

FARMERS' MARKETS UPDATE (M. Janz)

RECOMMENDATION

1. That the September 26, 2022, Financial and Corporate Services report FCS01359, be received for information.
2. That Attachment 2 of the September 26, 2022, Financial and Corporate Services report FCS01359 remain private pursuant to sections 16 (harmful to business interests of a third party) and 25 (harmful to the economic interests of a public body) of the *Freedom of Information and Protection of Privacy Act*.

Requested Council Action	Information only		
ConnectEdmonton's Guiding Principle	ConnectEdmonton Strategic Goals		
CONNECTED This unifies our work to achieve our strategic goals.	Urban Places		
City Plan Values	LIVE		
City Plan Big City Move(s)	A community of communities	Relationship to Council's Strategic Priorities	15 Minute Districts
Corporate Business Plan	Managing the corporation		
Council Policy, Program or Project Relationships	<ul style="list-style-type: none"> • City Plan • <i>fresh</i> - Edmonton's Food and Urban Agriculture Strategy • Economic Action Plan 		
Related Council Discussions	<ul style="list-style-type: none"> • Not applicable 		

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Previous Council/Committee Action

At the June 20, 2022, City Council meeting, Councillor M. Janz made the following inquiry:

Can Administration provide an update on existing and/or proposed City arrangements with farmers' or public markets including any stakeholder feedback and how markets could best align with The City Plan and Economic Action Plan?

Executive Summary

- The City of Edmonton has a variety of touchpoints with farmers' markets and public markets.
- The City regulates markets and vendors operating within them through development permits, licences of occupation and business licences.
- The Old Strathcona Farmers' Market leases a City-owned building to operate their market.
- The Downtown Edmonton Farmers' Market subleases City-leased space to operate their market.
- Farmers' markets align with City policy; closer alignment could be achieved with additional hours of operation to better activate the areas in which they are located.
- *fresh* - Edmonton's Food and Urban Agriculture Strategy, includes direction to strengthen farmers' markets by developing innovative approaches and supports to strengthen and sustain Edmonton's existing farmers' markets.

REPORT

Information about Markets

Farmers' markets enable Edmontonians' growing commitment to support local entrepreneurs and artisans. Markets have become a part of Edmonton's culture of shopping local, which gained more appreciation during the pandemic. Markets bring people together, allow entrepreneurs to test ideas to support scale-up aspirations and give local food producers a low overhead outlet for their products.

The current Zoning Bylaw defines a market as "development used for the sale of new or used goods by multiple vendors renting tables or space either in an enclosed building or outdoors." As shown in Attachment 1, several markets operate in Edmonton. The majority are farmers' markets that operate one or two days a week. The Government of Alberta operates a voluntary farmers' market program called Alberta Approved Farmers' Market Program, outlining requirements that participating farmers' markets must comply with including that participating farmers' markets have 80 per cent of the vendors in their market be producers who make, bake or grow the goods they sell.

Edmonton is also home to public markets that do not participate in the Alberta Approved Farmers Market Program and therefore are not bound by the 80 per cent producer requirement, but these markets still generally follow a similar local-producer focus.

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Two of the city's public markets operate three days a week. There is a trade-off between market frequency and other business needs, as producers must spend much of their time in production, which limits the time available to be selling in markets.

Edmonton is not home to six- or seven-day-a-week public markets such as those found in Vancouver, Winnipeg, London, Toronto, Ottawa, Montreal, Quebec City and Saint John. Saskatoon is converting a one-day-a-week farmers' market into a six- or seven-day-a-week public market.

A majority of Edmonton's markets are seasonal markets that operate outdoors. Indoor markets are either small markets that are accessory to other uses or one of three markets with large, dedicated buildings: Bountiful, Edmonton Downtown and Old Strathcona. Edmonton also benefits from cultural markets such as the Indigenous Artist Market Collaborative and BOM YEG.

According to the Government of Alberta, in 2021, Edmonton had the largest number of farmers' markets that participated in the Alberta Approved Farmers' Market program, with 15 markets in the city and an additional 14 in the surrounding region. The provincial government also estimated:

- There were 1.03 million visits to farmers' markets in the Edmonton region.
- 2,362 vendors were active at farmers' markets in the Edmonton region.
- Markets operated for 30 days on average, with some year-round markets operating for up to 102 days.

In Alberta, an estimated 37 per cent of vendors sell agricultural/food products, 49 per cent of vendors sell craft/artisan products and 14 per cent of vendors sell imported or resale items.

City of Edmonton Arrangements with Markets

Administration has two leases in place with Alberta approved farmers' markets that occupy City-owned or leased space, one with the Old Strathcona Farmers' Market and the other through a sublease with the Downtown Edmonton Farmers' Market. Terms of these agreements are outlined in Private Attachment 2.

The Old Strathcona Farmers' Market has leased the Strathcona Bus Garage on 83 Avenue since 1986. The lease complies with the non profit guidelines with a yearly rent of \$1. The tenant is responsible for all building operating costs, including capital replacement costs. The Old Strathcona Farmers' Market also leases the parking lot adjacent to the farmers' market through a separate agreement for which they pay market rates. The Old Strathcona Farmers' Market collects parking revenue for the lot but is fully responsible for its operation and maintenance. Both the lease agreements are for a 10-year term, expiring in April 2025.

The Old Strathcona Farmers' Market has indicated to Administration that they would like to enter into a new long-term lease agreement. A long-term agreement would aid in their attempt to secure a grant for retrofit work and other financing. At the time of the writing of this report, negotiations are ongoing to enter into a new lease agreement.

During current lease negotiations, Administration has asked Old Strathcona Farmers' Market whether it could transition into a daily public market. In response, the market has developed a plan to switch from operating one day a week to two days a week and to supplement this with a

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“general store” in the southeast corner of the building, which could sell vendors’ products daily. In this plan, the southern portion of the market building would also be available for rent on non-market days for events like weddings and meetings. The Old Strathcona Farmers’ Market is providing input, especially about the future use of the land currently occupied by the market parking lot, to the Old Strathcona Public Realm Strategy that Administration is currently conducting.

The Downtown Farmers’ Market on 97 Street subleases space from the City of Edmonton. In an effort to activate the Quarters, the City entered into a five-year commercial lease with Five Oaks Inc. for the Great Western Garment Company Building. The City then subleased the space to the Downtown Farmers’ Market for \$1 plus full recovery of the operating costs charged annually in the head lease by Five Oaks Inc.

The Downtown Farmers’ Market currently has approximately 38 vendors and is focused on rebuilding its vendor base and contributing to the vibrancy of the downtown and Quarters. To this end, they obtained funding through the Downtown Vibrancy Strategy to support a series of outdoor multi-day events through the end of 2022.

Where a market utilizes road right-of-way, the market organizer entity enters into a licence of occupation with the City for the use of road right-of-way to operate that farmers market. There are currently four active farmers market licences of occupation:

- Downtown Edmonton Farmers’ Market on 103 Avenue
- 124 Street Grand Market on 108 Avenue
- 124 Street Grand Market on 102 Avenue
- 104 Street Alfresco Market on 104 Street

The licence fee for the farmers’ markets on road right of way is calculated based on 10 per cent market value of the land plus the land property tax equivalent. The licence fee is charged on an annual basis at the end of the market season and is based on the area used by the market, and remains consistent for the five year term of the licence of occupation agreement. The market organizer is responsible for all operating costs, including costs associated with any traffic control elements required to support the road closure while the market is in operation.

The Public Food Hub, operator of the 124 Grand Market, has expressed concern about a recent increase in the fees it pays for its licence of occupation for the use of portions of 102 Avenue and 108 Avenue. The market just entered new agreements for the 102 Avenue and 108 Avenue markets in the spring of 2022. Due to an increase in market value of the land for the markets, and an increase to the area they use on 102 Avenue, licence fees have increased accordingly.

Since the adoption of Charter Bylaw 19503 in February 2021 (changes to Zoning Bylaw 12800), markets on titled lots do not require Development Permits in most cases where markets are allowed as a permitted use in the zone that applies to the site.

Policy Alignment

Markets align with City and regional policy by supporting the development of 15-minute districts, fostering local economic development and enhancing value-added agricultural activities.

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Markets are one type of value-added agriculture that the Regional Agricultural Master Plan encourages in urban areas like the City of Edmonton.

As they exist today, markets align with policies in The City Plan about:

- Development that contributes to the livability and adaptability of districts (2.3.1.2).
- An integrated local food economy (2.2.2.4).
- Partnership with local organizations to foster economic development (3.3.1.1).

Changes to farmers' markets could improve alignment with other policies in The City Plan. Policy 2.3.3.4 calls for increased animation of spaces to encourage their daily and all-season use; policy 6.1.2.4 encourages activation of underutilized public space; policy 2.2.1.2 states that public amenities should improve as density increases. The fact that most markets operate only once a week means that animation in the districts they serve is low compared to if they were to operate the entire week.

As independent businesses, markets are free to set their operating hours. The best opportunities that the City has to encourage increased market animation are in Old Strathcona and Downtown, given its direct involvement in them. These opportunities align with The City Plan's policy 6.1.1.6 ("Use City land, buildings and equipment to pilot innovative ideas and solutions") and policy 6.3.2.3 ("Embrace innovation and calculated risk-taking in City services, programs and activities related to economic development").

Markets support the advancement of several Economic Action Plan actions that align with The City Plan directions and goals noted above. Markets support the local food economy by creating opportunities for local distribution and consumption of products produced in the Edmonton region (Action 5 - improving local supply chains, and Action 15 - supporting the local food economy). They are also amenities that contribute to community vibrancy, economy, culture, and community growth (Action 10 - attract development to nodes and corridors).

COMMUNITY INSIGHT

In preparing this report, Administration reached out to Business Improvement Area (BIA) associations in Edmonton. The BIAs provided the following feedback:

- Markets are beneficial as they attract foot traffic and add vibrancy. However, there is an opportunity to further improve their impact if markets operate five to seven days a week.
- Vendors in farmers' markets often do not have Edmonton business licences, do not contribute to BIA levies, and as a result are not as connected to their host communities as they could be.
- The real estate/leasing structure with markets is not equitable compared to what member businesses in BIAs pay in taxes and rent.
- The City-owned market buildings have unrealized potential as incubators for business start-ups.

GBA+

A detailed GBA+ was not completed for this report. At a high level, markets provide inclusive access to local goods and services to the community by offering vendors a low-cost avenue to sell

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their products and goods. Markets benefit the local economy, create jobs, and create places of belonging for vendors and the community members who shop and attend the markets. Increased operating hours would improve accessibility to markets for various groups with time constraints on specific one-day-a-week market days. As a result of being produced on a smaller, non-industrial scale, some market goods are more expensive than equivalent items sold in supermarkets, making markets unaffordable to certain population segments.

ATTACHMENTS

1. List of Markets in Edmonton
2. Terms of Current Lease Agreements (Private)