

**Public Market Operating Agreement
Update to PMDC
6/28/18**

Three Anticipated Agreements:

1) Public Market Collaboration Agreement (pre-opening)

Purpose: Describe the responsibilities of the City and the Foundation prior to the Public Market Opening.

Things to address:

- City providing startup funding
- Foundation completing fundraising campaign
- Naming Rights
- Foundation completing 501c3 status
- Process of appointing board members
- Timing and process for hiring Public Market Executive Director
- The process for the City's capital dollars, the Foundations fundraising dollars, and the NMTC equity all come together at closing
- The roles of the City and the Foundation in the design of the building
- The vendor selection process
- Conditions precedent to execute operating agreement and lease

2) Public Market Operating Agreement

Purpose: Describe the responsibilities of the City and the Foundation after the Public Market Opens. The city will build and own the Public Market. The Foundation will operate it with ongoing oversight by the City. This agreement describes how that happens.

Things to address:

- Operating Plan
- Capital Reserves
- Personnel Plan
- Marketing Plan
- Reporting to City and Performance Benchmarks
- Vendor Rules
- Structure of Vendor Leases and Rents
- Community and business development programming
- Term of agreement and renewal process
- Default/termination

#3 Public Market Lease

Purpose: Provide the Foundation occupancy of the facility as the City's tenant

Things to address:

- Building maintenance
- Grounds maintenance
- Garbage
- Security
- Length of Term
- Rent Structure
- Any issues related to NMTC
- Default/Termination

Next Steps Timeline:

The City and the Foundation met on June 18 to review and discuss the operating agreement. A second meeting is scheduled for July 9. In the meantime, the Foundation is working on initial proposals on key issues such as startup funding, board composition and appointment process, and timing and process for hiring the executive director. The City Attorney's office will begin working on the structure of the agreements in a Letter of Intent (LOI). The goal is to have the LOI drafted in the next two months to go before the Common Council for approval in Sept/Oct. The resolution to approve the LOI and the LOI document would be referred to PMDC prior to Council Approval.