



Hamilton

REPORT 14-003

HAMILTON FARMERS' MARKET SUB-COMMITTEE

Thursday, June 12, 2014

10:00 a.m.

Council Chambers
Hamilton City Hall

Present: Councillor J. Farr, Chair
Councillors C. Collins and R. Pasuta

THE HAMILTON FARMERS' MARKET SUB-COMMITTEE PRESENTS REPORT 14-003 TO THE GENERAL ISSUES COMMITTEE AND RESPECTFULLY RECOMMENDS:

1. Farmers' Market Governance Model (CM12009(c) (City Wide)

That the Terms of Reference/Business Case to create a Municipal Not-for-Profit Corporation for the Hamilton Farmers' Market, as outlined in Appendix A to Report 14-003, be approved.

2. Hamilton Farmers' Market Pilot Parking Project Extension (FCS14051) (City Wide)

- (a) That the Hamilton Farmers' Market parking validation pilot program be continued until the end of December 2014;
- (b) That monies identified from stallholder fees within the 2014 budget be re-directed from other priorities to accommodate the continuation of the program for 2014;
- (c) That staff be directed to complete an investigation of long-term funding options and provide a report and recommendations to the Hamilton Farmers' Market Sub-committee before December 31, 2014.

FOR INFORMATION:

(a) CHANGES TO THE AGENDA

There were no changes to the agenda.

The Agenda for the June 12, 2014 Hamilton Farmers' Market Sub-Committee meeting was approved as presented.

(b) DECLARATIONS OF INTEREST

There were none declared.

(c) APPROVAL OF MINUTES OF THE PREVIOUS MEETING

The Minutes of the April 11, 2014 meeting were approved as presented.

(d) PRESENTATION

(i) Farmers Market Governance Model CM12009(c) (City Wide) (Item 5.1)

John Hertel provided an update to Committee with the aid of a PowerPoint Presentation and copies were distributed. He covered the following topics:

- Governance
- Parking Pilot
- Vendor Update
- Recent Events
- Easter
- Emergency Preparedness
- Public Art Model Display
- Mothers' Day
- Sam's 55th Anniversary Celebration
- Facebook Account Status
- Established HFM Photo Gallery
- Twitter Account Status
- Established HFM Vendor Map
- Community Partnerships
- Action Register Update
- Questions

John Hertel responded to questions from the Sub-Committee and a brief discussion followed.

The staff presentation was received.

For disposition of these matters refer to Items 1 and 2.

(e) ADJOURNMENT

The Hamilton Farmers' Market Sub-Committee meeting was adjourned at 11:00 a.m.

Respectfully submitted,

Councillor J. Farr, Chair
Hamilton Farmers' Market Sub-committee

Ida Bedioui, Legislative Co-ordinator,
City Clerk's Office

HAMILTON FARMERS' MARKET

TERMS OF REFERENCE

June 2, 2014

INTRODUCTION

Effective corporate governance is essential to the success of all organizations, regardless of whether they exist in the public, private or not-for-profit sectors. Strong governance practices can generate several benefits including enhanced management of resources, revenue maximization, strategic and integrated planning, communications enhancements, increased market responsiveness and higher levels of trust and confidence for all stakeholders including the public.

In an effort to strengthen governance practices regarding the management of the Hamilton Farmers' Market, the City of Hamilton is proposing the creation of a not-for-profit corporation, tentatively named Hamilton Farmers' Market Corporation (hereinafter referred to as "Market Corporation"), pursuant to Ontario Regulation 599/06 passed under the *Municipal Act, 2001*.

Not-for-profit corporations are organizations that carry on activities without pecuniary gain. They are incorporated under Part III of the *Corporations Act* as corporations without share capital. Such corporations are carried on without the purpose of gain for its members, and any profits or other accretions are used in promoting their objects.

Prior to establishing a municipal services corporation, Ontario Regulation 599/06 requires a municipality to adopt a business case study. This document has been prepared to satisfy such requirement. Please note that the publication of this document will be followed by discussions with City Council and staff, and therefore the final composition and operation of Market Corporation may be different than that envisioned by this document.

It is proposed that Market Corporation will share core operating principles with the City of Hamilton:

- Accountability** - for actions, cost-effective and sustainable use of public resources
- Cost Consciousness** - value for taxpayer dollars spent
- Equity** - provide equitable access to municipal services and treat all people fairly
- Excellence** - a commitment to meeting and exceeding identified standards
- Honesty** - truthfulness and integrity
- Innovation** - encourage forward thinking of continuous improvement and creativity
- Leadership** - demonstrating qualities to motivate effective decisions and successes
- Respect** - to treat ourselves and others as we would like to be treated
- Teamwork** - working toward common goals, through cooperation and partnership

BACKGROUND

The Hamilton Farmers' Market has existed in downtown Hamilton since 1837 as a central anchor of commercial food related activity and social hub in the heart of the City. The Market has evolved over the years occupying various physical structures and outbuildings all within close geographic proximity to the vicinity of the original Market site at York and James Streets. In 1980, the City of Hamilton built a new joint Market / Library facility on York Boulevard. The Hamilton Farmers' Market continues to occupy this facility that in 2011 received significant capital upgrading.

From the beginning, the Hamilton Farmers' Market has been governed by one or other municipal committees, structure or department. A wide and non-thorough view of the historical governance of the Market could include the Market Committee beginnings through the mid-nineteenth century; the Market, Fire and Police Committee through the 1880's, Market Committee (1905), Property & Licensing Committee (1920's), Legislation and Fire Committee (1980's), City Clerk's Office (1990's), Culture Division (2005), Emergency and Community Services Department (2013) and Corporate Services Department (2014).

In 2005, the City of Hamilton contracted Urban Marketing Collaborative, a consultant group associated with London's Covent Garden, to conduct a business review of the Hamilton Farmers' Market. One objective of the review was to recommend a governance model for operating the Market. Three options were presented to Council. The consultants strongly recommended a not-for-profit corporation owned by the City of Hamilton as the most appropriate model to adopt. The report outlining this recommendation was not pursued as a Council Agenda item and was not reviewed by Council.

The substantial 2011 capital renovation to the Market facility concluded with a mixed response from both the public and the stallholders. The resulting situation has put increased pressure on the working relationship between the public, stallholders, food producers and the City of Hamilton. The Hamilton Farmers' Market current governance structure does not allow for effective enforcement of licences, by-laws and standards, and it limits input from key stakeholders, including stallholders, resulting in a lack of clear direction. The bureaucratic nature of the Market means that it is neither able to move quickly enough to respond to day-to-day operations nor take advantage of opportunities for enhancement and improvement. The governance structure of the Market must change in order for the Market to succeed.

The not-for-profit model allows for running market operations in a business-like manner while still maintaining social and community goals and allowing for a broad range of stakeholders to be involved. A relevant example working well in Canada is the Forks Market in Winnipeg which is managed by a Community Development Corporation. Four public markets in Montreal (Atwater, Jean-Talon, Maisonneuve and Lachine) are also successfully run by a not-for-profit corporation, the Corporation de

Gestion des Marchés Publics de Montréal. In Ontario, 5 year-round markets are also run by not-for-profit organizations.

A not-for-profit corporation is the best long-term solution for the preservation and development of the Hamilton Farmers' Market. The goal of this approach is to establish a direction based on what is the best governance model to serve the mission of the Market as a valued food, public health, cultural, social and economic institution for the people of Hamilton.

OBJECTIVES

The City of Hamilton recognizes that a different governance model is prudent to oversee and enhance the operations and management of the Hamilton Farmers' Market that presently occupies a City-owned facility. A number of benefits can be realized from more strategic management and co-ordination through the following objectives:

- Market Corporation will improve the governance and management of the Hamilton Farmers' Market by facilitating decision making processes that are timely and well informed by all relevant stakeholders.
- Market Corporation will, by following a strategic course, reduce with a goal to eliminate the need for City subsidy excluding capital investments required to maintain and enhance its capital assets.
- Market Corporation's Board of Directors will oversee updates to stall licence agreements, creation of promotional event plans and establish other operating parameters to ensure the growth and success of the Market.

MANDATE

The Hamilton Farmers' Market is an historic and central public community gathering place for the commercial activity of buying and selling locally produced food and international food products. It stimulates Hamilton's agricultural economy and provides opportunities for independent food related businesses. It provides healthy food for families to assist Hamilton to be the best place in Canada to raise a child. It promotes innovation, engages citizens and provides diverse economic opportunities.

MARKET MISSION STATEMENT

- The Hamilton Farmers' Market will be a central public community gathering place for the commercial activity of buying and selling locally produced food, international food, and local artisan products.

- It will stimulate Hamilton's agricultural economy and provide opportunities for independent food related businesses.
- The Hamilton Farmers' Market will provide healthy food for families to assist Hamilton to be the best place in Canada to raise a child.
- The Hamilton Farmers' Market will promote innovation, engage citizens and provide diverse economic opportunities.

STAKEHOLDER VISION

- An engaging experiential destination – vibrant, colourful, – a unique shopping experience where Stallholders prosper
- Mostly about food (70-75%) with the balance including complimentary products and artisans:
 - Food grown as locally as reasonable (Ontario) plus imported ethnic foods and food not grown locally or out of season locally
 - Ready to eat foods prepared fresh in the Market with aromas filling the air
 - Food education in various forms from expert Stallholders and guests
- Product mix that evolves – supports today's diverse community needs and anticipates and prepares for Market changes
- More 'farmer friendly' to attract more local farmers - In layout, term, and rate flexibility
- A competitive advantage through unique products, expertise, and personal relationships generally not found in large grocery stores
- Convenient – easy to find & to park, inviting to enter, customer friendly, easy to pay, and easy to transport purchases home or to business
- The preferred shopping destination for local restaurants

GOALS

- The Hamilton Farmers' Market Not-For-Profit Corporation will improve the governance and management of the Hamilton Farmers' Market by facilitating decision making processes that are timely and well informed by all relevant stakeholders.
- The Hamilton Farmers' Market Not-for-Profit Corporation will, by following a strategic course, reduce, with a goal to eliminate, the need for City subsidy excluding capital investments required to maintain and enhance its capital assets.
- The Hamilton Farmers' Market Corporation Board of Directors will administer and enforce Stallholder agreements, review and approve a Market Strategic Plan, and an annual Operating Plans that includes detailed initiatives and performance measurements in such areas as Finance, Marketing, Operations and Facilities, to ensure the growth and success of the Market.

CORE VALUES

It is proposed that the new corporation, structured under the Ontario *Corporations Act* will share core values with the City of Hamilton

- Accountability - for actions, cost-effective and sustainable use of public resources.
- Cost Consciousness - value for taxpayer dollars spent

- Equity - provide equitable access to municipal services and treat all people fairly.
- Excellence - a commitment to meeting and exceeding identified standards.
- Honesty – truthfulness and integrity.
- Innovation – encourage forward thinking of continuous improvement and creativity.
- Leadership - demonstrating qualities to motivate effective decisions and successes
- Respect - to treat ourselves and others as we would like to be treated.
- Teamwork - working toward common goals, through cooperation and partnership.

GUIDING PRINCIPLES

The guiding principles for the Hamilton Farmers' Market are, and consequently for Market Corporation will be:

- values local food growers and producers by providing commercial venue to sell direct to the citizens of Hamilton
- providing residents with access to high quality, nutritious, locally grown food
- strengthens the local economy by purchasing locally grown food wherever possible
- promotes relationships and opportunities between farmers, food producers, independent food merchants, consumers and the general public
- offers a diversity of fresh food products including international and speciality foods
- fosters an economically, ecologically and socially sustainable community

STRATEGIC PRIORITIES WITH THE CITY OF HAMILTON

The proposed new governance model aligns with the City of Hamilton's 2012-2015 Strategic Plan as follows:

Strategic Priority #1 – A Prosperous & Healthy Community

to enhance our image, economy and well-being by demonstrating that Hamilton is a great place to live, work, play and learn.

Strategic Priority #2 - Valued & Sustainable Services

to deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Priority #3 - Leadership & Governance

to work together to ensure we are a government that is respectful towards each other and that the community has confidence and trust in.

GOVERNANCE

Unlike for-profit corporations, not-For-profit corporations have "members" and not "shareholders". In order to allow the City of Hamilton to provide assistance from time-to-time to Market Corporation, the City of Hamilton must be the sole voting member of the corporation.

Market Corporation will be subject to established objectives aligned with the City's interests. In addition to their duty to act honestly, in good faith and in the best interests of the corporation, the following principles will govern the operations, services and activities of Market Corporation's Board of Directors:

Collaboration –Directors will work to foster and reinforce a collaborative relationship and shared values among all parties and recognize that the interface between the worlds governed by the *Municipal Act, 2001* (public sector) and the *Corporations Act* (business sector) requires mutual respect, understanding, flexibility and regular communication.

Transparency –Directors will adhere to clearly articulated reporting and approval requirements as deemed necessary by Council to ensure transparency and accountability.

Independent and skills-based Board – The Board of Directors will be recognized and regarded by the City of Hamilton as independent and skills-based. The Board of Directors will be responsible for ensuring effective management and contributing to the efficacy of the operations as well as sharing experiences and best practices.

Integration and co-ordination – The unique overlapping community interests and business capabilities of the Market Corporation with the City of Hamilton—are important components of an integrated and co-ordinated approach to excellence in asset management. The guiding principles flow from the foundational values of leadership, accountability, sustainability and regular, open communication.

Conflict of Interest – Pursuant to Pursuant to Ontario Regulation 599/06 of the *Municipal Act*, the directors and officers of Hamilton Farmers' Market Not-For-Profit Corporation will be deemed to be members for the purposes of the *Municipal Conflict of Interest Act*. This will disallow a Director from voting on matters in which he or she has a pecuniary interest.

BOARD OF DIRECTORS & OFFICER QUALIFICATIONS

The Board of Directors will supervise the management of the business and affairs of the Hamilton Farmers' Market, and, in so doing, will act honestly and in good faith with a view to the best interests of the corporation and will exercise the same degree of care, diligence and skill that a reasonably prudent person would exercise in

comparable circumstances.

In addition to sound judgment and personal integrity, the qualifications of candidates for the Board of Directors may include:

- experience on boards of significant public entities;
- financial, accounting and/or marketing experience;
- knowledge and experience with management strategies;
- knowledge of farming, food producers, food agents, and the Hamilton Farmers' Market; and
- relevant business expertise and industry knowledge.

The Board of Directors will be selected by City Council, following the City of Hamilton's Selection Committee process. It is recommended that the Board of Directors initially consist of four stallholders (50% being farmers / producers), two City Councillors (depending on availability), and five members of the general public with a broad range of skills including finance, marketing, retail, food production, farming, and food distribution. Ex officio members will include the General Manager of the Market and a staff representative from Public Health Services. Subcommittees of the Board may be created by the Board as required, in order to provide unique expertise or to complete special projects on behalf of the Board.

Board candidates must be residents of or employed in Hamilton.

The term for each Director of Market Corporation will be:

- for City Councillors, the term of Council; and
- for all other members, two years with an option to extend for two additional years.

CORPORATE BY-LAW

A corporate by-law will be prepared to govern such organizational matters as the duties of Officers, how to call meetings, and creation of committees.

The Board will have the following officers: Chair, Vice-Chair, Secretary, Treasurer and General Manager.

The Chair will be elected at the first meeting of the Board in each year, will hold office for one year and may be re-elected for a maximum of one additional consecutive year. The primary role of the Chair of the Board will be to ensure the proper functioning of the Board and the proper conduct of Board business, in accordance with all relevant legislation and with the rules of procedure adopted by the Board.

The Chair's responsibilities will include:

- presiding at regular and special meetings of the Board in the manner and extent prescribed by the Board;
- committing the Board to no course of action unless specifically authorized by the Board to do so;
- serving as an *ex officio* member of all Board committees;
- only the Chair may represent and speak for the Board in an official capacity to outside parties in announcing Board-stated positions and in stating Chair decisions;
- acting as one of the authorized signing officers of all documents pertaining to Board business;
- representing the Board, alone or with other members of the Board, at any public or private meetings for the purpose of conducting, promoting or completing the business of the Board;
- notifying the Vice-Chair, if for any reason, the Chair is unable to perform these functions.

The Vice-Chair will be elected at the first meeting of the Board in each year, will hold office for one year and may be re-elected for a maximum of one additional consecutive year. The Vice-Chair, in the absence or illness of the Chair, will act in the place of the Chair.

The Board will also appoint a Secretary and Treasurer at its first meeting.

The Board will appoint a General Manager, who will hold office until the Board rescinds the appointment or a new appointment is made. The General Manager will be responsible, under the supervision of the Board, for the general conduct and management of the Hamilton Farmers' Market. The Board will be responsible for monitoring of job performance. Monitoring is simply to determine the degree to which Board policies and strategic priorities are being met. Only decisions of the Board are binding on the General Manager. Decisions or instructions of individual Board members, officers or committees are not binding on the General Manager except in rare circumstances when the Board has specifically authorized or delegated such exercise of authority. In the case of Board members or committees requesting information or assistance without Board authorization, the General Manager can refuse such requests.

It is envisioned that over time, the General Manager will be the Board's only link to operational achievement and conduct, so that authority and accountability of Market staff, as far as the Board is concerned, is considered to be authority and accountability of the General Manager.

Board members must avoid any conflict of interest with respect to their fiduciary responsibility by adhering to the regulations of the *Municipal Conflict of Interest Act*. There must be no self-dealing or any conduct of private business or personal services between any Board member and the organization except as procedurally

controlled to assure openness, competitive opportunity and equal access to inside information. Board members must not use their positions to obtain employment in the organization for themselves, family members or close associates. Should a member desire employment, he or she must first resign. Members must annually disclose their involvements with other organizations, with stallholders, or any other associations that might produce a conflict.

Members must respect the confidentiality appropriate to issues of a sensitive nature and understand that it is the Chair's role to represent and speak on behalf of the Board.

In the event of a vacancy occurring on the Board, the Board must advise the Clerk of the City of Hamilton and request that a new member be appointed to fill the vacancy. In the event of a vacancy occurring during the year in office of Chair or Vice-Chair, the Board at its first regular meeting thereafter must elect a new Chair or Vice-Chair to serve for the remainder of the elected time in that office.

Members of the Board who must resign before the end of their term of appointment on the Board must inform both the Clerk of the City of Hamilton and the Secretary of the Board in writing, specifying the effective date of their resignation.

Election of the Chair, Vice-Chair, Secretary and Treasurer will take place annually at the Board's inaugural meeting. The new Chair will take the chair immediately after elections have been completed.

A regular meeting of the Board will be held monthly, with the exception of July and August, at a place and time as is agreed upon by the Board. Written notice of all regular meetings together with the proposed agenda and the minutes of the immediately preceding regular meeting and of any special meetings shall be communicated to each member of the Board at least three days in advance of such meetings.

The Chair may, or upon the written request of any four members of the Board must, call a Special Meeting by giving, through the Secretary or designate, at least two days written notice to each member, specifying the purpose for which the meeting is called. The purpose of a Special Meeting must be specific. No business will be transacted or considered at such a meeting other than that specified in the notice.

In the first year of its term, the Board will hold its annual inaugural meeting at a place and time to be determined by the General Manager, provided that such meeting is held within 30 days of the appointment of its sole voting member (i.e. the City of Hamilton). In the subsequent years of its term, the Board will hold its regular January meeting and the annual meeting will take place immediately following.

Board members are expected to attend all meetings of the Board. Any member who must be absent from a meeting must advise the Secretary in advance. In any event,

absence from three consecutive meetings of the Board will result in the member's disqualification from the Board unless the member is 'excused for cause' by a motion of the Board. The Secretary will record the names of members in attendance in each meeting of the Board and of its committees.

A quorum, which will be a majority of the Board, must be present for the transaction of business at a meeting. If a quorum is not present within 15 minutes after the hour for which any Board meeting has been called, the Secretary will record the names of such members present and the Board will stand adjourned. Nothing in the foregoing will prohibit the members in attendance for a regular meeting, when no quorum is present, from constituting themselves as a committee dealing with such agenda items as they see fit. However, no decisions taken at such meeting may be executed until ratified by motion at a regular meeting of the Board or, when time is of the essence, written approval of such decisions may be obtained from a majority of the members of the Board.

All members of the Board (including the Chair) will vote on all questions unless they have declared an interest in the matter. Any motion on which there is an equality of votes will be deemed to be lost. Motions will be carried by a simple majority of those present except as otherwise provided for in the corporate by-laws. Notice of motion given at the previous meeting and two-thirds majority vote is required for a motion to reconsider a lost motion, and a motion to amend the by-laws.

All motions other than routine business or those arising out of reports from standing or special committees may be ruled out of order unless the mover gives notice at least seven days before the meeting at which said motion is presented. Notice of motion, in writing, must be delivered both to the Secretary and to all members of the Board seven days before the Board meeting.

The rules and practice set out in *Robert's Rules of Order* will govern wherever applicable in all cases not specifically provided for in the corporate by-laws.

The order of business at regular meetings of the Board will be as follows, subject to the discretion of the Chair:

1. Discussion
2. Acceptance of the Agenda
3. Minutes
4. Declarations of Conflict of Interest
5. Presentations
6. Consent Items
7. Business Arising from the Minutes
8. Correspondence
9. Reports
10. New Business
11. Private and Confidential
12. Date of Next Meeting

13. Adjournment

Members of the public may make verbal presentations to the Board as a delegation with the permission of the Chair or upon written notification to the Secretary.

The Secretary or designate will keep minutes of every meeting of the Board. The minutes will be confirmed by motion at the next following Board meeting.

Ad Hoc Committees may be appointed by the Board to deal with special issues assigned by the Board. Such committees report to the Board and will be dissolved immediately upon making their final report to the Board. A committee may have any number of members. The Board will name a chair for each ad hoc committee. A quorum for all committees will be the majority of members. Committees will meet when required at the call of the committee chair. The Chair of the Board will be a member of all committees of the Board *ex officio*. The Secretary of the Board or designate will attend all committee meetings and will be the Secretary of all committees.

An Executive Committee may be appointed by the Board as required. This committee will consist of four members, one of whom will be the Chair of the Board. The Executive Committee will exercise all of the powers of the Board during the months of July and August or any other specific time period, subject to any restrictions that may be imposed upon it from time to time by the Board. The Chair of the Board will appoint alternate members as required in the event that any member(s) of the Executive Committee is unable to attend a meeting of the committee. The Committee will meet at the call of the Chair and a quorum will consist of three members.

The Board should consider establishing an Audit Committee composed of four members, and appointed by the Board annually at the first meeting of each year of the Board's term. The Audit Committee would oversee the financial reporting process, monitor the choice of accounting policies and procedures, and monitor internal control procedures to ensure the effective development and maintenance of adequate financial controls and reporting.

Board meetings will be open to the public except for in camera sessions. An in camera session of the Board may be held when permitted by the *Municipal Act, 2001* (e.g. to discuss personal matters about an identifiable individual, including employees of Market Corporation). An in camera session will be held if the subject matter relates to the consideration of a request under the *Municipal Freedom of Information and Protection of Privacy Act*. The decision to go in camera must be confirmed by the Board or Board Committee in the form of a motion, stating the general nature of the matter to be considered. An in camera session will be ended by a motion that the regular session be resumed. Any actions determined during an in camera session must be authorized by Board motion passed during regular open

session and recorded in public minutes, unless otherwise provided in the corporate by-laws.

Citizen appointees will be paid no salary, fees or honorarium for their services. However, any member of the Board may be reimbursed for their actual, out of pocket expenses and travel costs, incurred as a result of their acting either within or outside the municipality in their capacity as members of the Board. Such payments must be allowed for in the budget that is approved by the Board and Council and the expenses must have been incurred with the prior approval of the Board.

RELATIONSHIP TO THE CITY

As the sole voting member, the City of Hamilton expects that Market Corporation will oversee the management responsibility and general oversight of the daily operations, communications and strategic planning of the Hamilton Farmers' Market that is housed in the City-owned facility at 35 York Boulevard.

Market Corporation will enter into an Operating Agreement with the City of Hamilton to clearly identify the rights and responsibilities of each party. There will be a transition period whereby the existing staff, operating budget and operating procedures will remain in place from the time Market Corporation is created until the Operating Agreement is signed by Market Corporation and the City. During this transition period, consultations will take place between the City and the new Board regarding services required by Market Corporation from the City, such as capital funding, utilities and short-term operating funding, together with related costs. Consultations will include Human Resources, Finance, Legal Services, IT and Facilities.

The Operating Agreement will also set out the responsibilities of Market Corporation, which will include operation of the Hamilton Farmers' Market, selection of stallholders, enforcement of stallholder contracts, maintenance of the Market facility, and submission of annual budgets and audited financial statements. A licence to operate the Market facility will form part of the Operating Agreement.

PUBLIC ACCOUNTABILITY AND REPORTING

Market Corporation will, from time to time, but at least annually, report to City Council on major developments or significant activities in respect of the Hamilton Farmers' Market. The Chair of the Board will attend such meetings of Council where reports are made and may be received and considered by City Council. The Chair of the Board will provide audited financial statements of Market Corporation, as well as such additional information as the City of Hamilton may specify from time to time, including accomplishments during the fiscal year along with explanations, notes and information as required to explain and account for variances.

Market Corporation will provide the City with its strategic and business plans at the end of each financial year, for the following year. The plans will include: the strategic objectives, priorities and objectives; the metrics for monitoring accomplishments;

and a forecasted operating budget for the next financial year.

FINANCIAL CONSIDERATIONS

The creation of Market Corporation governed by a Board of Directors is to help achieve excellence in program and asset management for the City of Hamilton's goals related to long term financial sustainability and economic prosperity. The Board of Directors will strengthen the governance of the Hamilton Farmers' Market and will work towards the elimination of any municipal levy, thereby creating long term economic benefits for Hamilton residents.

Market Corporation will build towards financial self-sufficiency financing with operating revenues coming from stallholder fees, user and program fees, space rentals and other potential forms of income such as sponsorships.

One of the first tasks for the Board of Directors will be preparation of an operating budget detailing anticipated cost and revenue sources.

Upon liquidation, winding-up or dissolution of Market Corporation, whether voluntary or involuntary, the property, financial resources and all materials goods of Market Corporation will revert back to the City.

CONCLUSION

A new governance model for the management of the Hamilton Farmers' Market is recommended to realize the full commercial and social capacity of the Market to foster potential economic and social benefits for the City of Hamilton. The new model of a not-for-profit corporation represents a strategic approach to asset management, stakeholder engagement and financial accountability.

The proposed model addresses the need for increased accountability, responsiveness, greater strategic alignment and improved communications. While keeping objectives directly linked to public values and strategic policy direction, the model also embraces the concept of a skills-based Board of Directors and allows for the right degree of independence so that the Market can continue to be flexible and self-reliant.

Consistent with other municipalities, specific requirements for key competencies among the Board of Directors will ensure a variety of perspectives and skill sets to guide decision making and provide sound leadership. The new governance structure will enable the fulfillment of stated objectives and the achievement of outcomes focused on the long term economic prosperity of the community.

The benefits associated with a not-for-profit corporation, governed by a Board of Directors, are significant, and this direction represents a necessary step in advancing prosperity and management excellence goals that will benefit the city as a whole. The current approach is not serving the current and future needs of existing

stallholders or the residents of Hamilton to the level that is possible. To achieve greater success going forward, and to realize the full potential of the Hamilton Farmers' Market, the City of Hamilton believes that a new structure is required. Leadership, partnership and collaboration are the keys to success that will produce better and more reliable results.