

**EASTERN MARKET COMMUNITY ADVISORY COMMITTEE
REGULAR MEETING
SEPTEMBER 19, 2017**

MINUTES

Attendance: Chuck Brome; Angie Brunson; Chuck Burger, Vice Chair; Monte Edwards, Secretary; Bill Glasgow; Diane Hoskins; and Donna Scheeder, Chair, were present. Nikki Dean arrived at 7:08 PM.

The regular meeting of the Eastern Market Community Advisory Committee (EMCAC) was held on Tuesday, September 19, 2017, at 7:00 P.M., in the North Hall of Eastern Market. The Chair called the meeting to order at 7:07 P.M.

Mr. Burger moved the adoption of the agenda. The agenda was adopted.

Mr. Edwards moved the approval of the July 26, 2017, regular meeting minutes. The minutes were approved.

Report of the Executive Committee

The Chair highlighted the EMCAC and the EMCAC Executive Committee meeting dates for the balance of 2017, noting that the dates are listed on the EMCAC page of the Eastern Market website.

Report of the Subcommittee on Nominations, Credentials and Membership

Mr. Burger, Chair of the Subcommittee on Nominations, Credentials and Membership, reported the following nominations on behalf of subcommittee: Donna Scheeder, Chair; Chuck Burger, Vice-Chair; Monte Edwards, Secretary; and Tom Kuchenberg, Treasurer.

Election of Officers

There being no further nominations, Commissioner Hoskins moved that the candidate for each office be elected *en bloc*. The motion was adopted.

Final Consideration of Report to DGS on the Status of 7th Street

Commissioner Hoskins moved the following text be adopted as part of the comment and review section of EMCAC's report:

EMCAC firmly states the future usage of the street in the 300 block of 7th Street is a critical element in the future success of the economic health and community benefit of the Eastern Market Special Use District. EMCAC is committed to usage that ensures

community benefit/enjoyment, while complementing public safety, the vending markets on C Street/200 block 7th St, Eastern Market and the brick and mortar businesses.

While EMCAC supports the continued closing of 300 block of 7th Street on weekends, it is apparent that the past physical layout of vendors must be addressed once Hine development leases the commercial fronts facing 7th Street. Radical change will be introduced with the leasing of over 45,000sf of store frontage and new pedestrian sidewalks featuring multiple tree boxes, lighting and street fixtures. Additionally, new businesses will be utilizing sidewalk frontages for sidewalk café, dining, and customer service. This necessitates a total recalculation of not only issues of public safety, but a reexamination of how we best use the street for the community and the health of our neighborhood economy.

In light of this reality EMCAC calls upon DGS to determine a plan and Strategic Plan for the Eastern Market Special Use District by March 1st.

To this end of developing a Strategic Plan and Immediate Action:

- EMCAC strongly recommends DGS consult not only with related community organizations, but with professional consultation in neighborhood economies, pedestrian street usage, public space, and public markets. Additionally, DGS should work closely and consult with the DCAR (licensing), DDOT (public space), MPD (Homeland and community safety), Fire Department (Public Safety), and DC Homeland Security.
- EMCAC requests an in depth review of current DGS Vending Operations to insure “best practices.”

The motion was adopted.

Status of Appraisal and Leases

The Chair announced that a special meeting will be held on Wednesday, October 4, 2017, to review the final appraisal report and develop EMCAC’s recommendations regarding the report.

Parking Fees for the Closure of 7th Street and MOU between DGS and DDOT

Barry Margeson, the Market Manager, agreed to send to EMCAC a copy of the Department of General Services/District Department of Transportation Memorandum of Understanding regarding parking fees for the closure of 7th Street SE.

Report of the Market Manager

Mr. Margeson provided a written report of the Market Manager, which is attached to these minutes. He agreed to: provide a balance sheet of the Eastern Market Enterprise Fund showing surplus from 2016; investigate whether there is a maintenance plan for the trash compactor; distribute to EMCAC the minutes of Eastern Market Main Street meetings; provide the budget for fiscal year 2018; and provide a preliminary fiscal year 2017 year-end financial report.

Paving Update

Mr. Edwards provided a written report regarding the pavers on the 300 block of 7th Street SE, which is attached to these minutes.

Report of the Application Advisory Review Subcommittee

Ms. Dean reported that she has reached out to Dominiqua Eldridge for online access.

Report of the Tenants Council

Chuck Brome, Co-Chair of the Tenants Council, presented a report, which is attached to these minutes. Mr. Margeson agreed to work with the Tenants Council regarding handling customer complaints on parking enforcement.

Community Comments & Concerns

Marci Hilt asked what the amount of dues is for EMCAC members.

Ellen Oppen-Weiner raised concerns regarding non-compliance with the law to subcontract market management and the extent of administrative and cleaning costs reflected in the market's budget.

Joe Snyder commented on merchant parking.

The meeting adjourned at 9:08 P.M.

Monte Edwards, Secretary



Eastern Market Manager's Report to the EMCAC

September 19, 2017

Finances

August Revenues

Description	Revenue
APPLICATION FEE REVENUE (OUTDOOR VENDOR)	\$455.00
NORTH HALL REVENUE	\$7,665.00
OUTDOOR VENDOR REVENUE	\$29,128.00
SECURITY DEPOSIT FLEA MARKET 7TH STREET	\$4,000.00
SOUTH HALL REVENUE	\$44,145.56
TOTAL	\$85,393.56

FY16 Financials are attached to this report for your information.

Leases

On August 31, I sent the final appraisal to the merchants and the Chair of the EMCAC. It was accompanied by the email below, in which I ask that the merchants to take three weeks to make a decision to either accept the appraised value or hire an appraiser to conduct a second appraisal. Today, the merchants asked for more time and I will confer with the Director of Portfolio regarding this request.

Dear Bill and Donna,

Thank you for your patience, persistence and hard work as we work towards our common goal of a lease for Eastern Market merchants that complies with the legislation and considers the uniqueness of Eastern Market.

As you are both aware, DC Code§ 37-107 (a)(2) states that "Rents or other financial arrangements shall reflect fair market rents and practices ..." To comply with the law, DGS solicited the services of an independent licensed real estate appraiser to provide DGS with rental rates that are consistent with this requirement.

In creating the Scope of Work for the appraisal, one of our chief goals was that the final value would include consideration of the uniqueness of Eastern Market. To help ensure this, we included in our Scope of Work:

Please note:

- Pursuant to District of Columbia law for Eastern Market (§ 37-105 3(I)), merchants are regulated as to the product types they can sell, thereby constraining their ability to achieve the highest value for their space, as follows: "The market manager shall regulate the goods sold by the various tenants with the objective of maintaining a diverse fresh food market with specialty stands for meat, poultry and eggs, fish and seafood, dairy products, fruits and vegetables, baked goods, dry groceries, herbs and spices, delicatessen items, and cut flowers and potted plants."
- The Department of General Services appreciates the fact that merchants sell to a wide range of customers, and are willing to sell lower priced products that are valued by low income shoppers even though this decision may not be in their best financial interest.

I am attaching the final appraisal from Marcus Asset Group. Thank you to the Eastern Market merchants for responding to the Appraiser's questionnaire. Thank you to the EMCAC for reviewing the 100+ pages of the draft appraisal and providing comments, questions, and feedback.

We requested that the Appraiser provide an upper and lower bound fair market annual rent range. Our plan is to use the average of the upper and lower limits of each stand's appraised value in the form lease. In the event that there are objections to this from the merchants, DGS will provide the merchants with the opportunity to hire their own independent appraiser, subject to appropriate certification, to assess rental rates. If the two appraisals are within 20% of one another then the rents will be averaged to determine the final rates. If the two appraisals have more than 20% difference in value, a third appraiser will be hired. The third appraiser will be responsible for picking one of the two appraisals as the final value.

If the merchants choose to follow the strategy of hiring their own independent appraiser, we will work with them to create a reasonable timeline so that we can all reach our shared end goal of up-to-date leases for the indoor merchants.

If the merchants are not in agreement on next steps, we are willing to begin finalizing the lease process using the attached appraised values with some of the merchants while continuing on with a second Appraiser with the other merchants.

Please note that the final value we determine for a merchant stand will be listed on the merchant leases as the rental value of the stand. The rental rate will be increased incrementally over three years until it reaches the appraised rental value (adjusted for inflation).

Please take the next three weeks to review the appraisal and get back to me by September 20 with a decision on what you would like to do.

Best,

Barry

Marketing

Social Media Update:

- Facebook: 45K followers (*increased from 44,718 followers)
- Twitter: 32.2K followers (*increased from 32k followers)
- Instagram: 1435 followers (*increased from 1,341 followers)

Other Updates:

Vendor's Profile Information: Dominiqua is in the process of revamping the Vendor's Profile List on our website. To make this process smoother, I created an application for current vendors to fill out and submit digitally. 17 vendors have submitted their information so far. Steadily increasing.

Capitol Hill Community Foundation's Literary Feast:

Bill Glasgow took the lead in recruiting merchants to participate in the Literary feast and there are a total of 8 are participating. Dominiqua made beautiful coupon books that CHCF will be printing out for the Literary Feast Host gift bags.

Fresh Tuesdays

All is going well with Fresh Tuesdays. The Produce Plus program will end at the end of September.

Operations

- 31 parking tickets were issued in the back alley in the last 4 weekends.
- We have contracted with Veritas Consulting Group to install 8 new security cameras and a magnetic lock for the basement door. The cost, \$40,512, will be borne by the Portfolio Division of the Department of General Services. Seven of the cameras will be outside the market and one will be in the basement.
- We had two issues simultaneously with the 20 yard recycling compactor. They have replaced the compactor with one that functions well and has a fresh coat of paint.

Eastern Market Main Street

On September 7 from 6-9pm, EMMS held Hard Hats at Hine. Mike Bowers took the lead and worked closely with the Main Street Director and Dominiqua Eldridge to ensure that Eastern Market was well-represented by merchants and vendors. There was a food and non-food display and both looked great.

North Hall

Boogie Babes will hold two performances this month – Wednesday and Thursday. Two shows will continue through the month of October.

Other public events during the month of September include:

- First Saturday Tango/Thursday (weekly) Tango
- 9/9 – The New Beginning (Fashion Show)
- 9/23 – Capitol Hill Group Ministry's Sip & Savor

Eastern Market Community Advisory Committee

Capital Improvements

Report to the EMCAC

Concerning Pavers for the 300 Block of 7th Street

September 19, 2017

We are trying to have the same pavers that are installed in front of Eastern Market continue in the 300 block of 7th Street, rather than asphalt, that is currently planned. On August 31, I met with Abdullahi Mohamed, (who was the DDOT Infrastructure Project Manager when the pavers were installed in front of the Market), Ken Golding of Stanton Development, Madeleine Odendahl and Manuel Ayala of Eastern Market Main Street, and Jonathan page of EMCAC.

All expressed interest in having pavers installed in the 300 block of 7th Street because:

- There is an aesthetic benefit of continuity of the paving for that unique two-block section of 7th Street.
- There is a benefit to the DC budget because the pavers seem to have a useful life similar to concrete paving that has a useful life of 20 years, compared to only 5 years for asphalt.
- There is a historic preservation benefit - when we did the pavers in front of the Market, research disclosed that part of 7th Street was originally yellow/brown gravel, and that is the color we chose for the pavers.
- The pavers in the 200 block have acted as a traffic calming measure, since motorists notice the change when they drive over them.
- The Eastern Market Special Use Area defined in DC Code 37-101(12) includes the two-block area of 7th Street, between North Carolina and Pennsylvania. Ave.
- Whether or not weekend vending occurs in the 300 block of 7th Street, there is and will continue to be a large volume of pedestrian traffic, both during the week and on weekends, on these two blocks that would benefit from the aesthetics of pavers and their traffic-calming benefits.

We know that paving work needs to be done to (1) restore the 300 block after the Hine construction is completed, (2) restore the utility cuts that have been made in the C-Street crosswalk, and (3) restore cuts and damage to the pavers in front of Eastern Market. Apparently, DDOT funds have not been budgeted for these purposes, since the developer of Hine is responsible for restoring 7th Street and the utilities that made the cuts in the crosswalk and pavers are responsible for restoration. By accomplishing all of these at the same time, with the same contractor, we can achieve efficiencies that will minimize the extra cost of the pavers.

Abdullahi explained that the extra cost is not just for the pavers, but the underlying concrete must be broken up and removed to allow installation of a drainage system and asphalt under the pavers. Abdullahi will provide an estimate of that cost. Ken was able to provide Abdullahi with the plans and specifications for the 2008 paver installation in front of the Market, that has the dimensions for the 300 block.

Ken will provide the amount that Stanton/Eastbank have budgeted for the repaving of the 300 block of 7th street with asphalt.

Anchor is doing the underground infrastructure work at Hine, and we have asked Wen Liang (who was the Anchor Construction Project Manager and is now a Vice President at Anchor) if they can quantify how much the utilities are required to pay to restore and repair the cuts and damage to the pavers in front of Eastern Market and the cuts that have been made in the C-Street crosswalk.

If this work is done by DDOT, there will be extra time (up to a year) required for design, bidding, contracting and inspection. Also, we would need to await the next budget cycle and in the meantime the 300 block would be paved with asphalt, that would then have to be torn up and redone with pavers. If Anchor (who installed the pavers in front of the Market) can simply submit a permit application to DCDOT to do the work, the process will be much quicker. The question is whether there will be enough money to pay Anchor for that work.

I am scheduled to meet on September 21 with Abdullahi Mohamed and Ali Shakeri, DDOT's current Infrastructure Project Manager for Ward 6, to further pursue this project.

Respectively submitted,



Monte Edwards
Chair, Capital Improvements Subcommittee

Eastern Market Tenants' Council September Meeting Notes
September 14, 2017

Attending:
Chuck Brome, Chair
Nicole Dean
Anita Jefferson
Chubb Houston
Angie Brunson

RESOLUTION 9-14-17-01 (passed 5-0) Council requests update from management on the following matters expressed in these earlier Council resolutions:

RES. 6-22-17-03 Define roles and responsibilities of PSD for Weekend Market.

Definition should include: times of arrival and departure (departure has not been delayed until 6:30 PM as announced), specific duties while on site such as opening and closing of 7th Street, monitor parking in alley behind Market, and the numbers of officers assigned on weekends. What are PSD duties between time of South Hall closure; 6:00 PM Saturdays and 5:00 PM on Sundays and the time of vendor departure at 6:30 PM both weekend days? These 30 and 90 minute periods are times when PSD visibility is especially important - Where are they, and what are they doing?

RES. 6-22-17-06 Revisit the lottery process to manage perception of unfairness/special treatment in space assignment. Still outstanding is announcing time and process for those with permanent spaces to select a different space from available spaces and adjusting the map of available spaces for the lottery. Lottery vendors should not be allowed to occupy the same space month after month as this builds the impression they have a permanent space. Management has agreed that rotating these spots will address previous issues.

RES. 6-22-17-07 Outdoor vendors and farmers not using walkway as customer shopping space. Vendors must set up within assigned space so as not to utilize walkway for their patrons, or their display/products.

Cannot set up in such a way as to have customers standing in the walkway which is provided for safe clearance of our customers. When walkways are narrowed or blocked, potential customers . . . make detours or leave the area. The overall orderly market appearance and reputation suffers. Discussions with management to address "creep" (utilizing space outside of assigned space) first involved repainting of lines to define spaces on Broadway (and street, if needed). Secondly, management also agreed to create an escalating fine structure in lieu of market violation notice to address the most egregious offenders on Broadway from C Street to the handicapped entrance who are utilizing 10' x 10' spaces instead of their assigned 10' x 7' spaces. Included were 7th Street vendors who are setting up outside their 10' x 10' spaces.

Tenants' Council requests review of the fine structure. Finally, as distinct from setting up outside their space with merchandise or display, is utilizing customer walkway space as their selling space. Vendor setup should include "shop/sell" space so that customers come inside their assigned space and not stand in walkway which can reduce clearance for customers in wheelchairs, with walkers, or strollers.

RESOLUTION 9-14-17-02 (passed 5-0) Council requests that management consider reassigning merchant permitted parking spaces on alley - at North Hall and Center Hall - to customer parking on weekends. These six added spaces might be for 15-min. pickup parking or regular 30 - 60 min. parking

Eastern Market Tenants' Council

- Chuck Brome, Chair (South Hall)
- Mike Bowers, (South Hall)
- Angie Brunson (Farmers' Line)
- Nicole Dean (Arts and Crafts/Flea Market)
- Chubb Houston (Arts and Crafts/Flea Market)
- Anita Jefferson (Arts and Crafts/Flea Market)