

## Request for Decision

### Market Program Update

Presented To: Community Services  
Committee

Presented: Monday, Jun 18, 2018

Report Date Sunday, May 27, 2018

Type: Managers' Reports

### Resolution

THAT the City of Greater Sudbury endorses the process to develop and incorporate a new not-for-profit Market organization, in alignment with the Market Advisory Panel's approved mandate, as outlined in the report entitled "Market Program Update", from the Chief Administrative Officer, presented at the Community Services Committee meeting on June 18, 2018.

### Relationship to the Strategic Plan / Health Impact Assessment

The Market aligns with Council's Growth and Development priorities related to downtown revitalization as well as those included under Quality of Life and Place.

### Report Summary

The purpose of this report is to update the Community Services Committee of Greater Sudbury Council on progress being made by the Downtown Market Working Group Advisory Panel with support of CGS Economic Development staff in the ongoing development of a new non-profit Market organization in time for the 2019 Market season. This report will seek Council's endorsement for the process now underway.

### Financial Implications

There are no financial implications associated with this report.

#### Signed By

**Report Prepared By**

Meredith Armstrong  
Manager of Tourism and Culture  
*Digitally Signed May 27, 18*

**Health Impact Review**

Meredith Armstrong  
Manager of Tourism and Culture  
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**Division Review**

Ian Wood  
Director of Economic Development  
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**Financial Implications**

Jim Lister  
Manager of Financial Planning and  
Budgeting  
*Digitally Signed May 31, 18*

**Recommended by the C.A.O.**

Ed Archer  
Chief Administrative Officer  
*Digitally Signed Jun 4, 18*

**Market Program Update**  
**Presented to: Community Services Committee**  
**June 18, 2018**

**Summary**

The purpose of this report is to update the Community Services Committee of Greater Sudbury Council on progress being made by the Downtown Market Working Group Advisory Panel with support of CGS Economic Development staff in the ongoing development of a new non-profit Market organization in time for the 2019 Market season. This report will seek Council's endorsement for the process now underway.

This process is a core objective of the existing Downtown Market Working Group Advisory Panel's mandate to "develop a critical path and business plan for the organization's evolution to a self-governing, market corporation". Council was previously updated on this work as part of the January 2018 report to CS Committee on Market results and programming found here: <http://agendasonline.greatersudbury.ca/index.cfm?pg=agenda&action=navigator&id=1258&itemid=14215&lang=en>.

**Background**

The Downtown Market Working Group Advisory Panel was renewed in 2015 with a mandate to provide advice, recommendations, information and expertise in the development of Market programming and operations, and will complete its mandate in alignment with the end of this term of Council.

Along with their guidance and support for the ongoing operations of the Market's functional program, the Market Working Group also has a mandate to "develop a critical path and business plan for the organization's evolution to a self-governing, market corporation". This group has recognized that achieving this evolution will rely on consistent engagement with the vendors themselves to foster a sense of commitment to and ownership of the Market.

As reported to Community Services Committee in January 2018, last year the Market Working Group formed a smaller Governance group, including several Working Group representatives, Market vendors and City staff, to advance this evolution to self-governance. This group reviewed other market governance models in Ontario and across Canada, and discussed best practices and lessons learned in order to determine the recommended approach. Based on this work, the group agreed that a not-for-profit corporation is the recommended model to develop further.

Currently the Market Working Group is working with support of City staff to develop a new organization to be incorporated as an independent not-for-profit with the core mandate to manage and operate the Market through a formalized proposal and agreement between the new organization and the City.

The creation of a new "purpose-built" independent organization:

- Ensures vendor engagement and accountability
- Provides the opportunity to explore flexible vendor fee structures and competitive vendor incentive programs and
- Positions the organization to be eligible for other funding opportunities at the provincial and federal levels to support development and capacity building,

All of these benefits help to advance the vision for the Market, “to be the best Market in Northern Ontario”, unique, strong and sustainable.

### **2018 Objectives for 2019 Market Program**

In support of this process, three individuals have recently stepped forward from the community of residents, vendors and other Market supporters, and they have expressed their commitment to acting as the inaugural Directors for the Board of the new organization. This is required for filing incorporation papers. They will be active participants in the process of developing bylaws and articles of incorporation for the new organization, which is the goal in the next several months.

These new Directors will also “shadow” the existing Market Working Group by taking part in their regular monthly meetings as they provide guidance and support for the 2018 Market functional program, and by working closely with staff in the course of development.

The goal is to position the new organization with the capacity and capability to take on Market coordination as an independent agency for the 2019 Market season. This would be formalized through a Contribution Agreement with the City for the Market program and enables the City to provide funding to the new organization to take on future operations while outlining specific deliverables and reporting obligations.

Following the process of developing bylaws and articles of incorporation with the participation of the new directors and supporters, it is the objective that this new organization will have a full complement of directors in place for the first Annual General Meeting in late 2018.

This works well with the natural conclusion of the current Downtown Market Working Group Advisory Panel, in alignment with the end of the current Council’s mandate. It is not expected to have an impact on existing operational budgets.

Pending the achievement of these objectives, staff will bring forward an update to the new Greater Sudbury council requesting their approval to enter into a formal Contribution Agreement with the new organization in order to provide operational dollars to the new organization. This report is anticipated in March 2019.

### **CGS Staff Support**

It is recommended that CGS staff support is provided for the process of incorporating, including filing appropriate paperwork and facilitating the development of bylaws and articles of incorporation, in order to put the Market non-profit in a good position to grow independently.

As noted, this is following the update provided to the Community Services Committee of Council in January 2018; the initial research on different models of Market management was conducted by a Governance subcommittee of the Market Working Group with support of staff, and they brought forward this approach as their recommendation.

The cost of the incorporation process itself will be covered through the existing 2018 budget allocation, and includes business name registration, filing of papers and initial costs associated with appropriate insurance for the new board.

It is recommended that CGS staff support would be provided in 2019 for the Market season to ensure long-term sustainability of the new organization, with the objective of gradually reducing this reliance over the first three years of operations. The new Market organization would also continue to utilize the existing City-owned facilities on Elgin Street and York Street for Market programming.

### **Conclusion**

The City of Greater Sudbury recognizes the value of a public market as an incubator for small business start-up, tourism development and economic stimulus for a healthy, vibrant downtown.

The Market Working Group has recognized that achieving the evolution to a self-governing organization will rely on consistent engagement with the vendors themselves to foster a sense of commitment to and ownership of the Market, and that the support of the City will be integral to developing a sustainable and successful Market organization for the future.

Council's endorsement is being sought at this time in recognition of the work done by the Downtown Market Working Group Advisory Panel with respect to their mandate to “develop a critical path and business plan for the organization's evolution to a self-governing, market corporation” and to help position the new non-profit organization for long-term success.

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### **2018 Season Dates and Operating Hours**

Given the success of the Thursday Market at the municipally-owned York Street Parking Lot, the 2018 Market program will continue with Saturdays and Thursdays as per the 2017 operations.

The 2018 season will open on Saturday, June 2<sup>nd</sup> and will close on Saturday, October 27<sup>th</sup>, with Thursdays running from Thursday, June 7<sup>th</sup> to the Thursday, October 4<sup>th</sup>, right before the Thanksgiving weekend. Saturday hours will be maintained from 8 a.m. to 2 p.m., while Thursday hours will be adjusted to start and end earlier, from 2 p.m. to 6 p.m. (a change from 3 p.m. to 7 p.m. in 2017).

The 2017 results in terms of vendor participation and diversity of product offerings would indicate that this approach to vendor fees continues to support the overall goals of the Market, to increase consumer visitation and number of vendors by enabling new vendors to overcome barriers to participation while ensuring retention of existing vendors and encouraging past vendors to return.