

## **NFM Regular Board Meeting 3/28/2018 Minutes**

The regularly scheduled meeting of the Nashville Farmers' Market Board was called to order by Board Chairman Frank Cardenas at 9:35 am on March 28, 2018.

In attendance were Board members Frank Cardenas, Margot McCormack, Priscilla Norman, Brian Copeland and Tandy Wilson. A quorum was present. NFM Staff members present were Tasha Kennard, Carolyn Sanders, Charles Kizer, Mary Self, and Kay West.

Also in attendance were Susan Jones from Metro Legal; Benjamin Cardenas, and vendors Adam Acampora, Jim Odom, Tim McKinney, Beth Piper, Rob Williams, Sam Davidson, Chad Howell and Dindar Agid.

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.*

Rob Williams from Batch requested permission to make a public comment.

Mr. Williams notes that later in the agenda is a notation about extended Market House hours of operation. Before the new hours take effect in April, he would like to ask the Board and management what will be the measure of success for extended hours and how will it be determined if the change should be permanent. What does it mean to be successful? For vendors and merchants, it is revenue and customers. How does the Board and NFM management see it?

ED Kennard says it will be addressed at the determined time in the agenda.

No other public comments.

Chair Cardenas calls for approval of January 24, 2018 minutes. (There was no February 2018 meeting due to lack of quorum.) Motion made, seconded and approved.

## **Financial Overview & Fee Waivers**

Executive Director Tasha Kennard reports on the NFM FY18 Financial Overview & Analysis, as of February 28, 2018.

Effective July 1, 2017, the Nashville Farmers' Market's operating budget is **\$1,952,700** which includes total revenue of **\$1,238,000**. Based on a mid-year review, looking at actuals and projections for the fiscal year, the Market is in a position to use funds received from the State of Tennessee for lease amendment to balance the FY18 budget.

As of February 28, 2018 the Market earned \$765, 246 in revenue collections. Year-to-date revenue collections are behind approximately \$4,000 at this time and are projected to total \$1,145,228.

The Market's expenses for the same time period total \$1,149,059 per the attached BAR. Year-to-date operating expenses are below budget by approximately \$100,000 at this time and are projected to total \$1,832,840.

There are no fee waivers to report at this time.

The attached analysis is slightly different to the BAR due to the timing of invoices processed and the closure of books on a monthly basis. The reports help to demonstrate the NFM actual performance compared to monthly revenue and expenses projections.

ED Kennard, staff and Chair Cardenas attended the initial Budget Meeting with the Mayor and Finance Director last week and it went well. Departments were requested to submit a flat budget, not to request any improvements in any areas, to look at cost reallocations and reduction scenarios, which has been done. Also projected is an increase in revenue of about \$150,000 for next year, due to the implementation of the Market House new rate plan.

Management has submitted the FY19 budget per the guidelines of the Department of Finance. The FY19 projected revenue totals \$1,326,500 and projected expenses total \$1,957,200 requiring the use of \$330,700 of operating expenses to be utilized to balance the FY19 budget. The budget does not include depreciation (FY18 approximately \$170,000). That will leave a balance for future years as well.

Ms. McCormack asked for clarity on the directive not to request funding for any improvements. ED Kennard says the request for department budgets from Finance came in November; every year there are different directions. This year the direction was for a flat budget and cost reductions and reallocations. If cost reallocations were already done, there was no need to repeat. The NFM had already performed cost reallocations. Fortunately, it did not have to be repeated and staff is hopeful the budget will be approved.

Request for Financial Overview to be approved. Motion made, seconded and approved.

Chair Cardenas adds that in the meeting, Mayor Briley gave the impression that he is on board with what the NFM is doing, the direction it is taking and lent his support and offer of assistance with the State moving forward. ED Kennard agrees that there was a positive discussion about the NFM lease and possibly working with the State to obtain a deed for the property.

ED Kennard adds that even with the recent changes in the Mayor's office and upcoming changes in the Governor's office the NFM seems to be in a secure position. There is movement towards renovations previously discussed, the jobs have been re-bid, they are in procurement. There is also movement to the Sheds enclosure plan which is an agenda item as well. These are good signs of a strong commitment to invest in this property.

### **Staff Recognition of Carolyn Sanders**

ED Kennard reminds the Board, staff and guests that Carolyn Sanders will be retiring next week (March 30, 2018). Ms. Sanders has been with Metro for 31 years and the Market for 11. Ms. Kennard reads comments she gathered about Ms. Sanders from colleagues, staff and merchants. There will be a staff, Board and merchant celebration following the meeting and all are invited to stay and honor Ms. Sanders.

Ms. Sanders says the experience has been rewarding. She has worked with people she appreciates and who have touched her heart. She looks forward to coming back to shop and possibly volunteer.

Chair Cardenas adds that Ms. Sanders has been a pillar of the Market and how much the Board and staff appreciate her and her dedication to the Market. ED Kennard presents Ms. Sanders with a gift.

### **Picnic Tap and Natchez Hill Lease Amendments and request for facility wide consumption**

ED Kennard reports that discussions about lease amendments for both businesses have been ongoing since their respective openings in the Market House about working with the tenants, Metro Legal, the TABC and Beer Board to improve customer experience. Both tenants have permits to serve alcoholic beverages—Picnic Tap can serve beer and is a licensed liquor caterer for special events and Natchez can serve wine.

The goal moving forward with extended hours and additional programming is to support increased revenue for merchants and improve visitor experience. NFM has worked with these two tenants to receive legal clearance to allow beverages sold from their stores to leave their confined premises. The NFM had to insure it was operating within the law and meeting permitting authority policies should the Board approve and that the Market could support that with signage and security, as well as insuring the merchants would operate legally and safely. They have done so.

Should the Board approve, the merchants have been asked to provide the Market with proof of a \$3 million liability insurance, which is \$2 million more than requirements of other tenants.

The request to the Board is to approve lease amendments to Picnic Tap and Natchez Hill that will allow them the authority and permission to allow their customers to consume beverages purchased at their businesses to consume throughout the premises of the Market. The Picnic Tap is requesting beer and Natchez is requesting wine. Should the Market desire to do more, the Market would engage with Picnic Tap as a liquor caterer.

Ms. McCormack asks for clarification of what the parameters of the Market. ED Kennard says currently the parameters for each tenant are within their space, including patios. (Picnic Tap has 900 sq. ft patio, Natchez Hill has patio area also.) In the future the boundaries would include from the current Market House loading area on the north side to Gardens of Babylon at the south side but not outside the fence.

Ms. McCormack asks who is responsible for monitoring that space and for the signage. ED Kennard replies each tenant is responsible for signage in their space. The Market is responsible for signage on the property and NFM plans to go above and beyond and have signage at every gate and every door. It will be a cling for the doors. ED Kennard says it is part of communication on other changes such as extended hours.

Mr. Copeland asks how drinks from other establishments or home be handled. ED Kennard says that is not permitted and security will monitor. Mr. Copeland asks if NFM expects any objections from other merchants about new alcohol policy. ED Kennard says none have been expressed at any festivals or Night Markets which allow property-wide alcohol consumption.

Ms. McCormack asks if there have been drunk and disorderly issues in the past when D&D has served alcohol. The answer is no.

Chair Cardenas asks if other merchants would be allowed to serve alcohol in the future. ED Kennard says no, part of the permitting process is limiting the number of permits on the property. As part of the permit, there is required seating for individual tenants to serve alcohol. The communal seating is not counted as part of the permit. ED Kennard emphasizes that this is not a request for other tenants to sell alcohol and approval from the Board would be needed before they could apply for a permit.

Chair Cardenas asks if the two businesses have obtained the required insurance. ED Kennard says if this request is approved, they are both prepared to increase their current coverage from \$1 million to \$3 million. If they cannot get \$3 million in insurance, then they cannot serve beverages to be consumed outside of their space. They have also had to submit an operating plan and plan for increased signage. Metro Legal and Metro Insurance were consulted on insurance and the \$3 million exceeds their recommendation.

Ms. McCormack notes that in her restaurant, should a customer leave her restaurant, get in an accident and harm themselves or someone else, the server, bartender and restaurant is responsible. Would the Market be responsible?

Ms. Jones says measures have been put in place for that not to be the case and that Metro's liability would be very limited. The Beer Board would hold the permit holder responsible, not the facility. She does not know about TABC. She says the only other Metro property that allows alcohol throughout the property is the airport, which is not really a Metro property. The Fair Grounds uses D&D who hold the permits.

Chair Cardenas asks Picnic Tap and Natchez Hill if they would like to add anything to the discussion.

Eric Woodard, owner of Picnic Tap comments that he would like to see more active training of NFM security staff. He thinks they do a great job currently but if this goes into effect 7 days a week, as opposed to one night a month as per Night Markets or events, he would request their training be updated to reflect that increase in consumption and boundaries. He says he and his staff actively enforce the rule regarding beverages not allowed to leave their premises. He notes that a new boundary would mean they no longer have control on where the beverage goes and to whom. He would like to see more active enforcement by security regarding the new boundary and rules of consumption. He says the burden is removed from his staff but is now with the NFM staff.

ED Kennard replies that is not exactly true per the Beer Board. An operational plan will be in place for staff and security. She asks that Ms. Jones clarify.

Ms. Jones says Picnic Tap's legal burden is not relieved. Mr. Woodard says he meant the burden of communication.

Ms. McCormack wants more clarity how monitoring visitors trying to take beverages off the property. Ms. Jones clarifies that once a visitor leaves the area of the Market and enters a non-permitted area, those consumers are the responsibility of MNP. Those people are in violation of the open container law. Ms. West notes that for special events, festivals and Night Markets where alcohol is consumed throughout the premises, signage is posted prohibiting removal of alcohol from the property. ED Kennard notes that signage would now be permanent and at all gates, doors and entrances/exits. Security will be trained in working with that.

Mr. Acampora says that he has not seen visitors to a facility such as the Market become over-intoxicated. It might be the case for third-party rental events but not visitors to the Winery's tasting room or during Night Markets. He believes that the wine is primarily consumed responsibly and that the merchants are committed to responsible consumption. Mr. Woodard agrees.

Mr. Copeland asks for confirmation on the Market's responsibility for someone taking the beverage off the property and then they are discovered by police and report that they purchased the beverage at the Market House. Ms. Jones says it still results in a citation to the person, not the Market House or business.

Chair Cardenas adds that one of the motivations for requesting this was to allow visitors to the Market, should they wish, to purchase a beer or glass of wine and shop.

Batch asks what the rule would be to have a Shop & Sip night at their store, as a private invitation only event, and to serve wine in their store, would they need a permit or work with a licensed caterer. Should they have a Shop & Sip during regular Market hours or hours when Picnic Tap and Natchez are open for business, under the new terms customers could purchase a beverage from Picnic Tap and/or Natchez and bring it into the store.

Ms. Jones points out that private events are complicated and she suggests they consult their own attorney. Mr. Williams asks if under the new policy visitors can bring their beverages into his store. ED Kennard says yes, it is a property-wide policy.

Mr. Woodard notes that when the Market is closed for a private event, the Market House is no longer a public space. It becomes a private rented space and the event would need additional permitting or to contract with a liquor caterer to serve.

Mr. Copeland asks if individual merchants can refuse to allow alcoholic beverages in their space. ED Kennard says yes and they should post signage to convey that message.

ED Kennard requests that a vote be taken so NFM management can move forward. Not only does this proposal encourage revenue increase for NFM merchants, it is also reflective of consumer feedback and requests over the years. Customers become very frustrated when they are told they cannot leave the current permitted spaces and cannot bring their beverage from Natchez into Picnic Tap and vice versa.

The NFM wants all visitors to be able to travel throughout the entire property with their beverages should they choose.

Motion is made to approve the lease amendments for Picnic Tap and Natchez, seconded and approved unanimously.

#### **Bowl and Roll Lease Amendment: request for additional square footage**

ED Kennard says Leo, the owner of Bowl & Roll could not join the meeting today but speaking on his behalf, he has requested that he be permitted to expand his space to include the 179 square feet between his current space and the walkway from the entrance to the building. He was not ready to commit to that much space in his original lease, but he is ready now and wants to sign a 5-year lease with that additional space. He has presented professional renderings of his proposal that will allow him more functioning space for his staff and better presentation to his customers. He is in a position to fully fund the renovations required beginning in June 2018 and he is in a position to meet the obligations of the increased rent. She asks that the Board approve his request.

Motion made to approve, seconded and passed.

#### **Executive Director Report**

**Lease Renewals:** The NFM is in conversations with the last two tenants up for renewal at this time. The renewals require merchants to eliminate the use of Styrofoam in their operations at the Market. Some are working independently and some as a group to get the materials. The deadline is April 1, which was communicated as an extension last year. This was a request from the Board and they have received significant notice to the changes. Also in the lease renewal is a requirement that all tenants in the Market House operate between 10 am and 6 pm Sunday through Thursday, and 10 am to 8 pm Friday and Saturday. It does not prohibit tenants from opening as early as 8 am or staying open until 8 pm. Should a tenant request additional hours than 8am-8pm they needed to make the formal request in their lease renewal. So far only three have requested additional hours---Picnic Tap and Natchez Hill to stay open until 10 pm on Night Markets, and Butter Cake Babe to open at 7 am. Those are amenable to staff as security is on site.

Rob Williams asked what the measure of success for extended hours would be. Fully 50% of people taking the customer survey asked for longer hours. We have not been meeting their needs. One measure would be to see a consistent, vibrant experience during those hours. It is difficult for staff to manage and meet those expectations. The merchants have managed their hours. Other food halls have required hours of operation. The measure of success does not include counting the number of visitors. This is our intent to extend hours regardless of whether just three people are in the Market House at 4 pm. It is our intent to implement that long term. This is not a pilot or a test. Other measures of success would be increased foot traffic to the Market and feedback from merchants that there has been an increase in sales during those extended hours. There is new signage going up, there is social media out and there is a press release going out. She expects that as time goes by, more people will be here.

Ms. McCormack asks if the new hours are for shed merchants too. ED Kennard says the Sheds are open until 6 pm already

**Capital Projects Update :** ED Kennard distributes drawings for the Shed enclosure project, working with Gobble Hayes who are also working on improvements to the Market House They provided several options, this particular one meets the needs of the Market and includes a garage door at each stall and an awning for runoff which has been an issue. The drawings need to be submitted to State Architect for approval. She asks for feedback.

**Merchant Applications & Placement Update:** Mary Self report that on-line applications were launched on Friday February 16<sup>th</sup> and since that launch, 110 applications have been received and 78 are returning vendors. That is 32 new merchants—8 new farms, 11 new craft merchants, 5 new food artisans, 2 new flea/food trucks and also non-profits, a new category. As April begins, Farm Sheds will start filling up, Night Market for April 20 moves outside as well as inside. Strawberry Jubilee is May 5<sup>th</sup> and she is recruiting volunteers for that day.

**Events Update:** Kay West reports that the Mayor’s Advisory Committee for People with Disabilities Awards will be April 12<sup>th</sup> in the Market House. There is a third-party rental on May 16<sup>th</sup> for the Clemson Alumni Prowl & Growl with about \$3,000 of rental income. Also doing some partnerships with non-profits for exhibitions, installations and programming. Planning the first event with the State Museum, a Lunch & Learn at the Market for Potliker Papers with a speaker and guest chef on June 21, which is the same date as Make Music Nashville. A Doctors Without Borders interactive exhibition will park between the sheds on Sunday April 22, and a Skin Cancer Screening Initiative will park here on May 29<sup>th</sup> and offer free screenings. ED Kennard announces a series of Lunch and Learn events kicking off in April presenting topics on food in Nashville. They will primarily be networking events.

### **Strategic Plan Overview**

ED Kennard has distributed an overview of the Grow Together plan, which was done with the assistance of Kia Jarmon’s firm MEPR Agency on community engagement to create the plan, working with the community, with stakeholders, NFM staff, NFM Board and MEPR staff. It has been a year-long process but feedback was gathered for a year prior to that. This plan is an opportunity to update the NFM strategic plan, vision and mission, which the Board has requested.

ED Kennard will hit the highlights but she asks the Board to review the entire plan independently and provide feedback. The plan is titled Grow Together, which supports the shared vision to remain a nationally recognized, vibrant farmers’ market that serves as a catalyst for a healthy community-based food system.

A new Mission Statement has been drafted: The mission of the Nashville Farmers’ Market is to provide retail space, promotion and training to farmers, food producers and retail entrepreneurs and serve as a catalyst for a healthy community-based food system. ED Kennard asks that the Board review the Mission Statement.

Programs are listed as a baseline and are the things Metro government holds the NFM responsible for and provides funding for: The Farmers’ Market; marketing services; Grow Local Kitchen; Fresh Savings. SNAP/EBT

There are five specific goals: improve economic and environmental sustainability; increase merchant services and diversity; increase access to fresh, healthy food; engage the community and share our story; align organizational capacity. Each of the goals are explained in further detail.

Mr. Copeland asks for clarity as to whether part of the mission and goals is to attract events to be held on site. ED Kennard says that is part of the revenue stream. There is not a specific tactic for events. Mr. Copeland asks for more clarity on that, and he believes it should be added. That there should be a hospitality element to it, to build on the NFM being a key part of the city's NY's Eve event, a front porch to the community. He thinks the NFM should embrace that role and it should be part of the mission statement. ED Kennard and Chair Cardenas agree and thank Mr. Copeland for his feedback.

Chair Cardenas points out that thoroughly reading the Growing Together document and providing feedback is the responsibility of the Board and asks members to do that. ED Kennard agrees and wants to pursue wrapping up the project, creating a formal document which will aid in providing work plans for staff. ED Kennard says NFM needs documented work plans for each staff member. She believes the NFM needs to increase the organizational capacity of the Market. She pointed out to Mayor Briley that the staff is a small but mighty team and each member wears many hats. Due to the small size and operating 7 days a week, there is little time to innovate and spend time planning. She hopes to work towards increasing the organizational capacity of the staff and filling needs that are going unmet. There is a need to maintain relevancy and modernize the systems.

Mr. Copeland encourages adding partnerships with neighbors such as the State Museum and the Bicentennial Mall. He asks for the timeline of approving the plan. He asks for more details and information and ED Kennard says she will send that day. A deadline is set for April 11<sup>th</sup> for feedback from the Board. The Strategic Plan will need to be approved by the Board and the goal is to do that in the April meeting.

There being no other business, Chair Cardenas adjourns the meeting at 10:55 am.

Next Board meeting is April 25<sup>th</sup>, 2018 at 9:30 am.