in the shed area would be enforced, because it is already an issue. ED Kennard says the NFM intends to work with Mars and General Services to figure that out. Ms. May says pet owners needs to take responsibility for their pets' conduct.

Crop Box Presentation

ED Kennard introduces Matt Bogner and Hunter Moore of Fresh Hospitality to talk about crop box farming and their readiness in activating the program at the Market.

Mr. Bogner explains the concept of container farming and the opportunities at the NFM. Fresh Hospitality owns and operates several restaurants in Nashville, as well as owning some agriculture properties. They have been interested in exploring and expanding their interests in agriculture, in particular vertical farming or container farming. There is currently one in a parking lot in Brooklyn. They are hydroponic farms inside a shipping container. You can grow 365 days a year, totally organic, very high-quality product. There are several crops that can be grown, the capacity of a single shipping container is equivalent to about 2 acres of farmland. A tremendous amount of crops can be produced, it is hyper-local. In this case, it could be grown on premise at the Farmers' Market, then sold out the back of the container. Their printed presentation contains images of that the container would look like. They are typically 10'x40' shipping containers, climate controlled, totally hydroponic, using LED lighting system. There are shelves stacked on top so many different crops can be grown in one container. The product mix that can be grown is different herbs, leafy greens, lettuces—those are the primary ones but there are others that can be grown. Those are the most efficient in this type of structure, particularly the one they have ordered, which should be ready in about 3 months. The capacity of the container would be about 35-45 pounds of herbs per week, 50 pounds of hearty greens and about 500- 1,000 heads of lettuce per week depending on size of head.

Different strategies for launching would be directly to restaurants and produce distributors, but they would also like to sell directly to consumer in addition to wholesale. The Farmers' Market is ideal to bring the product right to the consumer and have a visible presence. They have made some projections on start-up capital needed, and cash return. They are committed to going forward. They have property in Germantown that they intend to place a container farm on, but they want to explore the potential in lieu of doing that or in addition to doing that, partnering with the Market to place a container on the property. They believe what the Market is doing is aligned with what they are doing and it would create a model at the Market for this concept. It could be painted with murals with educational elements. It draws people to it, and it could be possible to allow people to view it. It is 100% local, 100% organic. There are also opportunities to expand. As long as there is water and electrical, they can be placed in any food desert to grow high quality food anywhere, all year long.

ED Kennard says the concept immediately appealed to the Market staff and they began looking at potential placement, possibly the center alley or flex space under the sheds. Could a tenant be established in that zone as an anchor, and create a growing zone for them, and also a retail tenant? Should it work out, it could be part of the PIP sustainability program. There is an opportunity to expand into many areas. This would be a public-private partnership opportunity for the Market and Fresh. Whatever the Market looks at must be insured there will be no financial loss. They are willing to bring capital resources to the table for things that need to be improved to accommodate them. The goal today is to educate the Board and take questions. She would like a decision by the Board at the August meeting.

Chair Cardenas enthuses about the possibilities and urges that the conversation continue. His only question is if there is flex space in the sheds, what would the footprint be? ED Kennard replies about six 10x20 stalls would need to be allocated, in Farm Shed 2.

Mr. Bogner says the deal terms in the handout are initial terms and can be modified and they are willing to move forward.

Mr. Brown also supports the concept. He encourages discussion on how to interface with the public and how tours would be conducted to keep the containers clean. Mr. Bogner says he will check to see if the container they have ordered has a window visitors can see inside.

ED Kennard says the discussion will continue with the goal to bring a finalized proposal to the August meeting. Chair Cardenas encourages a discussion with Margot McCormack since she is not at the meeting.

Executive Director Report

ED Kennard reports that Market Manager Jackie Contreras is leaving the Market and thanks her for her many achievements and work while she was at the Market. The position has been posted and closes on the 31st. Applications need to be made through the Nashville.gov portal; interviews are being scheduled with a goal of filling the position as quickly as possible. Ms. Contreras will be helping with the transition.

Ms. Contreras thanks the staff and the Board for the opportunity and privilege to serve the Market and the city of Nashville. Chair Cardenas thanks her for her service.

The Market will power down Sunday night to prepare for moving the transformer. ED Kennard lauds Charles Kizer for shortening the time allotted to the project and overseeing everything. It has been a great collaboration between the Market, Turner Construction and the State.

Patio projects are extremely slow. Everything is in front of procurement; each element has been broken out in order to get individual contractors since no bids were received for the entire project. Eric Woodard of Picnic Tap has proposed doing the construction of the fencing around his section of the west patio, which would be part of his financial agreement with the Market. This would be in compliance with the design plan and adds more greenery. The intent is to work with Mr. Woodard.

The other phase is the lighting; they are waiting on deliveries. The canopy project went out to bid and a vendor has been chosen and they are waiting on materials to be delivered. The new outdoor furnishings have arrived and are placed now in patio areas.

As of last week, Gobbell Hayes informed the Market that State General Services is not going to require the Market go before the Capital Planning Committee to move forward on the dock relocations and renovations. The Market and GH will meet with the State Architect and take feedback on required changes or get full approval. That will speed up the process unless the Architect asks for significant changes.

Vanderbilt Market is going great. It is at capacity with a wait list. The Market continues to work with Conexion Americas regarding the expansion of the NFM Neighborhood Market program.

Peach Jam was the biggest Night Market so far by far. There was about 75% occupancy in the Shed. Merchants were happy with how the night went. Watermelon Night Market is August 18th. Farm Hand Dinner is September 27th. Tickets will go on sale in two weeks and Margot is working on the chef list.

Chair Cardenas adjourns the meeting at 11:11 am.