MINUTES
Wednesday, February 22, 2017
4:30 p.m.
PDA Meeting Room, 93 Pike Street, Room 317

COMMISSIONERS
Frank Albanese, Chair
Sam Farrazaino
Murad Habibi
Bob Hale
Michael Hammond
Christine Vaughan, Vice Chair
Anais Winant

Staff
Heather McAuliffe
Melinda Bloom

Absent
Patricia Julio
Rachael Kitagawa
John Ogliore
Lauren Rudeck
Jerrod Stafford

Chair Frank Albanese determined that a quorum was present and called the meeting to order at 4:30 pm.

He reminded Commission members to announce any conflict of interest or ex parte communication prior to review of applications.

022217.1 APPLICATIONS FOR CERTIFICATES OF USE APPROVAL

022217.11 Perennial Tea Room
1910 Post Alley, J.P. Jones Building
Audrey Paule & Alex Page
Staff Report: Ms. McAuliffe explained the application for change of ownership to an LLC owned by Audrey Paule (49%) and Alex Page (51%). No change in use. She said the space is in Zone 3, street level, all uses permitted. Approved use: Food c & e; Retail e - tea specialty store per MHC 348/90, 142/92 and 162/04. Space is 1368 square feet. Proposed ownership structure: LLC. Neither has a financial affiliation with another business. Owner operator: Both owners will be onsite operating the business at least four days a week. Business hours: 9:30 a.m. to 6:00 p.m. daily. Exhibits reviewed included site plan, written description of ownership interest and role in the business operation, LLC Operating Agreement, and Use approvals MHC 348/90, 142/92 and 162/04. Guidelines that applied to this application included 2.1, 2.4, 2.5, 2.6, 2.7, and 2.10.

Staff clarified that the ownership percentages are 50/50, not as stated in the staff report.

URC Report: Ms. McAuliffe said the Committee cited 2.1.4, 2.4, 2.5.1 c & e, 2.5.4 e, 2.6, 2.7.1, and 2.10 and recommended to approve.

Applicant Comment:

Audrey Paul explained they owned Summit Spice and Tea in Anchorage, Alaska; they sold that business last year. She said they are happy to have the opportunity to purchase Perennial Tea Room.

Alex Page said they sold spices and tea; they did tastings and classes. He said here they will focus on tea.

Susan Zuege, current owner, said they are retiring after 27 years and they couldn’t hand the business off to better people.

Public Comment: There was no public comment.

Commission Discussion:

Ms. Vaughan said the URC said the use meets all Guidelines.

Ms. Paule clarified which approved uses per they would be discontinuing: they will not sell furniture, china, or artwork on consignment, nor will they be offering classes. She said they will do retail only.

Mr. Habibi said the use lines up well with the Market.

Mr. Albanese asked how often they will be in the shop.

Mr. Page said they plan to each be there four days a week.
Action: Ms. Vaughan made a motion to adopt a resolution approving the application as presented.

MM/SC/CV/MIH 7:0:0 Motion carried.

022217.2 APPLICATIONS FOR CERTIFICATES OF USE/DESIGN APPROVAL

022217.21 Old Stove Brewery
1901 Western Avenue, Suite A
Chris Moore

Staff Report, Use: Ms. McAuliffe explained the application for approval to operate temporary brew pub/light food use during tenant improvements at MarketFront Building, from April 1, 2017 through October 31, 2017. She explained that temporary use will occur within boundaries of space approved at the MarketFront Building for this business. Business will continue to operate at its existing location within the First & Pine Building during the temporary operation at the MarketFront. Zoning: Zone 3, all uses Proposed use: Food e. Exhibits reviewed included a letter from the applicant, interim menu, and plans. Guidelines that applied to this application included 2.6 and 2.9.

URC Report: Ms. McAuliffe said the Committee cited 2.6.7, 2.9.1 and 2.9.2 and recommended that the full Commission should discuss.

Applicant Comment:

Chris Moore explained challenge of meeting lease requirements to be up and running in the new space June 29, 2017 with ongoing construction constraints. He explained the need to operate out of old and new spaces in order to meet the needs of working out of an unfinished space.

Brian Stand, manager, reiterated the lease requirement to be open and the realities of construction constraints. He said they need to produce beer and food at the existing space to support the new space until construction is complete.

Landlord Comment:

Jennifer Maietta, PDA, said this is a new building and this situation won’t happen again. She said it is an odd challenge during the transition and noted the importance of activation of the space for the grand opening.

Public Comment:

Ana, Uli’s Sausage, spoke in support of the application and said it is fair to be open while figuring out the transition challenges.

Karl Anderson, Uli’s Sausage, spoke in support and said the applicants are working hard on the project and the space will be great. He said they are happy to
have a brewery here and he noted they need to be up and running for the grand opening and need some leeway.

Colleen Bowman, consultant, asked Commission members to use their discretion to help make this happen. She noted the importance of activation of the new MarketFront area.

Commission Discussion:

Ms. Vaughan said the URC discussed 2.6.7, 2.9.1, and 1.4 which allows discretion. She said she was comfortable with approving the application with strict timelines.

Mr. Hammond agreed.

Ms. Winant asked if other tenants in the new space have the same predicament.

Ms. Maietta said most of the other build-outs are simpler but they are looking at alternatives.

Ms. Winant said she understands the complexities. She asked about tenant being asked to assume liability for things beyond their control.

Ms. Maietta said they would extend three months or more with no penalty – there will be some leeway. She noted complexities of scheduling and the need to be open and active as much as possible.

Ms. Vaughan asked at what point will the operations cease in the old space.

Ms. Maietta said that a one month transition is needed; tenants need the time to set up operations.

Mr. Habibi cited 2.6.7, 2.9.2 and 1.4 and supported the application.

Mr. Hale said it is good for the Market and noted that this is an extraordinary situation.

Mr. Albanese said activation is key; it impacts the whole Market. He cited 2.6.7 and 2.9.1. He supported the application.

Ms. McAuliffe cited 2.6.7 and noted that the distinction that in this case, the applicant is not taking over ownership of a second business in the Market.

Mr. Farrazaino asked if other tenants will be fully operational.

Ms. Maietta said they will not be fully operational; they may have tents up but they won’t be like this.
Commissioners expressed a willingness to extend the deadline to December 31 in case there were other delays. Commission members concurred that the original business location should be closed within 30 days after the new space is fully operational.

Action: Ms. Vaughan made a motion to adopt a resolution approving the application through December 31, 2017 with the condition that when the space is operable operations in the other location will cease 30 days later.

MM/SC/CV/MUH 7:0:0 Motion carried.

Staff Report, Design: Ms. McAuliffe explained the application for design for temporary operation. She noted that the applicant will return for approval of displays, signage & specialty lighting. Work reviewed included construction of temporary barrier between proposed temporary space and area of construction, temporary security gate, construction of new bar and kitchen, temporary 8 x 14 cold room, mop closet, and electrical and plumbing rough-in. Exhibits reviewed included plans, renderings, cut sheets, and color / material samples. Guidelines that applied to this application included 3.1 and 3.4.

DRC Report: Ms. McAuliffe said the Committee cited 3.1, 3.4.1 a, b, c & d, and 3.4.3 f and recommended to approve.

Applicant Comment:

Greg Bjarko, architect, explained that they will utilize the section of the space that will eventually be just seating. He said they will put up an operable wall through which people will be able to watch construction of the brewery. He said they will reuse the storefront as temporary wall; some glassed areas will be a permanent part of the design. He said they will use Core-plast above the 10’ wall to keep construction dust out. He said that fortunately lighting, mechanical, HVAC and bathrooms will already be done. He went over rendering of what the temporary space will look like. He said the sliding doors will be on galvanized steel track and will stack when open. He said they found a way to make this work temporarily.

Mr. Moore expressed his appreciation for Mr. Bjarko’s work.

Landlord Comment:

Jennifer Maietta, PDA, noted the simplicity of the design and repurposing of the wall; she said it is insightful, thoughtful use of materials to activate the space.

Commission Discussion:
Mr. Hale said DRC had no problem and said it is a clever solution to a tough situation. He asked what the sliding doors open to.

Mr. Bjarko said it is community public walkway – a throughway – it is temporary. He said that Indi Chocolate and Honest Biscuits will also be under construction; they will all have to work together.

Ms. Maietta said they will use visqueen barriers.

Mr. Stand said they also have to work with liquor control requirements.

Mr. Bjarko said there also has be a second exit and they are working that out.

Mr. Farrazaino asked if they have gotten OK from Fire, SDCI and Health.

Mr. Bjarko said they are still working on that.

Ms. Maietta said this is the first time they have done this and they are dealing with unforeseen circumstances as they come up. She said the number one goal is getting the build-out done and having the building operational. She said the building itself will have its final inspection but there will be other requirements within each tenant space.

Action: Mr. Habibi made a motion to adopt a resolution approving the application as presented.

MM/SC/MUH/SF 7:0:0 Motion carried.

022217.4 COMMISSION BRIEFING

022217.41 2017 Daystalls Rules Review proposal
John Turnbull

Briefing on proposed changes to Daystalls Rules

John Turnbull, PDA, cited the Hilt and Hilt-Licata agreements and said public comment is taken annually; comments provide suggestions to changes. He suggested adding a section covering tours and tour guides: anyone who leads a tour for payment must work with company that is licensed and insured to work with the PDA. He said the group must be managed well and not be too large. He said they must understand how Market and security work. He said they must have a general knowledge of accurate Market history. He said they should wear a single use wristband. He said that if requested by the Commission, they may be subject to the same standards in public spaces and rights of way. He said that he would circulate comments on proposals to Ms. McAuliffe and that they would go to Council at the end of March. He said the current agreement is through next year and will be renewed in 2018-19;
they will have proposals for rule changes and items related to the new MarketFront e.g. tours, performers, crafts etc.

Mr. Albanese asked about craftspeople hours.

Ms. Vaughan said in the winter roll call is 9:30 and spaces are chosen; they must be set up by 11:00. In the winter they are there until 4:00 pm and in the summer it is 5:00 pm.

Mr. Albanese asked how that is managed and noted people leaving at 3:30 pm.

Mr. Turnbull said they try to manage two – three patrols a day. They have to be there for attendance day in order to be eligible to sell on Saturday; if they aren’t there they get no credit for that day. He said if an agent has left early they will call the permit holder and write them up.

Mr. Albanese asked about rules for buskers.

Mr. Turnbull said they have to carry a permit but not a tune.

Mr. Albanese commented on those that strum and scream and asked if they could be juried in.

Mr. Turnbull said it is a freedom of speech activity. He said they can designate a spot for political statements – by the pig, or on the sidewalk for buskers. He said they can regulate the size of the crowd, volume but not quality. He said they try to screen for hygiene. He said the busker cannot unduly impact the normal business and conversation and they can’t get in your face or cause problems; if this happens you should call Security or the Daystall staff. He said they don’t allow brass instruments although there is a tuba player who wants to perform.

Discussion ensued about tour groups and impacts to the market.

Mr. Turnbull said they try not to allow groups of more than 16 with headsets; groups without headsets are limited to no more than 10. He said that the Commission can ask the PDA to set up enforcement.

Mr. Albanese noted tour groups of 20 – 40 people congregating in front of his store and preventing customers from entering. He said his experience with tour groups is that – except for one tour group – they are not positive for his business.

Ms. Winant said to be careful against unintended consequences of any regulations and that they be carefully crafted.

Mr. Turnbull said they should work with the PDA. Tours should: not block stores; not go into stores without management OK; have buffer between groups; and abide
by rules of behavior. He said there are up to 20 tours a day Friday, Saturday, Sunday, and Monday throughout the summer.

022217.5 APPROVAL OF MINUTES:
February 8, 2017
MM/SC/MUH/CB   6:0:1  Minutes approved. Mr. Hale abstained.

022217.6 REPORT OF THE CHAIR

Mr. Albanese recommend PDA oversight public space tours in the Market. He said that each year there are more tours; he noted that some are disrespectful and inconsiderate.

Ms. Vaughan suggested MHC review before tour can operate.

Mr. Albanese noted the transient nature of the tours.

Ms. McAuliffe said the Commission has no jurisdiction because it would just be going through. She suggested a common starting point such as the elevator lobby next to Market Theater; the PDA would apply for that use.

Discussion ensued and it was suggested that the Commission could ask PDA and they would set policy: that size limitation is important, as well as length of time at any location, and blocking of businesses; that inside rules be extended outside to public right of way; that tours book tour time with PDA; that rules already exist for inside space and this would extend PDA rules to outside. More discussion next meeting.

022217.7 REPORT OF STANDING COMMITTEES: None.

022217.8 STAFF REPORT None.

022217.9 NEW BUSINESS None.

6:30 p.m. Mr. Albanese made a motion to adjourn. Ms. Winant seconded.

Respectfully submitted,

Heather McAuliffe
Commission Coordinator