

For Information Only

2017 Market Season Results & 2018 Plans

Presented To: Community Services Committee

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Resolution

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Relationship to the Strategic Plan / Health Impact Assessment

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.

Report Summary

This report will provide the Community Services Committee of Council with an update on the results of the 2017 Market season, including the introduction of the Pilot Thursday Markets on York Street as well as the regular Market program at the Elgin Street location on Saturdays. It will also outline the progress made by the Downtown Market Working Group toward their long-term goal of an independent, sustainable Market organization.

Financial Implications

There are no financial implications associated with this report.

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Health Impact Review

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Manager Review

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2017 Market Season Review & 2018 Market Plans
Presented to: Community Service Committee
January 15, 2018

Summary

This report will provide a review of the 2017 Market season results as well as an overview of plans for the 2018 Market program.

As in previous years, the Market functional program is developed with the guidance of the Downtown Market Working Group Advisory Panel, together with data and information gathered through consultation with vendors and consumers over several seasons, as well as research into best practices used in other market examples.

Highlights of 2018 plans include:

- Continuation of 2017 vendor fee structure and operational hours for both Saturdays at the Elgin Street location and Thursdays at the York Street lot
- Third party management and coordination of the Market program provided by Eat Local Sudbury, with ongoing vendor recruitment efforts through the winter and early spring, including social media engagement
- Ongoing development of a new non-profit Market organization, with support from City staff and the Market Working Group, in time for 2019 season

Background

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. Site development, operation and marketing are the responsibility of CGS Economic Development staff, and the program is coordinated by Tourism & Culture within this department. Development, operations, marketing and general management of the Market program are the responsibility of this staff team, with additional assistance provided by CGS Communications other departments.

At the direction of Council, a renewed Downtown Market Working Group Advisory Panel was assembled in 2015 with a mandate to provide advice, recommendations, information and expertise in the development of Market programming and operations. In preparation for the each season, the Working Group develops tactics to support increased consumer traffic to the Market and increased number and diversity of vendors and their offerings.

2017 Market Season Highlights

For the 2017 season, the vendor fee structure recommended by the Downtown Market Working Group Advisory Panel was approved by Council in early 2017, following the same pricing as 2016 and once again resulting in increasing consumer traffic and vendor participation in the Market. As well, online marketing, social media engagement and diverse onsite programming during Market days helped to bring a higher number of visitors to the Market this season:

- The 2017 Market season opened on Saturday, June 3rd and closed on Saturday, October 28th
- The Thursday Market opened on July 6th and ended on September 21st
- The Market operated a total of 34 operating days over 22 weeks
- Hours of operation were Saturdays from 8 am to 2 pm, and Thursdays from 3 pm to 7 pm

A total of 12,980 visitors were recorded through the hourly counts conducted during official Market hours; this is slightly lower than the 2016 season total of 13,176 visitors. However, there were many early visitors to the Thursday Market, arriving at the York Street parking lot prior to the official opening time of 3 p.m. and often visiting vendors while they were still setting up their stalls. Market staff started counting the early “unofficial” visitors starting on Thursday August 24th through to the end of the Thursday Market season, and including these unofficial counts, the total number of visitors during the entire season comes to 13,365, an increase of 189 more visitors than in 2016.

This traffic count also indicates a higher yield of visitors per Market day, since the 2017 season saw more than 13,365 visitors over 34 operating days, compared to 13,176 visitors over 39 operating days in 2016. In addition, July 1st fell on a Saturday this year, and Canada Day events and activities provided a boost to both vendor attendance and customer numbers. Average Saturday traffic was 464 visitors, and the average Thursday traffic was 230, though with the adjusted early visitors, the number came to an average of 364 per Thursday.

The following table summarizes 2017 Market results with comparisons to previous years:

	2017	2016	2015
Season Dates	Sat June 3-Sat Oct. 28 Thurs July 6-Thurs Sept. 21	Sat June 4-Sun Oct. 9	Sat June 27-Sun Oct. 25
Operating Days	34 Market days over 22 weeks	39 Market days over 19 weeks	36 Market days over 18 weeks
Total Visitors	12,980 based on hourly counts Unofficial count: 13,365	13,176	9,879
Average Saturday Visitors	464	494	Average 548 over weekend (Sat/Sun)
Average Sunday Visitors	n/a	191	
Average Thursday Visitors	Based on hourly counts: 230 <i>Unofficial count: 364</i>	n/a	n/a
Total Vendors	76 Total (including 41 Thursday vendors and 28 vendors coming both Days)	49	34
Returning Vendors	30	18	13
Seasonal Vendors	28	Over 33%	50%

Together with the newly competitive vendor fee structure developed in 2016 and continued in 2017, vendor recruitment efforts were very successful, resulting in a total of 76 vendors for the 2017 season, a significant increase from the 49 vendors participating in 2016 and more than doubling the number of vendors who participated in 2015, which was 34. Out of the 76 vendors, 30 were returning, which is 12 more than the year previous; 28 were seasonal, also showing an increase 2016.

The Thursday Market successfully drew new audiences to the Market, and the lower fee structure for the Thursday Market (compared to the downtown Saturday Market daily fee) brought in many new vendors who had not previously sold at the Market. Although there were fewer operating days in total compared to 2016, many vendors reported higher sales figures at the Thursday Market even compared to Saturday sales. The total number of Thursday vendors was 41 (54% of the total), and of those, 28 attended both markets.

For the Saturday Market at the Elgin Street location, the same layout was used, while the Thursday Market was more flexible, as vendors provided their own tables and tents at the York Street parking lot. Once again for 2017, Eat Local Sudbury was contracted as a third-party operator to manage and operate the Market, with consistent praise from both vendors and consumers.

In terms of 2017 budget impact, while revenues generated by vendor stall fees totaled \$22,962 (falling short of the \$30,000 projection), the overall operations of the Market program did not exceed the total operational dollars allocated, including the expenses associated with the contracted services provided by Eat Local Sudbury for third-party management. Increasing vendor fee revenues continues to be a priority in order to help offset the City's overall investment in the Market, and is directly related to ongoing efforts to recruit new vendors and retain previous participants.

2018 Planning – 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 2nd and will close on Saturday, October 27th, with Thursdays running from Thursday, June 7th to the Thursday, October 4th, 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 Elgin Street Market will utilize the same physical layout for Saturdays, while the Market Working Group will be reviewing the York Street layout for the 2018 season to ensure safe and efficient use of space for vendor stalls, visitor vehicles and pedestrian flow. The Thursday Market program will provide 10' by 10' spaces in the York Street parking lot, with vendors required to provide their own tents and tables.

As was the case for 2017, the group recommends that the criteria for vendors should be the same for both the Saturday and Thursday Markets, with an emphasis on handmade, home-grown and value-added products. All vendors will be required to obtain the correct permits and abide by the Market Vendor Handbook, as in previous years.

The Market Working Group has also recommended that the vendor fee structure follow that of 2017, with the standard 3% increase applied as it is annually as part of the User Fee Bylaw. This simplified fee structure offers streamlined fees for daily and seasonal vendors, and helps to recover costs associated with marketing and promotions, administration and staff, garbage pick up at the York Street site, and so on. The lower fee is also in line with a number of other Northern Ontario markets that attract a wider number of farmers and producers. *Please see attached 2018 & 2017 Market Vendor Stall Fees & Options.*

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 overcome barriers to participation while ensuring retention of existing vendors and encouraging past vendors to return. Rates have been structured to ensure that seasonal fees offer the most cost savings to vendors to encourage their participation over the full season, while daily rates help to attract those vendors, such as those selling fresh produce, to participate in the Market according to seasonality of offerings and abundance of product. Electricity remains options for vendors according to stall choice, and insurance remains a requirement (vendors may opt to purchase the City's coverage or provide proof of their own).

Marketing and communication efforts will leverage resources available through both CGS staff teams in the Tourism & Culture and Communications departments, as well as the Eat Local Sudbury network of producers and farmers. Local producers and vendors will be featured in Market social media outlets throughout the off season, and marketing efforts will be continued and increased during the winter and early spring in order to assist with recruitment of vendors and increased consumer awareness in advance of the Market season. Recruitment efforts ensure solid vendor participation, and Eat Local Sudbury staff will continue to reach out to previous and one-time vendors to engage them for the upcoming season.

Market Governance Development

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.

In 2017 the Market Working Group formed a smaller Governance group, including several Working Group representatives along with Market vendors and City staff, to advance this evolution to self-governance. With monthly meetings and research conducted by each of the participants, this ad hoc group was tasked with developing options for self-governance that also have regard for the vision and goals for the Market.

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.

Over the course of 2018, the group will work together with the Market Working Group and with support of City staff to explore this opportunity further, to incorporate 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 while providing the opportunity to explore flexible vendor fee structures and competitive vendor incentive programs, all to achieve the vision for the Market, "to be the best Market in Northern Ontario", unique, strong and sustainable. Should all go well, this new organization will have a full complement of directors in place and will present a Business Plan to Council in late 2018 with the goal of taking over Market management and operations for the 2019 season through a formalized arrangement with the City.

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, and is not expected to have an impact on existing operational budgets.

Conclusion

With the guidance and recommendation of the Market Working Group and the approval of Council, the introduction of the Thursday Market and the continuation of the streamlined vendor fee structure, 2017 Market season efforts successfully resulted in increased vendor participation and traffic numbers for the season. Together with the governance work planned for the coming months, the Market is well placed to build on this positive momentum and continue these upward trends for the 2018 season in support of the overall vision for the Market.

2018 Market Stall Options & Fees*

2018 Season: Elgin Street Location: Saturday, June 2nd – Saturday, October 27th (8 a.m.-2 p.m.)
 York Street Program: Thursday, June 5th – Thursday, October 4th (2 p.m.-6 p.m.)
 (Total Market Days of 22 Saturdays and 18 Thursdays)

Elgin Street Location – Saturday Only	Seasonal	Daily
10x20 Space (4 available)	\$1,230.00	\$67.00
10x10 Semi-Permanent	\$570.00	\$31.00
10x10 Pop-Up	\$570.00	\$31.00
Market Stand (3x7) (4 available)	\$235.00	\$26.00
8x10 Indoor Stall (MRU) (11 available)	\$710.00	\$72.00
Electricity**	\$210.00	\$7.00
Insurance⁺	n/a	\$7.00

York Street Location – Thursday Only	Daily
10x10 Space	\$21.00
10x10 Space <i>Qualified seasonal Saturday Market vendors</i>	\$15.50
Insurance⁺	\$7.00

2017 Market Stall Options & Fees*

2017 Season: Elgin Street Location: Saturday, June 3rd – Saturday, October 28th (8 a.m.-2 p.m.)
 Pilot York Street Program: Thursday, July 6th – Thursday, September 21st (3 p.m.-7 p.m.)
 (Total Market Days of 22 Saturdays and 12 Thursdays)

Elgin Street Location – Saturday Only	Seasonal	Daily
10x20 Space (4 available)	\$1,190	\$65
10x10 Semi-Permanent	\$550	\$30
10x10 Pop-Up	\$550	\$35
Market Stand (3x7) (4 available)	\$230	\$25
8x10 Indoor Stall (MRU) (11 available)	\$690	\$70
Electricity**	\$205	\$6.75
Insurance⁺	n/a	\$6.75

York Street Location – Thursday Only	Daily
10x10 Space	\$20
10x10 Space <i>Qualified seasonal Saturday Market vendors</i>	\$15
Insurance⁺	\$6.75

Vendors must provide their own tables, chairs, tents and tent anchors at York Street Market Location

*HST of 13% applies

**Electricity is available as an option for 10x10 Semi-Permanent and 8x10 Indoor Stalls (MRU) only

⁺Vendors may provide proof of their own insurance coverage or purchase this option under the City