



The Hamilton Farmers' Market Corporation

Governance & Operational
Review



March 2025



The Hamilton Farmers' Market Corporation

→ Council Presentation

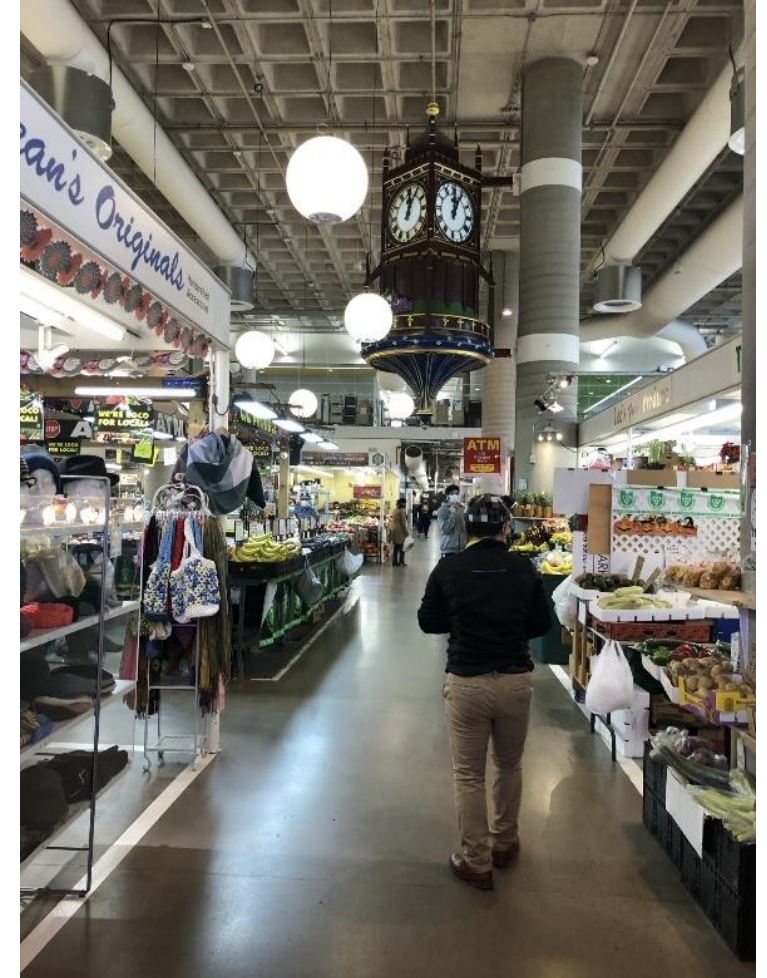
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March 2025

Project Context

- The Market has been a cultural destination in Hamilton's downtown core and a part of the community for 175 years
- In 2014, the City of Hamilton incorporated The Hamilton Farmers' Market Corporation (HMFC), a municipal corporation with the City of Hamilton as the single shareholder:
 - The Corporation is governed by a Board of Directors made up of citizen and vendor directors and shareholder representation
 - Market staff are employees of the City of Hamilton
- There have been historical sensitivities around the Market, specifically related to:
 - Governance maturity
 - Operational challenges
 - Financial sustainability
 - Strained stakeholder relationships



Project Mission & Success

→ Project Mission

To conduct a governance and operational review of The Hamilton Farmers' Market Corporation (HFMC) to recommend the best-fit structure for The Market moving forward.

→ Project Success

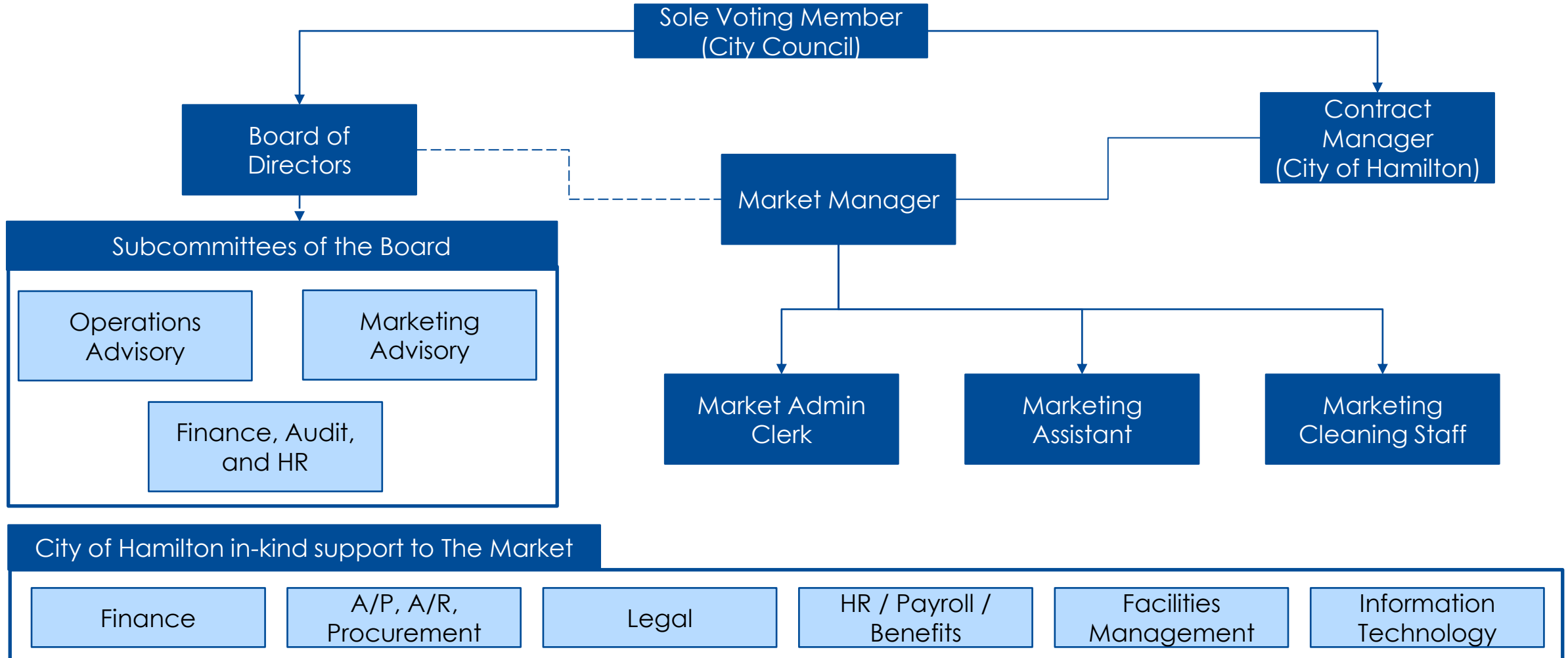
- Understanding of progress made on previously identified issues, and a validation of the current state of governance and operating model findings
- Tailored and evidence driven recommendations related to key gaps identified during the current state assessment around governance, operating structure, and key roles and responsibilities
- Clear buy-in and involvement from stakeholders

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Current State Findings

Organizational Classification & Structure

The Market is classified as a Municipal Corporation subject to the Municipal Act (section 203) Regulation O.599/06



Note: The position of the Senior Program Manager and Market Programming Coordinator have recently been hired.

Operational Findings

Stakeholder engagement and a review of internal data and documents provided insight into the following operational findings:

Infrastructure Challenges

- Aging building with significant maintenance issues impacting vendor operations.
- Limited equipment (e.g., exhaust hoods, sinks) and ventilation/cooling systems.
- Lack of common storage space and Wi-Fi/cell signal issues.

Location and Accessibility

- Poor layout and limited visibility; parking and transit challenges.
- Construction projects nearby may impact customer access short-term but increase future customer base.

Operating Hours

- Current operating hours are not convenient for all customers; inconsistent vendor adherence to hours.
- Four-day commitment deters farmers from participating.

Customer Experience

- Strong customer loyalty but unwelcoming atmosphere due to closed stalls during open hours.
- Limited seating and interaction areas reduce the Market's appeal as a social hub.

Marketing and Communications

- Undefined brand and limited signage; misalignment with the "Farmers' Market" name.
- Poor follow-up on vendor and public communication.

Governance Findings

Stakeholder engagement and a review of internal data and documents provided insight into the following governance findings:

Governance Model Limitations

- HFMC operates as a Municipal Service Corporation on paper, but decision-making authority rests with the City.
- The Board functions more as an advisory body rather than a governing entity.

Roles and Responsibilities

- Overlapping roles between the Board and City lead to confusion and redundancies.
- Board's limited authority increases operational involvement, hindering strategic focus.

Conflict of Interest

- Presence of vendor directors on the Board creates potential conflicts of interest in decision-making.

Relationship with the City

- The City sees value in maintaining the Market as a public entity, with role in agro-tourism and sustainability.
- Dependence on City funding and services without clear accountability agreements or performance expectations.
- Lack of service-level agreements and costing for City-provided support.
- Reporting relationship of Market leadership and staff to City creates complexity for Board's role in strategic oversight.

Public Perception and Branding

- Past negative press and a "Culture of Complaint" have hurt the Market's reputation.
- Improved public engagement and recent strategic efforts show positive change.

Hamilton Farmers' Market Vision

In early 2023, Hamilton Farmers' Market refreshed their Vision Statement:

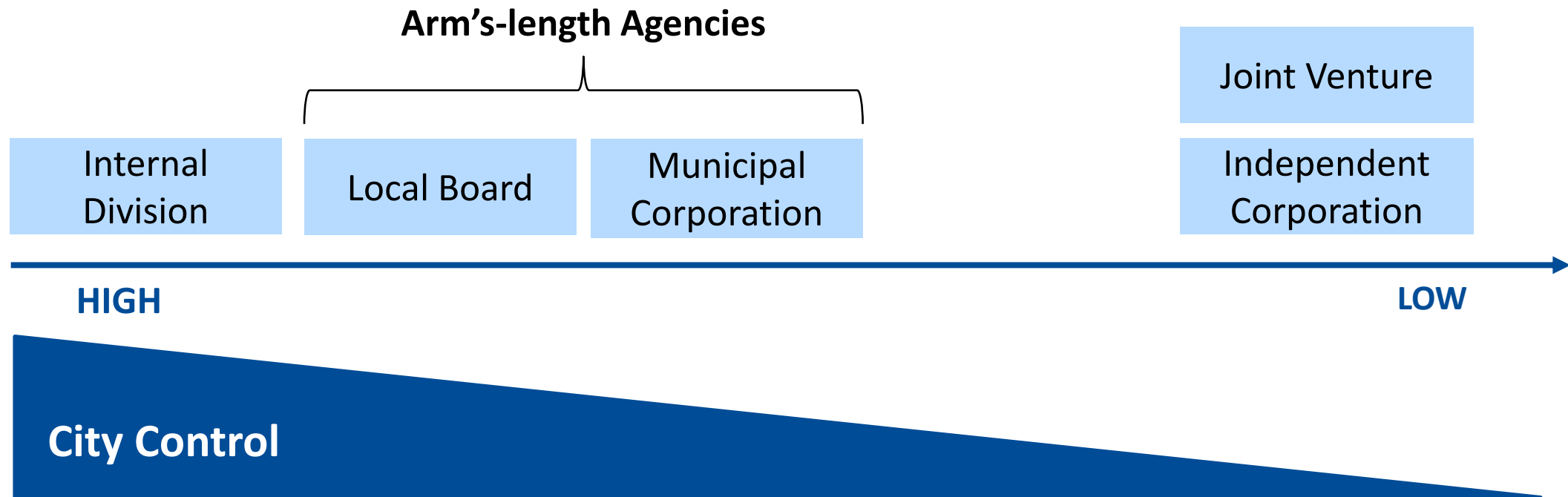
The Hamilton Farmers' Market will continue its long-standing role of supporting local farmers, producers, and businesses while providing a reliable source of fresh food and creating a community gathering destination for downtown residents and all Hamiltonians.

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Future State

Spectrum of Organizational Models

The corporate classification of The Market is an important determinant of how much influence the City can exercise and the governance model.



*Note all options are related to the operations of the market, the physical asset is expected to remain under City ownership across all options.

Recommendations

The following recommendations were developed to support realization of the Market's strategy.

- 1 Ensure clear roles and responsibilities with accountability agreements that include Service Level Agreements
- 2 Foster an entrepreneurial culture driven by a mission-focused leader
- 3 Enhance stakeholder engagement and collaboration
- 4 Invest in infrastructure and facility upgrades to align the Market's physical space with its long-term strategic goals
- 5 Enhance financial sustainability, supported by measurable key performance indicators
- 6 Ensure the Market's staffing model can support operations

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Conclusion

Next steps

- While the governance model of the Hamilton Farmers' Market remains the same on paper as an **Arm's-length Agency/Municipal Service Corporation**, the recommendations provided represent a significant departure from the status quo.
- These recommendations emphasize a **substantial shift in how the structure is implemented**, requiring a **higher level of governance and operational maturity**. Strengthening board governance, developing clear accountability frameworks, and fostering financial sustainability are critical to enabling the Market to fully achieve its strategic vision.
- These recommendations will support the Market to function with **greater autonomy and responsiveness**, while maintaining **alignment with the City's priorities**. The enhanced focus on board effectiveness, stakeholder engagement, and a well-defined performance framework will drive long-term success.
- By executing these recommendations, the Market can transition from its current operational limitations to a **more dynamic and strategic entity** capable of contributing meaningfully to Hamilton's economic, cultural, and social fabric.



Corporate Structure Options Analysis

The recommended future model for the HFMC is to remain an Arm’s-length Agency (Municipal Service Corporation) with enhancements to its governance and operations.

Corporate Model	Description	Assessment	Short-Term	Long-Term
Internal Division	The Market becomes a city-run department or division, reporting to municipal leadership and operating under the City's policies and procedures.	<ul style="list-style-type: none"> Provides reliable support and access to City resources. Limited ability to foster an entrepreneurial culture necessary for long-term success. May lose focus compared to other City priorities, impacting long-term development. 	Low Likelihood of Success	Low Likelihood of Success
Arm’s-length Agency (Municipal Service Corporation)	The Market would be governed by a dedicated board of directors, providing it with strategic oversight but operating with more independence from direct City control. While independent, the Market’s board would still be accountable to the City, ensuring alignment with municipal priorities, such as community development, economic growth, and sustainability.	<ul style="list-style-type: none"> Combines City accountability with operational independence. Encourages flexibility and faster decision-making. Promotes innovation essential for sustainable growth. Must address labour and resource limitations. 	High Likelihood of Success	High Likelihood of Success
Community-Based Not-for-Profit (Independent Corporation)	The Market would operate independently from the City as a standalone corporation. This structure gives the Market complete control over strategic decisions and day-to-day operations. The Market would not be accountable to City leadership or Council but would instead report to its own board of directors and the City-Market relationship would transition to that of a service provider and tenant.	<ul style="list-style-type: none"> Offers the most potential for autonomy and creative solutions. Faces challenges in financial sustainability and resource access. Needs a solid business plan and operations, capable leadership, and community support for success Readiness level of Market and City is low, but in longer term provides complete autonomy and sustainable growth potential. 	Low Likelihood of Success	Moderate - High Likelihood of Success

Recommended Model