

**Report to
Rapport au:**

**Finance and Economic Development Committee
Comité des finances et du développement économique
6 April 2021 / 6 avril 2021**

**and Council
et au Conseil
14 April 2021 / 14 avril 2021**

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**Economic Development and Long-Range Planning / Développement économique et
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Ward: RIDEAU-VANIER (12)

File Number: ACS2021-PIE-EDP-0012

SUBJECT: Ottawa Markets Temporary Delegated Authorities

OBJET: Délégation temporaire des pouvoirs pour les Marchés d'Ottawa

REPORT RECOMMENDATION

That the Finance and Economic Development Committee recommend Council approve the Temporary Delegated Authorities, as described in this report.

RECOMMANDATION DU RAPPORT

Que le Comité des finances et du développement économique recommande au Conseil d'approuver la délégation temporaire des pouvoirs, comme le précise le présent rapport.

BACKGROUND

Enacted more than 12 years ago, By-laws 2008-448 and 2008-449 outline the rules and regulations of licensing, the governing of vending and performance activities, and the provision of tourist services in the ByWard Market and Parkdale Market and establishes designated programming spaces in the ByWard Market. The initial intent of the By-law was to ensure that City of Ottawa Markets Management staff, who were tasked with managing 55 ByWard Market Square and the outdoor farmers' markets, had clear responsibilities and direction. While By-laws 2008-448 and 2008-449 were beneficial to Markets Management staff at that time, they are now outdated as City Council has turned over these responsibilities to a new Municipal Services Corporation, Marchés d'Ottawa Markets Corporation (Ottawa Markets).

On January 1, 2018, an agreement between the City and Ottawa Markets came into force which formally transitioned the Market Management authority to Ottawa Markets. The mandate of Ottawa Markets includes the management of the ByWard and Parkdale Market to:

- i) Secure a diverse and innovative mixture of outdoor vending and indoor retail tenants;
- ii) Position the market as a desirable destination that offers programming and shopping opportunities for both tourists and local residents;
- iii) Promote local foods and goods offering a variety of complementary products and services that reflect customer needs;
- iv) Celebrate and continue to build on the rich heritage of the market within its community; and
- v) Establish a growth-based model that is both financially viable and operationally sustainable, and which respects community needs.

To ensure that Ottawa Markets has the proper tools and flexibility to achieve their agreed upon mandate, amendments to Bylaws 2008-448 and 2008-449, more commonly known as the Parkdale and ByWard Market Bylaws, are required. Delegating specific authorities to Ottawa Markets in 2021 would permit them to pilot elements of their new draft Operational Procedures ahead of presenting final Operational Procedures to Ottawa Market Members (City Council) for approval later this year.

Discussion

Marchés d'Ottawa Markets Corporation's mission is to maximize the ByWard and Parkdale Markets' potential as unique year-round places and destinations to purchase local produce and goods as well as other services and products that meet the needs of residents and visitors. As By-laws 2008-448 and 2008-449 are prescriptive in terms of what is permissible, there are untapped opportunities that are being missed to the detriment of the ByWard and Parkdale Markets.

With Ottawa Markets having now managed the indoor and outdoor vending at 55 ByWard Market Square for the past three (3) years, they have taken the much-needed step of developing fulsome Operational Procedures that align with the mandate and goals the City developed with Ottawa Markets. As several of their Operational Procedures reflect a shift away from the work of Markets Management in prior years, Ottawa Markets has requested relief from the Parkdale By-law 2008-448 and the ByWard Market By-law 2008-449 to pilot some new procedures. As the authority body, the City needs to ensure Ottawa Markets has the proper framework to be nimble and flexible in their work to meet and exceed the demands and expectations of both residents and visitors.

Providing Ottawa Markets with an opportunity to pilot specific operational initiatives in 2021 reinforces their role as the appropriate authority to manage the farmers' market and improve the vibrancy of the ByWard and Parkdale Markets. These efforts will support the goals that Council established in creating the Municipal Services Corporation and the vision and goals contained in the Council approved ByWard Market Public Realm Plan. Through piloting improved operational opportunities now, Ottawa Markets can continue the rejuvenation of the indoor and outdoor vending and improve the resident and visitor experience in the ByWard and Parkdale Markets this season.

Staff recommends City Council delegate the following temporary authorities to Ottawa Markets that will enable them to further develop the farmers' market and outdoor vending in the ByWard and Parkdale Markets, effective immediately until December 31, 2021:

- Delegate to Ottawa Markets the authority to implement the Ottawa Markets Farmers First Policy (attached);
- Delegate to Ottawa Markets the authority to implement their 2021 Fee Schedule (attached), including new permit classes;
- Delegate to Ottawa Markets the authority to determine application deadlines and requirements; and
- Delegate to Ottawa Markets the authority to locate vendors to any of the designated vending stalls.

These temporary delegated authorities will ease the regulatory burden that has made it difficult for Ottawa Markets to further develop and improve the outdoor market in alignment with Council-direction. For Ottawa Markets to develop their program and to respond to market demands, staff concurs with the course of action to empower Ottawa Markets to implement their Farmers First Policy, to situate vendors to best advantage, to charge fair market fees for vending spaces, and to determine appropriate application deadlines and requirements.

Farmers First Policy

It has been increasingly difficult to attract regional farmers and producers to the ByWard and Parkdale Markets for outdoor vending for various reasons including the proliferation of farmers' markets across the city. The development and implementation of the Ottawa Markets Farmers First Policy is a significant step forward to attract local farmers and producers back to the Markets. The Farmers First Policy permits Ottawa Markets to:

- Schedule farmers in the Markets ahead of other vendors;
- Give priority stand allocations to farmers over other vendors; and
- Provide preferred vendor pricing to farmers.

Fee Schedule, Permit Classes and Application Requirements

Permit classes, fees, application process and deadlines are operational items managed by Ottawa Markets under the Service Agreement with the City and in accordance with By-laws 2008-448 and 2008-449. Granting Ottawa Markets the delegated authority to fully manage these elements on a temporary basis in 2021 will allow them to react to the competitive farmers' market sector while supporting new opportunities for fledgling entrepreneurs and producers. Securing Council approval of fees, permit classes and due dates was an appropriate measure when Markets Management was the responsibility of the City of Ottawa, however, with Ottawa Markets now having assumed

that responsibility, it is now appropriate to transfer these responsibilities to allow further flexibility to ensure a successful market season.

The Ottawa Markets mandate includes establishing a growth-based model that is both viable and financially sustainable. An aspect of financial sustainability includes the collection of standholder fees, which was assumed by Ottawa Markets upon approval of the Service and Asset Management Agreement in December 2017. As such, the delegation of authority to Ottawa Markets to establish their 2021 Fee Schedule is within Ottawa Markets' Council approved financial mandate and will not result in any impacts to City Financials.

Vending Stall Designations

Delegating authority to Ottawa Markets for stall designations and allocations in 2021 will allow flexibility to determine the best vendor positions. The current by-law is quite restrictive in that each stall in the Market can only be used for specific vendor classes. Allowing Ottawa Markets to determine where vendors should be located will allow them to further develop and enhance market vibrancy while maximizing available vendor space.

Providing these delegated authorities for the 2021 season will permit Ottawa Markets to test and validate their ideas to ensure the final Ottawa Markets Operational Procedures will be successful.

Temporary Delegated Authorities Evaluation

To evaluate the piloted operational procedures elements as described above, City staff will work with Ottawa Markets to review successes, shortfalls and feedback from both vendors and visitors to the farmers' market this year. If the pilot proves successful, and if desired by Ottawa Markets, steps will be taken to repeal By-laws 2008-448 and 2008-449 and replace it with the Ottawa Markets Operational Procedures in late 2021.

RURAL IMPLICATIONS

There are no rural implications associated with this report.

COMMENTS BY THE WARD COUNCILLOR

Councillor Fleury provided the following comments:

"Ottawa Market is a non-for-profit that strives to deliver a renewed local farmer's and artists' market and animate the ByWard Market. The By-law governing the vending for the district is outdated and limits their ability to transform for the ByWard experience's betterment.

Ultimately, we need a repeal of the By-law and conduct a full review of the ByWard Market's governance. The ByWard Market is unique, and locals and residents from across the City alike love it because of this.

And as one of Ottawa's main tourist attractions, we must allow it to reach its full potential.

I support the transfer of authority until the By-law is repealed.

We must let the non-for-profit organization thrive as they continue to support local vendors, farmers and artists, and programming. This report is an excellent step to unleash the potential for Ottawa Market's investments in the ByWard Market.”

Councillor Leiper provided the following comments:

"I am very pleased to see the direction in which Ottawa Markets is taking our historic marketplaces. When we were establishing the municipal services corporation, I was insistent that food security be a part of its mandate, and locally sourced, healthy food is a critical part of that. The Farmers First policy is a significant step toward promoting that. I fully concur with a pilot project as the Ottawa Markets works toward a more flexible framework less constrained by by-laws written for an era in which multiple competitors to the Markets did not exist."

LEGAL IMPLICATIONS

There are no legal impediments to approving the recommendations in this report.

RISK MANAGEMENT IMPLICATIONS

There are no risk implications associated with this report.

ASSET MANAGEMENT IMPLICATIONS

There are no asset management implications.

FINANCIAL IMPLICATIONS

Per with the Service and Asset Management Agreement, Ottawa Markets' annual operating budget deficits/surpluses are to be carried forward and recovered/retained to manage liquidity and for reinvestment. Therefore, there are no City financial implications associated with delegating authority to Ottawa Markets to establish their 2021 Fee Schedule.

ACCESSIBILITY IMPACTS

There are no accessibility implications.

TERM OF COUNCIL PRIORITIES

This project addresses the following Term of Council Priorities:

- **Economic Growth and Diversification:** Encourage economic growth and diversification by supporting business investment and expansion, talent attraction and retention, showcasing the city's bilingual and multicultural character, and branding Ottawa as a place to be.

SUPPORTING DOCUMENTATION

Document 1 Ottawa Markets Farmers First Policy

Document 2 Ottawa Markets 2021 Fee Schedule

DISPOSITION

Upon approval of the report by Council, Planning, Infrastructure and Economic Development will notify Ottawa Markets of the temporary delegated authorities.

Document 1 – Farmers First Policy

To strengthen the region's farmers and primary producers who sell at Ottawa Markets, as well as the provincial and domestic food production sector as a whole, Ottawa Markets is guided by a “Farmers First” policy.

This policy includes, but is not limited to, the following:

- Farmers are scheduled at the Market before all other vendors; Farmers are given priority stand allocations over all other vendors;
- Farmers receive preferred pricing for stands and are further offered a tiered pricing scale that is designed to ease the start-up costs to new farmers;
- Farmer applications to vend are accepted year-round;
- Ottawa Markets requires microprocessors and street food vendors to use locally or provincially sourced egg, meat, honey, maple syrup and liquid dairy farm products;
- Microprocessors receive discounts on their stand permit costs when they demonstrate sourcing products directly from local farms;
- Ottawa Markets is committed to programming and activations that highlight and promote local farm products;
- Farmers have the exclusive right to use product adjectives such as “home-grown,” “hand-picked,” “just picked,” “grass-fed,” “pastured,” etc., when this claim is 100 per cent accurate; and
- CSA friendly: Ottawa Markets offers priority space allocations for local farmers to use as CSA pick-up hubs; some limitations may apply.

Document 2 – Ottawa Markets 2021 Fee Schedule

	APPLICATION FEE	RENEWAL FEE
Wholeseller	\$100	\$100
Street Food	\$100	\$100
Farmer	N/A	\$25
International Importer	\$25	\$25
Artisan & Crafter	\$25	\$25
Busker License / Permit	\$100	\$100
CSA Pick-up	N/A	N/A
Social Enterprise / Not-for-profit	N/A	N/A
ON-SEASON (MAY 1 - OCTOBER 31)	FULL SEASON (PER MONTH)	
Public Market Permit = 5 - 7 days a week full season pricing	PERMIT FEE (per sq/ft)	
Wholeseller	\$6.25	
Street Food	\$5.00	
Farmer / MP / AC	\$3.00	
International Importer	\$4.00	
CSA Pick-up	FREE (with FS Producer Mkt)	
ON-SEASON (MAY 1 - OCTOBER 31)	MONTHLY	
Public Market Permit = 5 - 7 days a week full month pricing	PERMIT FEE (per sq/ft)	
Wholeseller	\$7.25	
Street Food	\$6.00	

Farmer / MP / AC	\$4.00	
International Importer	\$5.00	
ON-SEASON (MAY 1 - OCTOBER 31)		
Market Permits = Defined Market Programs	FULL SEASON PERMIT FEE	
Producer-only Markets	\$30/day	
Farmer less than 2 years operations (10x10 stand)	FREE	
Artisan & Crafter Market	\$30/day	
ON-SEASON (MAY 1 - OCTOBER 31)	DAILY	DAILY
Daily Rates	PERMIT FEE (Mon-Thursday)	PERMIT FEE (Friday-Sunday)
Wholesaler	\$62	\$81
Street Food	\$50	\$65
Farmer less than 2 years operations (10x10 stand)	FREE	FREE
Farmer / MP / AC (10x10 stand)	\$30	\$39
International Importer (10x10 stand)	\$40	\$52
Discount based on commitment (pre-registration) above 10 days	15%	
ON-SEASON (MAY 1 - OCTOBER 31)	DAILY	
Activation Rates	PERMIT FEE	
Corporate Special Interest	\$5.00 sq.ft	

Social Enterprise / Community Association	\$25.00	
OFF-SEASON (NOVEMBER 1 - APRIL 30)	FULL SEASON (PER MONTH)	
Public Market Permit = 7 days a week full season pricing	PERMIT FEE (per sq/ft)	
Wholeseller	\$3.13	
Street Food	\$2.50	
Farmer / MP / AC	\$1.50	
International Importer	\$2.00	
CSA Pick-up	FREE	
OFF-SEASON (NOVEMBER 1 - APRIL 30)	MONTHLY	
Public Market Permit = 7 days a week full season pricing	PERMIT FEE (per sq/ft)	
Wholeseller	\$3.63	
Street Food	\$3.00	
Farmer / MP / AC	\$2.00	
International Importer	\$2.50	
OFF-SEASON (NOVEMBER 1 - APRIL 30)	DAILY	DAILY
Daily Rates (Outdoor / unsheltered vending)	PERMIT FEE (Mon-Thursday)	PERMIT FEE (Friday-Sunday)
Farmer less than 2 years operations (10x10 stand)	FREE	FREE

Farmer / MP / AC (10x10 stand)	\$15	\$20
International Importer (10x10 stand)	\$20	\$26
Discount based on commitment (pre-registration) above 10 days	15%	