Legislation Details (With Text)

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Title:	APPROVAL OF FOURTH AMENDMENT TO THE CHAMBER OF COMMERCE WEDNESDAY FARMERS' MARKET AGREEMENT INCLUDING TERM EXTENSION AND LANGUAGE UPDATES REGARDING MARKET VENDORS (Continued from meeting of December 11, 2018) (Community Resources Manager Kelly Orta)		
Sponsors:			
Indexes:			
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Attachments:	1. 1. Current Wednesday Farmers Market Agreement and Extension Letters, 2. 2. Fourth Amendment to Wednesday Farmers Market Agreement, 3. 3. Mark Anderson Presentation		

Date	Ver.	Action By	Action	Result
1/22/2019	1	City Council		
12/11/2018	1	City Council		

Honorable Mayor and Members of the Hermosa Beach City Council
Regular Meeting of January 22, 2018

APPROVAL OF FOURTH AMENDMENT TO THE CHAMBER OF COMMERCE WEDNESDAY FARMERS' MARKET AGREEMENT INCLUDING TERM EXTENSION AND LANGUAGE UPDATES REGARDING MARKET VENDORS

(Continued from meeting of December 11, 2018)

(Community Resources Manager Kelly Orta)

Recommended Action:

Staff recommends that the City Council approve the fourth amendment to the Chamber of Commerce Wednesday Farmers' Market agreement, including the following changes:

1. Term extension to June 16, 2020; and
2. Updated vendor language to include clear guidelines on the composition of permitted vendors.

Executive Summary:

In September 2015, the City approved the addition of a Farmers' Market on Wednesdays to be held on Pier Plaza, overseen by the Chamber of Commerce. Since commencement of the market, daytime patronage to the downtown area has visibly increased, which was one of the primary goals of the market. During the first two years of the market, there were concerns among City

Councilmembers and staff related to the vendor mix, as the number of farm fresh goods and produce vendors was not as high as initially anticipated. Through a series of discussions and work on the part of staff, the Chamber of Commerce, and market producer Mark Anderson, the number of commercial vendors has been gradually reduced, allowing for greater emphasis on farm fresh and handmade goods; artisans; and hot and cold food vendors.

Currently, the market agreement between the City and Chamber of Commerce is set to expire on February 27, 2019, and staff, along with Chamber representatives, desire to extend the agreement to align with the Chamber's separate agreement with market producer Mark Anderson. Further, staff recommends additional language be added to the vendor composition section of the agreement in order to provide a controlled level of flexibility in the vendor mix that is consistent with the positive changes made throughout the past few years while allowing the market to be increasingly successful in a highly competitive market.

Background:

In September 2015, the City Council approved an agreement with the Chamber of Commerce to produce a weekly Farmers' Market each Wednesday on Pier Plaza in an effort to increase daytime foot traffic and patronage of local businesses in the downtown area. This market was in addition to the longstanding market held at Clark Stadium each Friday. The Chamber of Commerce contracted with Mark Anderson of "Farmer Mark", a local company that oversees and manages a number of farmers' markets throughout Southern California, to produce this new market. Since then, the City Council has extended the agreement annually and has approved minor adjustments to various aspects of the market, including:

- March 2016 - approval to include a trackless train and acoustic music as part of the approved footprint
- December 2016 - market hours adjusted from 11:00am-4:00pm to 1:00-6:00pm

The current agreement with the Chamber of Commerce (**Attachment 2**) is scheduled to expire on February 27, 2019. The City Council authorized an additional two-month extension to the agreement at its December 11, 2018 regular meeting. At that meeting, the agenda included consideration of a proposed fourth amendment to the agreement. Staff requested that this item be continued to a subsequent meeting to allow additional time to further clarify and define the proposed language regarding the composition of market vendors.

Discussion:

Market Information

The Wednesday market takes place along the entirety of Pier Plaza as well as Parking Lot B, which is dedicated for vendor parking. Use of this lot is charged directly to Anderson in the amount of $202.50 weekly. The inclusion of the trackless train for children, which drives down the center of the Plaza, and the live ambient music has contributed to a slight increase in the number of visitors and local families attending these events. From the City's perspective, this was a simple addition to the

market, in both planning and implementation, to increase its success.

As previously noted, the market was initially held between the hours of 11:00am-4:00pm but was adjusted to 1:00-6:00pm, by request of the Chamber of Commerce, at the City Council's December 12, 2016 regular meeting. This change was made in an effort to increase visitors to the market as this allowed the opportunity for some to attend after normal working hours, which was not possible with the original market hours. This change has helped to further increase overall patronage at a time when the Pier Plaza and downtown area are typically not as busy.

Vendors

The market has been through several reviews and updates to ensure it is compliant with the City's agreement as well as representative of the kind of market that the community desires. Throughout these reviews, the Council's main concern has been the mix and variety of vendors, and the presence of commercial booths over produce and fresh food vendors, which continues to be the preference. Since the first formal review of the market in 2016, staff and the City Manager's office have worked with Chamber representatives to make the appropriate adjustments to the variety of participating vendors and to eliminate non-conforming commercial booths. As a result, improvements have been made to the market's general layout, the display of signage, and vendor mix consistent with direction from the City Council. Additionally, the Chamber's leadership continues to reaffirm its commitment to ensuring ongoing oversight of the market so that access to existing businesses on Pier Plaza would not be obstructed, and that the specific products sold would not be in competition with those being sold by brick and mortar stores on Pier Plaza.

Agreement Updates

As previously stated, the City's agreement for the market is with the Chamber of Commerce only, as the Chamber of Commerce holds an entirely separate agreement with Mark Anderson for production of the market. Both agreements were done independently of one another and, therefore, are not perfectly aligned in their terms or conditions. This has made it difficult for both organizations to ensure compliance with City requirements and provide a clear set of expectations related to general oversight and implementation of the market. In an effort to align these two agreements while also remaining focused on the improvements made to the vendor mix over the past few years, staff recommends approval of a term extension as well as additional language added to the vendor mix requirements in the existing agreement. The fourth amendment, reflective of the following recommended changes, is included as **Attachment 2**.

Term Extension

Historically, the City Council has approved the extension of the market agreement for one-year terms, specifically to provide regular check-ins on the progress of the desired vendor mix and to ensure compliance with the agreement. Extension of the term to the recommended June 16, 2020 provides alignment with the current term of the Chamber's Agreement with Anderson. Staff have been pleased with the changes Anderson and his team have made with regard to the types of vendors showcased in the market and are confident that these changes will continue through an extended term of approximately 16 months.

Vendor Language

Currently, the vendor requirements in the City's agreement state:

> The EVENT shall consist of vendor booths selling fruits, vegetables and handmade goods produced by area farms.

Unfortunately, the current language does not provide enough flexibility to Anderson and his team to build upon the success of the market in a competitive arena where there are several markets in the immediate region (including another market hosted in Hermosa Beach on Friday afternoons at Clark Field). Further, successful markets include handmade or commercial goods to provide a variety of options and experiences for market visitors - not all of which are restricted to production at area farms. Therefore, to provide a controlled level of flexibility while also aligning the vendor requirements across the two agreements, staff recommends the following language to replace the final sentence in Section I:

> The EVENT shall consist of vendor booths with a market composition of:
>
> a. Seventy percent (70%) of vendors that are farmers as well as purveyors of prepackaged food. The market shall maintain a minimum of 6 farmers at all times with exceptions for inclement weather and natural disasters; and
> b. Thirty percent (30%) of vendors shall provide hot food and meals as well as artisans.
>
> Farmers shall be considered California producers of fresh fruit, nuts, vegetables, flowers, honey, eggs, nursery stock, plants and livestock products including fish and shellfish produced under controlled conditions in waters or ponds located in California. In cases where the market composition is not achievable due to inclement weather or natural disasters, the Event Producer shall make a good faith effort to adhere to them as much as possible.
>
> Should the vendor composition of the market be out of compliance and, in those cases, not associated with inclement weather or a natural disaster, the Event Producer will have 30-days to rectify to the satisfaction of the City. Failure to do so will result in termination of this Agreement.

These added guidelines are consistent with the number and type of vendors currently at the market on a regular basis and are reflective of the work Anderson and his team have done to provide the vendor mix desired by the City. Further, this language provides the needed flexibility to successfully manage the market throughout the seasonal fluctuations of fresh products and farmers. Considering past concerns regarding the desired presence of farm products, the additional language addressing the daily requirement for a minimum of six (6) farmer booths provides a level of comfort that their presence is guaranteed barring extreme weather conditions or natural disasters. As previously stated, staff has been satisfied with the response to and attention made to the selection of the vendors participating in the market over the past several years and are confident that these will

remain throughout the term of the agreement.

Lastly, the additional language clearly defining what “farmers” includes is advantageous as it sets clear expectations while ensuring that farm fresh products can include a variety of offerings that may appeal to larger audiences.

Attachment 3 includes a presentation by Mark Anderson that further outlines the composition and current statistics related to the market.

General Plan Consistency:

This report and associated recommendations have been evaluated for their consistency with the City’s General Plan. Relevant policies are listed below:

- Governance Goal 5. Small beach town character is reflected throughout Hermosa Beach.
    - 5.7 - Visitor and resident balance. Recognize the desire and need to balance visitor-serving and local-serving uses as a key to preserving character and the economic vitality of the community.
- Governance Goal 6. A broad-based and long-term economic development strategy for Hermosa Beach that supports existing businesses while attracting new business and tourism.
    - 6.6 - Pop-up Shops. Develop plans and programs for underutilized spaces, such as vacant buildings, utility corridors, parkways, etc., for temporary retail, restaurant, and community-promoting uses.
- Parks & Open Space Goal 3. Community Parks and facilities encourage social activity and interaction.
    - 3.2 - Social and cultural events. Design and program parks and open space to accommodate unique social and cultural events to foster connectedness and interaction.
    - 3.5 - Health and physical activity. Increase the availability of space and variety of activities that promote community health and physical activity such as community gardens, fitness stations/equipment, and fields/courts.

Fiscal Implications:

The City collects $202.50 in weekly parking fees for use of lot B, utilized for vendor parking, in addition to any direct costs as deemed necessary.

Attachments:

1. Current Wednesday Farmers’ Market Agreement and Extension Letters
2. Fourth Amendment to the Farmers’ Market Agreement
3. Mark Anderson presentation

Respectfully Submitted by: Kelly Orta, Community Resources Manager
Noted for Fiscal Impact: Viki Copeland, Finance Director
Legal Review: Mike Jenkins, City Attorney

Approved: Suja Lowenthal, City Manager

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