




INFORMATION REPORT

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	August 9, 2021
SUBJECT/REPORT NO:	Farmers' Markets - Rent Relief and Governance Comparators (PED21158) (City Wide)
WARD(S) AFFECTED:	City Wide
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SIGNATURE:	

COUNCIL DIRECTION

At the meeting of the General Issues Committee on February 17, 2021, in response to the public hearing / delegation of Shane Coleman, Hamilton Farmers' Market Stallholder Association, respecting Rent Relief for the Hamilton Farmers' Market, staff were directed to report back to GIC with a review of comparator municipalities such as Kitchener-Waterloo, London, Mississauga and Cambridge with respect to rent relief for their farmer's markets and market governance.

INFORMATION

In response to this direction, staff contacted comparator municipalities asking for information related to the impact to the COVID-19 pandemic on their local farmer's market operations and what, if any, related relief programs may have been provided to minimize the impact to market vendors and/or stallholders. In addition to general questions around typical operations to level set potential differences between markets, specific questions were asked about rent relief, fee deferrals and COVID-19 related expenses, as well as what type of governance model the market operates under.

Municipalities that contributed to the information summarized in this report include Brantford, Guelph, Kitchener, St. Catharines and Toronto. London and Cambridge were

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also contacted but did not respond to the survey at the time this report was written. In total, seven comparator municipalities were contacted, with five municipalities providing responses.

Survey Response Summary – General Market Context

Responding municipalities with indoor markets ranged in size from approximately 48 to over 80 permanent stalls, with outdoor markets being less than 40 stalls. Appendix “A” to Report PED21158 – Markets Overview provides a comparative overview of the markets surveyed.

All outdoor market areas, plus the St. Catharines Farmers’ Market indoor area, are set-up/tear down market day operations. The Hamilton Farmers’ Market has approximately 53 permanent stalls with 48 currently occupied.

Hours of operation range from being open only one-day per week, on a Saturday, to being open on the weekend plus a day or two during the week (typically Tuesday and/or Thursday). All markets are closed on Sunday and Monday. The Hamilton Farmers’ Market days of operation are Tuesday, Thursday, Friday and Saturday. Only Toronto has a market open on a Wednesday, and also has a Sunday Antique Market. Responses did not indicate seasonal adjustments to hours of operation, except for outdoor markets that are not operational in the off-season.

All but the St. Catharines Farmers’ Market, which charge their vendors monthly or bi-annually for stall holders (guarantees the same spot), have annual vendor / stallholder rental agreements ranging from one-year in length to five-years in Toronto. Rental rates can be impacted by the size of the stall at the Kitchener Market to the location and use of the stall at the Toronto market. The license contracts with the Hamilton Farmers’ Market are currently one-year in length and renewed annually. The Hamilton Farmers’ Market Corporation Board (HFMC) is reviewing stallholder agreement lengths.

Although not a lot of detail around market governance was provided in response to the survey, information collected indicates that governance varies from market to market, but all are operated directly by the City, except for Hamilton. Only the Kitchener market runs without a Board or Advisory/Executive Committee of some sort, with the Brantford Farmers Market Vendor Association operating only as an advisory body. Hamilton Farmers’ Market is currently governed by the Hamilton Farmers’ Market Corporation and its board is made up of a combination of Citizen and Stallholder/Vendor Board members as well as a Council Representative.

The Hamilton Farmers’ Market - Sole Voting Member (City Council) has previously approved a third-party consultant engagement to review Hamilton Farmers’ Market Governance and Operating Model, which is in progress.

Survey Response Summary – Impact of the COVID-19 pandemic

In response to the impact of the COVID-19 pandemic on local markets' operations, the following specific questions were asked:

1. Did you close indoor market operations for any duration during the COVID-19 pandemic? If yes, provide a brief overview of when closed, when re-opened, and any reductions in operating hours, if applicable;
2. Outline any COVID-19 related rent relief provided directly to your indoor vendors/stallholders and outline what form and estimate value of relief was provided? Be as specific as possible as to the nature and type of relief and duration for which that relief was/is being provided;
3. Have you deferred any fees/rents or similar to vendor/stallholders? If yes briefly outline the nature or value of those deferrals? and,
4. Has your market incurred any one-time related COVID-19 pandemic expenses? Please briefly outline and estimate cost, identifying who covered those costs.

The City of Toronto was the only responding municipality that did not close as a result of the COVID-19 pandemic. All other responding municipalities closed their markets during the first wave of infections. For some markets, this was a short closure i.e. March – May/June of 2020 while the indoor market in Guelph did not reopen until September of 2020. The Hamilton Farmers' Market remained open throughout the COVID-19 pandemic though the HFMC Board approved reducing some of the operating hours of the market due to reduced visitor traffic to the market due to the pandemic and stay at home Provincial orders. The Hamilton Farmers' Market was closed between January 5, 2021, to January 19, 2021, due to ventilation system upgrades for previously planned capital upgrades to the facility. Fees were prorated for 2021 to exclude closure days related to ventilation system upgrade. Certain non-essential vendor product groups (i.e. Artisans – four stallholders) were not able to open due to Provincial restrictions at various stages of the pandemic during 2020 and 2021 as per Provincial frameworks and requirements. Stallholders not able to open due to provincial restrictions did not receive rent abatement for those mandated closures. All markets were required to follow all public health guidelines for their region that would have been in effect.

Responses related to rent relief (Questions #2 and #3 above) and one-time COVID-19 related expenses (Question #4 above) can be found in Table 1 – Rent Relief Summary and Table 2 – One-Time COVID-19 Related Expenses below.

Table 1 – Rent / Fee Relief Summary

Municipality	Rent / Fee Relief
Brantford	<ul style="list-style-type: none">• Rent was not charged when market was closed; and,• Did not defer any fees.
Guelph	<ul style="list-style-type: none">• Rent was not charged when market was closed;• Indoor market reopened in September, with no fees until November when regular rentals fees resumed;• Vendors were not charged for any safety equipment (i.e. sneeze guards, customer order windows etc.); and,• Did not defer any fees.
Hamilton	<ul style="list-style-type: none">• HFMC approved an optional six-month interest free deferral of 2020 fees (note: 13 vendors requested deferral) allowing for repayment by December 31, 2021, in alignment to City of Hamilton's City Wide COVID-19 Occupancy Framework; and,• Stallholders provided details via Market Stallholders/Vendor Newsletter on Government support programs i.e. Canadian Emergency Rent Subsidy (CERS), Canadian Emergency Wage Subsidy (CEWS) and Canadian Emergency Business Account (CEBA).
Kitchener	<ul style="list-style-type: none">• Rent was not charged when market was closed;• June of 2020 – 85% rent discount;• July to October of 2020, rent was increased by 15% each month to incrementally return to normal rates;• Market vendors and/or stallholders were encouraged to take advantage of Federal relief programs with market staff available to assist with applications (service was not utilized). If ineligible for relief through existing programs, market would provide 25% reduction in rent if proof in ineligibility provided (note: no vendors requested this support); and,• Did not defer any fees.
St. Catharines	<ul style="list-style-type: none">• Interest was frozen on balances owing from March to July of 2020;• Stall fees were required on the first day of reopening and discounts were applied to support public health measures i.e. appropriate distancing if additional stalls required;• Full rates for 2021 spring/summer market season; and,• Fees were only deferred for one vendor due to leaving the market.
Toronto	<ul style="list-style-type: none">• Offered rent deferral. Payback over the term of the existing lease or extend leases by a term that would enable payback;• In exceptional circumstances, worked with individual tenants on addressing financial difficulties; and,

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Municipality	Rent / Fee Relief
	<ul style="list-style-type: none">• Post-CERS, tenants directed to seek relief through CERS with only any unsubsidized portion remaining eligible for deferral.

Table 2 – One-Time COVID-19 Related Expenses

Municipality	One-Time COVID-19 Related Expenses
Brantford	<ul style="list-style-type: none">• Stall dividers and all COVID-19 related signage and floor stencils.
Guelph	<ul style="list-style-type: none">• Material and staffing costs that were COVID related (i.e. building of customer order windows) were split between the operation budget and a general COVID-19 City fund.
Hamilton	<ul style="list-style-type: none">• As part of the federal-provincial Safe Restart Agreement, the City of Hamilton allocated \$144,652 in 2020 to offset COVID-19 related operating costs and financial pressures (i.e. Personal Protective Equipment (PPE), additional cleaning and security staff to facilitate screening);• 2021 additional COVID-19 related costs to date (May 31, 2021) are \$44,876; and,• \$30 K in additional marketing budget from reserves for 2021.
Kitchener	<ul style="list-style-type: none">• \$150 K in extra staffing for COVID-19 screening, directional markings; and,• Separate clean costs at approximately \$200 K - \$300 K.
St. Catharines	<ul style="list-style-type: none">• Purchasing of hand sanitizer stations, traffic cones, safety vests, a-frame signage; and,• Costs estimated at \$3 K.
Toronto	<ul style="list-style-type: none">• PPE and staff costs related to supporting programs and implementing public health measure/provincial measures.

The survey results demonstrate that every municipality, as did the City of Hamilton, provided (and continue to provide) its market with one-time financial support for COVID-19 expenses. Similarly, each municipality provided a degree of relief for the fees/rent during this pandemic period – some by way of interest-free deferral of outstanding fees/rent due to be paid out over time, and some by way of not collecting fees during a period of closure. In summary, each municipality surveyed has taken its own path toward the nature and degree of support it has provided its vendor community and/or its market as a whole. This was not an unanticipated outcome of the survey results as the operations, nature, and contractual nature of each market's relationship to its' vendors is unique.

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report PED21158 – Markets Overview

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