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# HALDIMAND COUNTY

## Report PED-EDT-19-2017 Hagersville Farmers Market Operating Agreement For Consideration by Council in Committee on October 3, 2017

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### OBJECTIVE:

To enter into an agreement with the Hagersville Chamber of Commerce for operation of the Hagersville Farmers Market.

### RECOMMENDATIONS:

1. THAT Report PED-EDT-19-2017 Hagersville Farmers Market Operating Agreement be received;
2. AND THAT an Operating Agreement, for a term of five years, effective January 1, 2018, between Haldimand County and the Hagersville Chamber of Commerce be entered into as per Attachment #1 to Report PED-EDT-19-2017;
3. AND THAT the Mayor and Clerk be authorized to execute all necessary documents to give effect to the Agreement;
4. AND THAT, as the Hagersville Chamber of Commerce will assume responsibility for the setting and collection of market fees, the Hagersville Farmers Market fees be removed from Schedule P of Haldimand County's User Fees and Service Charges By-law, effective January 1, 2018;
5. AND THAT staff be directed to review the Dunnville Farmers Market and Hagersville Farmers Market By-laws to ensure markets are a competitive consumer experience and report back to Council with recommended updates.

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**Reviewed by:** Lidy Romanuk, BA, EcD, CEcD, Manager, Economic Development and Tourism

**Respectfully submitted:** Craig Manley, MCIP, RPP, General Manager of Planning and Economic Development

**Approved:** Donald G. Boyle, Chief Administrative Officer

### EXECUTIVE SUMMARY:

Over the past several months, Economic Development and Tourism Division (EDT) staff have been working with the Hagersville Chamber of Commerce to prepare an agreement to operate the Hagersville Farmers Market, commencing in January 2018. Staff recommend this agreement (included as Attachment #1 to this report), as it has the potential to provide multiple benefits including:

- A more dedicated focus on the operation of the Market with the potential to increase attendance and vendors;
- Increased revenue to the Hagersville Chamber of Commerce;
- Coordination of new events and activities taking place at Hagersville Market Square;
- Decreased staff resources required to operate the Market;

- Anticipated increase in attendance at the Hagersville Farmers Market that will lead to positive economic spin-offs in the downtown Hagersville area.

## BACKGROUND:

The Hagersville Farmers Market was established in 1892 and remains a vibrant part of the County's identity. Typically twenty to thirty vendors provide services to community residents and visitors during market days from early Spring to late Fall.

During the past four (4) years the Hagersville Market has also hosted a celebration for the provincially-designated Local Food Week, coordinated by staff from Community Development and Partnerships, Economic Development and Tourism, as well as several community groups and agricultural organizations. Attendance during the annual Local Food Week event has ranged between 800 and 1,000 visitors. The Hagersville Chamber of Commerce has been an active and important partner in the Local Food Week event, held the first week of June.

Building Controls and By-law Enforcement Division staff currently distribute yearly notification letters and applications to new and returning Hagersville market vendors outlining the deadline of when payment is required to secure their usual stall location, as well as the collection of fees. By-law Enforcement staff also attend the Market on a weekly basis to collect fees and monitor the placement and removal of parking barriers on Market days to control on-site traffic. Staff also ensure the Market operates in accordance with all applicable County by-laws. Washrooms attached to the Hagersville Satellite Office are opened during market days for vendor and customer use. This level of County staff administration is unique to the Hagersville market, as a legacy issue inherited from the former Town of Haldimand.

For the past few years, the local councillor, staff and vendors have noticed a decline in the number of market vendors and customers specifically at the Hagersville Market. This concern was raised at the June 2015 Committee in Council meeting and the following recommendations were directed to the Haldimand County Agricultural Advisory Committee for its input:

*"WHEREAS Council recognizes the key role that the agriculture sector has in Haldimand County;*

*AND WHEREAS Haldimand County Council recognizes and appreciates the economic impact that all three (3) Haldimand County Farmers Markets play in our communities;*

*AND WHEREAS it has recently been brought to the attention of Council that the three (3) markets would benefit from the attraction of new vendors and increased promotion of the markets;*

*NOW THEREFORE BE IT RESOLVED THAT Haldimand County Council requests that the Agricultural Advisory Committee research opportunities to attract vendors and provide input into the development of a strategic marketing plan to increase attendance at all three (3) markets and provide these recommendations back to Council."*

Since this resolution was received by the Agricultural Advisory Committee (AAC) the following outreach was conducted:

- The Chair of the AAC met with vendors at all of Haldimand County's Farmers Markets (Caledonia, Dunnville and Hagersville) and gathered feedback;

- The President of the Dunnville Farmers Market and Caledonia Markets, as well as a vendor at the Hagersville Market, presented his observations and suggestions to the Committee at the September 2015 AAC meeting.

The key recommendations and considerations from the AAC included:

- A comparison of Farmers Markets in surrounding municipalities that would include review of vendor fees, by-laws, marketing initiatives, operation size comparison, etc. (A comparison was completed by Economic Development and Tourism staff and presented to the Agricultural Advisory Committee in September 2015—a summary chart is included as Attachment 2.);
- Feasibility of partner involvement;
- Investigating the creation of a single Market Association to represent all three Markets;
- Consideration for a potential Volunteer Market Coordinator position for 2016;
- Outline of a Strategic Marketing Plan for the 2016 Market season that will increase vendor and customer attendance; and
- Consideration of decreasing the stall fees to increase and support local farmer participation.

In the intervening timeframe and given the significance to the community of the Market, now in its 125<sup>th</sup> year of operation, the Hagersville Chamber of Commerce expressed an interest in taking over the operation of the local Farmers Market. In doing so, the key objective of the Chamber is to maintain and increase the number of market vendors and patrons. Upon execution of the agreement (Attachment 1), it is anticipated that the Chamber will have the ability to increase marketing activities to the patrons and vendors. As the Farmers Market is a weekly event that brings people to downtown Hagersville to shop, enhanced marketing has the potential to benefit many businesses in the downtown area. Following the completion of construction for the Dunnville Farmers Market a similar operating agreement with the Dunnville Farmers Market association will be brought forward for Council approval.

The existing by-laws for the Dunnville and Hagersville markets are out of date and many of the provisions are no longer applicable. Staff will be undertaking a comprehensive review to evaluate these existing by-laws relative to need and the objective of supporting the economic viability of the markets and will bring back recommendations to Council at a later date.

## **ANALYSIS:**

The Hagersville Chamber of Commerce was incorporated in 1977 with the objective to promote and improve trade and commerce and the economic, civic and social welfare of Hagersville and surrounding area. The Chamber currently operates the Hagersville Community Centre and is responsible for a number of initiatives in the community including: Hagersville's annual Volunteer Recognition Night, the Santa Claus Parade and Christmas Lights, beautification in the downtown core (with the BIA), and is a sponsor of the Hagersville Rocks music event. Given the Chamber's objectives, their collaborative relationship with the County and experience operating the Hagersville Community Centre, staff believe this organization has the capacity to take on operation of the local Farmer's Market. Further, the Chamber of Commerce has expressed its interest in taking on this leadership role to promote and attract new vendors to the Market.

At a high level, the agreement being proposed is very similar to how a number of services (i.e. field management agreements) are provided wherein a group delivers the service on behalf of the County, sets the user rates and the County provides support in terms of major capital improvements and an operating subsidy. The proposed agreement (Attachment 1) between Haldimand County and the Hagersville Chamber of Commerce sets out the following key responsibilities:

### **Key Responsibilities of the Chamber**

The Chamber of Commerce will assume the following responsibilities:

- The Chamber will have care and control of the Facility (as described in Attachment # 1 Schedule A – being the market structure and parking lot) on market days and for special events as approved through the special event process. Generally, the market will operate for one, but up to two (2) days per week from April 1<sup>st</sup> to the end of December. The agreement proposes that the scheduled market days/times can be changed upon mutual agreement between the Chamber of Commerce and the General Manager of Planning and Economic Development;
- Promote the Market to existing and new vendors, as well as the public;
- Distribute the yearly notification letter and application to new and returning vendors outlining the deadline of when payment is required to secure stall locations, as well as the collection of fees;
- Attend the Market to collect fees from those vendors who attend on a weekly basis;
- Placement and removal of parking blockades on Market days to control on-site traffic and ensure pedestrian safety while also maintaining one vehicular access so clients can access the adjacent businesses;
- Ensuring the Market operates in accordance with all relevant legislation and applicable County by-laws;
- The Chamber, at its own expense, will be responsible for ensuring vendors have access to electricity on Market days as well the opening, closing and cleaning/maintenance of the Market washrooms;
- It will be the responsibility of the Chamber to ensure Market vendors gather their own garbage at the facility at the conclusion of each Market day;
- Routine maintenance, such as painting or power-washing;
- As the overseer of operations, the Chamber of Commerce will have the right on Market day to temporarily close access of Market square to vehicular traffic to allow for safer pedestrian movement. One vehicular access will be required to be left open to allow access to businesses that are adjacent to Market square;
- The Chamber of Commerce will be responsible for all utility costs such as hydro, water and wastewater associated with the Market during market days and during all special events that they are coordinating;
- The Chamber will be required to provide liability insurance to cover the Market and associated operations and any authorized special events they hold on the property on off-Market days.

It is intended that the new partnership approach will increase visitors to the Market. Staff within the Economic Development and Tourism Division will continue to work with the Hagersville Chamber of Commerce and the Market vendors to promote the Market across all available marketing platforms.

### **Key Responsibilities of the County**

The County's responsibilities shall include:

- All major capital repairs as approved by Council, which includes repairs required to ensure the structural integrity, health and safety and legislated requirements, as well as roof and eaves trough repairs;
- Snow removal, washroom maintenance on off-Market days and garbage pick-up on the property;
- Continued marketing support by the Economic Development and Tourism Division;
- Continuing to insure the County-owned facility under the County's property policy and also, insure the activities taking place on non-Market days, excluding special events hosted by the Chamber, under the County's general liability policy.

Should Council choose to approve the Operating Agreement set forth in Attachment 1, the following will be realized:

- Building Controls and By-law Enforcement staff will no longer have the responsibility of securing vendors on an annual or weekly basis. However, they will still be responsible to ensure that all applicable by-laws are being adhered to by the Chamber of Commerce and the Market vendors;
- Economic Development and Tourism staff will continue to work with the Hagersville Chamber of Commerce to promote the Market through various platforms including social media, Haldimand County's Community Guide, the County's weekly newspaper ads, media releases, Local Food Week, posters, signage and under the Harvests of Haldimand brand;
- Roads Operations staff will continue to perform all snow removal and maintenance of the parking lot, as the Market area is situated on a municipal parking lot;
- The County will no longer receive revenues from the operation of the Hagersville Market; and
- Future changes including extension of season, changing of operating times or Market day, will require County approval upon mutual agreement between the Chamber of Commerce and the General Manager of Planning and Economic Development.

### **Future Uses and Enhancements**

Through this agreement, it is intended that the Hagersville Chamber of Commerce will have the opportunity to hold additional events in the Market structure provided these activities are outside of County office hours and adhere to the County's special event guidelines. There will be opportunity for the Hagersville Chamber of Commerce to apply for funding through the County's Community Partnership Program for capital improvements to the Market structure, if approved by Council.

It is anticipated that, upon approval of report PED-EDT-19-2017, staff will proceed to evaluate and recommend updates to the current market by-laws for both Hagersville and Dunnville markets to ensure a more current listing of permitted activities while ensuring the market continues to remain focused on the sale of local produce, fruit and value-added agricultural products.

### **FINANCIAL/LEGAL IMPLICATIONS:**

Currently, the County expends approximately \$1,500 annually (five-year average, 2012-2016) for hydro, water and sewer charges and minor maintenance related to the operation of the Hagersville Market. This does not include the cost of staff time incurred to administer the collection of Market fees, assign stalls, etc. The five-year average revenues are approximately \$7,600 per year. Moving forward, the agreement would result in approximately \$6,000 in budgeted annual net revenue no longer being received by the County. Instead, the Chamber of Commerce will establish and collect all fees as a source of revenue and will administer the service. The Chamber will also be responsible for all hydro, water and wastewater usage at the Market and will be directly billed by the utility providers via separate accounts. For the reasons noted earlier, staff feel that moving to an operating agreement will result in a better, more effective Market service, will allow by-law enforcement staff to focus on core responsibilities and is well worth this cost.

<b>Operating</b>	<b>2017 to date</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>
Total Revenue	\$6,026	\$5,523	\$6,614	\$7,126	\$9,708	\$8,932
Total Expenses	\$874	\$1,472	\$1,101	\$1,040	\$2,022	\$1,637

Upon approval of the operating agreement, the Chamber of Commerce will set its own Market rates. Currently, Markets rates are set using the rates established annually in the County's user fee by-law. The intent is to give the Chamber more flexibility to set fees to attract more vendors. As such, staff is requesting that Council approve the removal of the Hagersville Market Fees from the user fee by-law.

Similar to existing Community Hall operating agreements, approved major capital expenditures related to Hagersville Market will be the responsibility of the County. As in the past, these expenses will continue to be addressed through the capital budget as they arise.

The existing building has undergone recent renovations to maintain the viability and integrity of the structure as well to ensure compliance with the requirements of the Haldimand Norfolk Health Unit. These renovations included the installation of a steel roof and, most recently, the refurbishment of steel support columns and installation of a system to detract birds from nesting in the ceiling of the structure. As a result, the building structure is currently sound.

Capital	2017 to date*	2016	2015	2014	2013	2012
Expenses	\$9,669	\$0	\$0	\$0	\$23,608	\$11,183

\*Project started in 2015 and completed in 2017.

## STAKEHOLDER IMPACTS:

The execution of this agreement will have multiple impacts on various stakeholders. County By-law Enforcement staff will no longer be responsible for operation of the Market, but will still be responsible for ensuring the Market is adhering to applicable by-laws, and may need to provide support to Chamber staff to understand the by-laws governing the Hagersville Market and other issues such as addressing parking on the site.

It is anticipated there will be many positive spinoffs of moving in this direction. While the Hagersville Market vendors may be impacted initially by a change in the operation of the Market, the intent is that the Chamber will work to attract more vendors and patrons to elevate the Market as a destination. Additionally, there are expected positive spin offs for businesses in the downtown Hagersville area with increased involvement from the Chamber.

## REPORT IMPACTS:

Agreement: Yes

By-law: Yes

Budget Amendment: No

Policy: No

## ATTACHMENTS:

1. Hagersville Farmers Market Operating Agreement.
2. Comparison Summary of Market Operations.