



The Corporation of the City of Courtenay

# Staff Report

**To:** Council

**File No.:** 0250-20 CVFMA

**From:** Director of Recreation, Culture and Community Services

**Date:** June 12, 2024

**Subject:** Comox Valley Farmers' Market Native Sons Hall Rental Fee Reduction Request

## PURPOSE:

To provide Council options to consider in response to the Comox Valley Farmers' Market Association's (CVFMA) request for a Native Sons Hall Grand Hall rental fee reduction of their current fees based on the City of Courtenay Fees and Charges Amendment Bylaw No. 2947, 2018. The recommended option would result in:

- CVFMA paying the adult non-profit category rates as established in the Fees and Charges Bylaw No. 2988, 2024. The assistance through an adjustment to the categorization of the CVFMA's facility use would be administered through a partnering agreement, subject to CVFMA meeting service and reporting deliverables aligning with the objectives, policies and actions of the Official Community Plan, 2022.

## EXECUTIVE SUMMARY:

CVFMA approached the City December 6, 2023 requesting a reduction to their rental fees which at the time were as per City of Courtenay Fees and Charges Amendment Bylaw No. 2947, 2018.

Council adopted the Corporation of the City of Courtenay Fees and Charges Amendment Bylaw No. 2988, 2024 on April 28, 2024 based on the Recreation Fees and Charges Framework adopted in June, 2022. As per Bylaw No. 2988, 2024 non-for-profit commercial use of indoor facilities is to be charged a rental rate equivalent to 100% of the unit-cost of providing that space, with no tax funded subsidy applied. As per the bylaw, this fee is phased in over a period of five years to incrementally adjust fees for rental groups.

Staff are proposing the following options for Council consideration in response to CVFMA's request for a fee reduction:

- Option 1: Apply the facility use category rate of *Not-for-Profit Commercial Use* as per Bylaw No. 2988, 2024
  - a. Approximate total of three-year rental charges: \$41,440
  - b. Approximate total of three-year subsidization of unit costs: \$18,955
  - c. Approximate annual increase in rental charges as compared to current rate: \$2,338.25 in 2024, \$5,418.00 in 2025, and \$7,098.00 in 2026.
- Option 2: City and CVFMA to enter into Partnering Agreement and City to apply the facility use category rate of *Not-for-Profit Adult* as per Bylaw No. 2988, 2024
  - a. Approximate total of three-year rental charges: \$29,587
  - b. Approximate total of three-year subsidization of unit costs: \$30,810
  - c. City and CVFMA to enter into Partnering Agreement
  - d. Approximate annual increase in rental charges as compared to current rate: \$481.25 in 2024, \$1,155 in 2025, and \$1,365 in 2026.

- Option 3: City and CVFMA to enter into Partnering Agreement and City to provide a grant to CVFMA to reduce the fees beyond those outlined in Bylaw No. 2988, 2024:
  - a) Option 3(a): Provide a grant in an amount that results in CVFMA continuing to pay the Community Daily Rate as per Bylaw No. 2947, 2018. Grant amount to reflect the difference between Community Daily rate and the not-for-profit adult rate listed in Bylaw No. 2988, 2024:
    - a. Approximate total of three-year rental charges: \$29,587
    - b. Approximate total three-year value of the grant: \$3,000
    - c. Approximate total subsidization of unit costs: \$33,810 (total of grant and facility subsidization costs)
    - d. Approximate net (after grant) total of three-year rental charges: \$26,586
  - b) Option 3(b): Provide a grant in an amount that results in a further reduction of fees for CVFMA from what they are currently charged under Bylaw No. 2947, 2018:
    - a. Approximate total of three-year rental charges: \$29,587
    - b. Total three-year value of the grant: \$15,000 (\$5,000 per year)
    - c. Approximate total subsidization of unit costs: \$45,810 (total of grant and facility subsidization costs)
    - d. Approximate net (after grant) total of three-year rental charges: \$14,586

Staff are recommending that Council approve Option 2, whereby the City and CVFMA to enter into a Partnering Agreement and the City applies the facility use category rate of Not-for-Profit Adult as per Bylaw No. 2988, 2024 to the CVFMA's use of the Native Sons Hall Grand Hall. The recommended option allows time for CVFMA to explore alternative locations for a year around permanent farmers' market, treats CVFMA equally to other adult not-for-profits and is within the policy and bylaw approved by Council. This option allows time for CVFMA to participate in City land use and park planning processes that may contribute to achieving a common vision for a permanent year-round farmers' market that has adequate supporting infrastructure in place.

**BACKGROUND:**

At the December 6, 2023 Council meeting, CVFMA requested a reduction in the cost of the Native Sons Hall Grand Hall rental fees. With increasing operating costs, CVFMA reported that they have reduced and eliminated expenses where possible, including optimizing their paid employees and numerous volunteers. CVFMA shared that the board is seeking ways to reduce market expenses without reducing programming, markets, or staff. A reduction in the cost of venue rentals was identified as a way to reduce market expenses.<sup>1</sup>

In response to CVFMA's delegation Council resolved the following on January 10, 2024:

*THAT Council direct staff to prepare a report on the request from the December 6, 2023 Comox Valley Farmers' Market delegation to reduce rental fees at the Native Sons Hall for fall and winter markets.*

**Recreation Fees and Charges Framework and Bylaw**

In July 2022, Council adopted the Recreation Fees and Charges Framework and directed staff to proceed with the implementation of the framework. Staff were not in a position to report back on the CVFMA request until the implementation of the Recreation Fees and Charges Framework had been completed.

At the April 24, 2024 Council Meeting, Council adopted the Corporation of the City of Courtenay Fees and Charges Amendment Bylaw 2988, 2024. The updated recreation indoor rental and user fees were

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<sup>1</sup> December 6, 2023 CVFMA presentation slides p.21

established based on the benefits-based approach outlined in the Recreation Fees and Charges Framework where greater levels of subsidy (funded through taxation) are applied to rentals with increasing levels of community benefit as per the Benefits Continuum illustrated in Table 1.

Table 1: Benefits Continuum<sup>2</sup>

Benefits Continuum					
Who Benefits	Community only	Mostly the community and partially the user	Community and user equally	Mostly the user and partially the community	User only
	←-----→				
Who Pays	0% User Fee 100% Tax Support	25% User Fee 75% Tax Support	50% User Fee 50% Tax Support	75% User Fee 25% Tax Support	100% User Fee 0% Tax Support

The updated fees and charges result in not-for-profit commercial uses, such as the Comox Valley Farmer’s Market, moving from paying a community rate that historically had the highest level of subsidy, to a rate which the user pays the full portion of the unit cost of the City providing the space. Under Bylaw 2988, 2024 CVFMA would no longer pay a rental rate where a portion of costs are supported through tax funded subsidy. With the updated bylaw rental facility rates in effect September 1, 2024, CVFMA would need to pay an additional \$2,338.25 in 2024, \$5,418.00 in 2025, and \$7,098.00 in 2026. Due to the cumulative number of bookings CVFMA has in a year, the compound effect of the changes to the fees and charges is much more when compared to a once a year vendor market.

The Recreation Fees and Charges Framework however does provide flexibility for certain types of activities that clearly achieve a high-level of public benefit. When considering alternative approaches to setting fees, the following factors are to be considered:

- Whether the intent is commercial or political,
- What the intent of the use/user is,
- If there is public benefit sought,
- Who benefits from the use; and
- How public the event is (e.g. open to the public).

It is via these considerations and the strategic alignment of the Comox Valley Farmer’s Market with the City of Courtenay’s OCP, 2022 Food Security policies that staff have reviewed the fee reduction request.

**Comox Valley Farmer’s Market in Courtenay**

The Comox Valley Farmers’ Market has held a winter market in the Native Sons Hall since 2008-2009, operating from mid-October to the week before Christmas. Since 2012, CVFMA winter market extended its months to run mid-October to early April on an annual basis with the exception of March 2020 when CVFMA, despite being declared an essential service, was unable to open to the public under Provincial Health Order due to space limitations at the Native Sons Hall.

<sup>2</sup> City of Courtenay Recreation Fees and Charges Framework, 2022 p. 13

In order to enable CVFMA to operate its winter market under the physical distancing requirements of the Provincial Health Order, the City granted CVFMA permission to expand into the Native Sons Hall parking lot in October 2020. CVFMA does not pay fees for the use of the parking lot, however they are responsible for arranging barriers and signage to inform the public of the parking lot closure. CVFMA has continued to use the Native Sons Hall parking lot in conjunction with its use of the Grand Hall each Saturday from approximately 7:00am to 2:00pm, October to April annually.

The City also provides in-kind event space for the Downtown Courtenay Summer Street Market. CVFMA informed the City that due to budget constraints and given the uncertainty about the fees for Native Sons Hall, CVFMA has elected not to coordinate a Summer Street Market this year. In lieu of the Summer Street Market, the Duncan Pilot Project Team, which CVFMA is a part of, are working with staff to hold a series of public space placemaking activities, as well as actively seeking funding for infrastructure (water, electrical, furniture, etc.).

## **DISCUSSION:**

### **Farmers' Markets, Food Security & Sustainable Food Systems**

Unlike other products and services, food is not simply a commodity; it is a basic human need as well as a social good. As recent disruptions to supply chains have demonstrated, food security for community members is increasingly dependent on foods shipped in from afar. Support of food policy and programs to strengthen the sustainability of local food systems is expanding across the region and province. Municipalities are now often participating at food policy tables to advance system changes where resources are leveraged across networks to support projects such as community gardens, food box distribution programs, sustainable food procurement programs, food hubs, and farmers markets.<sup>3</sup>

Farmers markets connecting the rural to the urban, the farmer to the consumer, and increasing equitable inclusive access to fresh ingredients year-round are proliferating, and becoming centre-pieces in communities.<sup>4</sup> These markets deliver multiple benefits from strengthening the local economy to reducing food insecurity, and increasing social connectedness and community well-being.<sup>5</sup> Farmers markets are understood to be an essential service, providing basic food needs in times of disruption to supply chains and supporting emergency preparedness in times of natural disasters.

In BC, more than 145 markets have registered as members of BC Association of Farmers Markets (BCAFM). Of these, 30 are year-round markets (operate during the winter) with 20 of the winter markets offered indoors. See Attachment 1: Sample List of Winter Markets in British Columbia. Winter markets, whether indoor or outdoor, are incentive for the many small-scale farmers to extend their growing period in order to produce more foods.

Winter markets operate with varied frequency from a couple of days to weekly over 6 months. Local governments, businesses, and community organizations offer a diversity of support to establish and maintain these markets in communities. The type of support may range from the provision of outdoor space, with shelter and utilities, to the provision of indoor space including utilities. Indoor winter markets provide the added benefit of a warm dry place to access foods and to socialize in the dark months.

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<sup>3</sup> Municipal Food Entrepreneurs: A preliminary analysis of how Canadian cities and regional districts are involved in food system change, (CAPI, 2014)

<sup>4</sup> The Benefits of Year-Round Farmers' Markets, (IJLRAVS, 2022)

<sup>5</sup> Need has Skyrocketed for Comox Valley Farmer's Market coupon Program , Chek TV, (Feb, 2024)

According to a 2022 BCAFM member survey, markets pay in the range of zero to \$30,000 annually for venue rentals (encompassing indoor and outdoor, seasonal and year-round markets). It is difficult to determine the amount of support provided by municipalities for winter markets, in particular indoor markets, from this data. From information that staff were able to review, the level of support can vary considerably. For example:

- Township of Esquimalt provides year-round indoor and outdoor space and utilities for their farmers' market in the form of in-kind and grant valued at approximately \$20,000.
- The City of Duncan provides year-round outdoor space plus winter shelters and utilities in the form of a grant valued at approximately \$18,000.
- In Nanaimo, Penticton, and Victoria, community NPOs, food and or agricultural co-ops, businesses, and school districts are the primary support for winter market facilities.

Factors affecting municipal support may include, but are not limited to, limited suitable space, demand on space, the amount of resources available including grant funds, and the extent to which resources are found elsewhere.

Courtenay's Official Community Plan, 2022 (OCP) reinforces the social, health, and economic benefits of farmers markets and outlines objectives and policies related to food security including working with the Comox Valley Farmer's Market to identify a permanent, year-round location, preferably in downtown Courtenay, with adequate supporting infrastructure. While the OCP, 2022 identifies objectives and policies related to support for local food systems and farmers markets, guidelines regarding the level of support to be applied are not currently in place or defined.

### **Fee Reduction Request Considerations**

#### *Recreation Fees and Charges & Comox Valley Farmers Market*

Rental and user fees for indoor recreation facility use are governed by a fees and charges bylaw. Current indoor rental fees are outlined in Fees and Charges Bylaw No. 2947, 2018. As of September 1, 2024, fees and charges for rental of indoor recreation facilities will be based on rates as listed in Fees and Charges Bylaw No. 2988, 2024. Unless authorized by Council, all fees applied to the rental uses of recreation facilities must adhere to the respective fees and charges bylaw.

In addition, although the Comox Valley Farmers' Market Association is a non-profit society, many of its members are for profit businesses which could lead to the perception that the City is assisting businesses. While section 25 of the Community Charter prohibits the assistance of a business, Section 21 allows for a municipality to enter into a partnering agreement for the provision of a service through a third party on behalf of a municipality. If Council approves a fee reduction to CVFMA it is recommended that the City enter into an agreement outlining the financial assistance the City is providing and the service deliverables required of CVFMA in exchange for the assistance. The agreement would acknowledge CVFMA's role in actioning the City's OCP, 2022 objectives and policies as they relate to farmers' markets and food policy and other applicable OCP policy areas.

For 2022 and 2023 winter market seasons, CVFMA paid approximately \$8,862 for each winter market season (based on 24 bookings at the \$369.25 daily room rate per Bylaw 2947, 2018) in facility rental costs (excludes additional facility charges, such as custodial). Based on the unit cost that the City incurs to operate and provide the Native Sons Hall – Grand Hall, the total full cost of providing the space (based on 24 bookings at seven hours per booking) is estimated to be \$19,740 annually, resulting in a tax funded subsidized portion of \$10,878.

As with other rental groups seeking financial support from the City, staff encourage organizations to seek grant funding wherever possible. The City has entered into a Memorandum of Understanding with the Comox Valley Community Foundation to administer the City's grant-in-aid funds through the Foundation's grant process. Staff have confirmed with the Foundation that facility rental costs are eligible costs when considering grant applications in their priority areas.

#### *Increased Demand for Community Space*

With the growth of the community as well as pandemic recovery well underway, there is increasing demand for access to affordable and accessible community space. Courtenay Recreation is experiencing significant program growth and is managing multiple competing demands for access to space for both City programs and services, as well as rental uses and users. Additionally, the City is being called on to provide access to recreation facilities to meet other community needs such as extreme weather response initiatives including cooling and warming centres.

Through the Strategic Cultural Plan Community Engagement process arts and culture user groups shared concerns regarding the lack of available facilities to support their activities and identified a need for accessible and affordable indoor space to support the arts and culture sector in Courtenay.

The Native Sons Hall – Grand Hall is a large gathering space, well suited to meet the diverse needs and demands of community groups and recreation programming that must occur indoors, especially during winter months. Should CVFMA identify an alternative location to hold the winter farmers' market, the Grand Hall could meet this unmet demand.

#### *Other Considerations*

As identified in the OCP, 2022 and through discussions with CVFMA, the identification of a permanent, year-round location for the farmers market, preferably in or near downtown Courtenay is a long-term priority and strategic objective. There is an opportunity to engage CVFMA in upcoming land use and park planning processes such as the Harmston / Downtown Local Area Plan and Harmston Park Plan to explore the identification of a permanent location for the farmer's market and build considerations into the planning processes, including looking at a year-round outdoor location.

CVFMA currently moves the farmers' market to the Comox Valley exhibition grounds each April and remains there until October. CVRD staff have indicated they are exploring improvements to the grounds that may make it viable as a year-round site, however CVFMA has expressed that the lack of public transportation to the exhibition grounds does pose limitations from an accessibility perspective. There is strong preference to have a year-round market at one location as the changing locations from spring/summer to fall/winter and are disruptive to the public and vendors.

CVFMA has stated it would likely take several years to return to operating the Wednesday Downtown Summer Market due to financial viability concerns. Over and above the financial reasons, the location currently lacks the infrastructure required to support a summer market (electrical and water), combined with the lack of shade, these factors are contributing to why CVFMA has decided not to operate the Wednesday Downtown Summer Markets.

#### **Options Available to the City**

Based on comparative research, OCP direction, and strategies available through the Recreation Fees and Charges Framework, staff are proposing that Council consider the following options to address CVFMA's fee

reduction request. In light of upcoming planning processes, staff are recommending an option that provides a greater level of tax funded subsidy than outlined in the Fees and Charges Bylaw No. 2988, 2024 for not-for-profit commercial uses for a limited term to allow time for staff and CVFMA to work collaboratively to potentially identify a permanent, year-round location.

Financial summaries are provided for each option, however it is important to note that these are estimates and actual rental fees may be higher or lower due to requested additional services such as custodial services or other services that are recovered on a cost recovery basis, number of bookings, and or number of hours booked.<sup>6</sup>

*Option 1: Apply the facility use category rate of Not-for-Profit Commercial Use as per Bylaw No. 2988, 2024*

The bylaw to establish recreation facility rental and use fees was amended in April, 2024 and the new fees will be effective September 1, 2024. As per the bylaw, not-for-profit commercial uses are to pay rental fees at a 100% cost recovery rate in light of the commercial aspects of the use of space. Due to the increase in fees from current rates, the bylaw outlines a phased implementation of the increase in fees over five years. As such, groups in this category will continue to receive tax funded subsidy until the fees reach the 100% cost recovery target in 2028.

Staff understand that this option is not a sustainable or viable option for CVFMA as they have indicated they are actively managing increasing expenses and looking for ways to reduce costs. CVFMA would need to consider increasing their vendor fees to cover the increased rental costs, seek a lower cost alternative venue to hold the fall and winter market, and/or reduce or cancel the fall/winter markets.

The financial implications of Option 1 are as follows:

- a. Approximate total of three-year rental charges: \$41,440
- b. Approximate total of three-year subsidization of unit costs: \$18,955
- c. Approximate annual increase in rental charges as compared to current rate: \$2,338.25 in 2024, \$5,418.00 in 2025, and \$7,098.00 in 2026.

*Option 2: City and CVFMA to enter into Partnering Agreement and City to apply the facility use category rate of Not-for-Profit Adult as per Bylaw No. 2988, 2024*

In assessing CVFMA's request in consideration of the Recreation Fees and Charges Framework and the City's food security objectives, financial assistance could be provided through entering into a Partnering Agreement with CVFMA and applying the not-for-profit adult facility use category rate to CVFMA's rental of the Grand Hall. A three-year partnering agreement, with two additional one-year renewal options subject to CVFMA meeting service and reporting deliverables, would enable the City to provide financial assistance to the CVFMA by recognizing the community benefit as equivalent to the adult not-for-profit category. This timeframe provides CVFMA time to participate in the City's planning processes and explore other possible alternatives for a year-round permanent farmers market.

The purpose of the partnering agreement is for CVFMA to continue to operate a winter farmers' market once a week at Native Sons Hall Grand Hall and in the designated area in the adjacent parking lot from mid-October

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<sup>6</sup> For calculation purposes, the number of annual bookings used is twenty-four based on the actual bookings made by CVFMA in 2023. The rental rate applied is the hourly rate as the average booking time for each Saturday market is seven hours which is below the threshold (nine hours) at which staff apply the daily rental rate for the Grand Hall (note that this threshold has changed under Fees and Charges Bylaw No. 2988, 2024).

to mid-April, to support food security, support access to healthy food options, educate the community on agricultural issues and support local economic development in alignment with the City's OCP objectives and policies and CVFMA's priorities.

Examples of the Partnering Agreement service and reporting deliverables include:

- CVFMA would participate in the City's current land use planning initiatives: Harmston Local Area Planning, Harmston Park planning, and Downtown Playbook/Duncan commons initiatives. Through the planning initiatives, CVFMA would collaborate with the City to explore other locations for a permanent year-round market including the infrastructure required to support these markets.
- CVFMA to report back to Council annually on the qualitative and quantitative impact of the farmers market: attendance, vendors, nutrition program coupons, educational workshop, economic impact and community partnerships.
- CVFMA participates in regional food security planning and initiatives through engagement with the agricultural community and food policy council.
- CVFMA continues to seek external sources of funding (i.e. grants to help support a permanent farmers' market and the infrastructure required).

By pursuing this option, the City is recognizing the public benefit that the farmers market provides to the community and in return for CVFMA assisting in the delivering the OCP, 2022 objectives and policies for farmers' markets, the City is willing to provide additional financial assistance or subsidy.

The financial implications of Option 2 are as follows:

- a. Approximate total of three-year rental charges: \$29,587
- b. Approximate total of three-year subsidization of unit costs: \$30,810
- c. City and CVFMA to enter into Partnering Agreement
- d. Approximate annual increase in rental charges as compared to current rate: \$481.25 in 2024, \$1,155 in 2025, and \$1,365 in 2026.

*Option 3 City and CVFMA to enter into Partnering Agreement and City to provide a grant to CVFMA to reduce the fees beyond those outlined in Bylaw No. 2988, 2024:*

Council can also consider providing a grant to CVFMA to further reduce the rental fees beyond those outlined or available in Bylaw No. 2988, 2024. This option would be executed via a partnering agreement subject to CVFMA meeting the same service and reporting requirements identified in Option 2, with the addition of maintaining programming at the markets. In this option staff would recommend a shorter term of three years to encourage CVFMA to explore the development of a permanent year-round location and or build into their operating model increasing fees in future years.

Council could consider the following grant options:

- Option 3(a): Provide a grant in an amount that results in CVFMA continuing to pay the Community Daily Rate as per Bylaw No. 2947, 2018. The grant would reflect the difference between the Community Daily Rate and the not-for-profit adult rate listed in Bylaw No. 2988, 2024. This grant would be approximately \$3,000 total over a three-year period.
  - In option 3(a) the City would be increasing the tax funded subsidization along the Benefits Based Continuum that would value the community benefit of farmers' markets as exceeding the community benefit provided by other adult non-profit organizations, but not exceeding the community benefit associated with minor, senior, or Indigenous non-profit organizations.



- This option may be perceived as being over and above what the City would provide to another not-for-profit commercial user through the subsidy levels established through policy (Recreation Fees and Charges Framework and the newly adopted Fees and Charges bylaw).
- Option 3(b): Provide a grant in an amount that results in a **further** reduction of fees for CVFMA from what they are currently charged under Bylaw No. 2947, 2018. As per the request of CVFMA, the total grant amount requested in order to support its current level of staffing and programming would be \$5,000 per year.
  - In option 3(b) Council could direct staff to provide a grant in an amount that would result in the effective reduction of fees from the fees paid by CVFMA in the 2023 winter market season under Bylaw No. 2947, 2018.
  - As per the discussion of option 3(a) a grant of this amount would suggest that the community benefit provided by CVFMA is greater than adult non-profit organizations, and potentially also youth, senior, and Indigenous non-profit organizations, exceeding the subsidization levels defined in the Fees and Charges Bylaw No. 2988, 2024.

The City may consider these greater levels of subsidy in consideration of CVFMA's contribution towards food security objectives, which are policies within the City's OCP, 2022.

The financial implications of Option 3 are as follows:

- a) Option 3(a): Provide a grant in an amount that results in CVFMA continuing to pay the Community Daily Rate as per Bylaw No. 2947, 2018. Grant amount to reflect the difference between Community Daily rate and the not-for-profit adult rate listed in Bylaw No. 2988, 2024:
  - a. Approximate total of three-year rental charges: \$29,587
  - b. Approximate total three-year value of the grant: \$3,000.
  - c. Approximate total subsidization of unit costs: \$33,810 (total of grant and facility subsidization costs)
  - d. Approximate net (after grant) total of three-year rental charges: \$26,586
- b) Option 3(b): Provide a grant in an amount that results in a further reduction of fees for CVFMA from what they are currently charged under Bylaw No. 2947, 2018:
  - a. Approximate total of three-year rental charges: \$29,587
  - b. Total three-year value of the grant: \$15,000 (\$5,000 per year)
  - c. Approximate total subsidization of unit costs: \$45,810 (total of grant and facility subsidization costs)
  - d. Approximate net (after grant) total of three-year rental charges: \$14,586

### *Impacts*

In discussion with CVFMA, CVFMA has indicated that in all options, except 3(b):

- CVFMA would not be able to hold the Downtown Wednesday Summer Street Market for several years until it is financially viable.
- There will be a reduction in market programming and events.
- CVFMA's participation and collaboration in regional food security planning and initiatives with the agricultural community and food policy council may be reduced.

CVFMA has indicated that options one and two include the potential that the number of winter markets may need to be reduced or cancelled. This would affect farmers' market customer access to local fresh produce including those who utilize the Farmers' Market Nutrition Coupon Program

Under 3(b) CVFMA would still not be able to hold the Downtown Wednesday Summer Street Market for several years until it becomes financially viable but the grant would provide the financial support for CVFMA to get the Wednesday Downtown Summer Market's operational again sooner and CVFMA would be able to

maintain its current level of staffing and programming at the winter market. CVFMA did note in their correspondence that a total grant amount of \$10,000 would be required in order to restart the Wednesday Downtown Summer Market next year. They will be actively seeking grants from other sources to also restart the Wednesday Downtown Summer Market.

The following table provides a high-level summary of the options discussed:

Table 5: Options Summary

<b>OPTIONS:</b>	<b>OPTION 1: Not-For-Profit Commercial Use Rate per Bylaw No. 2988, 2024</b>	<b>OPTION 2: Not-For-Profit Adult Rate per Bylaw No. 2988, 2024 (Recommended Option)</b>	<b>OPTION 3: 3(a) – Maintain current fees via grant, Community Rate, Bylaw No. 2947, 2018 3(b) – Fee Reduction via grant</b>
<b>Total Facility Rental Fees (3 years)</b>	\$41,440.25	\$29,587.25	\$29,587.25
<b>Total Facility Unit Costs (3 years)</b>	\$60,396.00	\$60,396.00	\$60,396.00
<b>Total Value of Subsidization to CVFMA (3 years)</b>	\$18,955.75	\$30,810.00	Option 3(a) \$33,810.00 Option 3(b) \$45,810.00
<b>Agreement Required</b>	No	Yes – 3-year term with two one-year renewal options	Yes – 3-year term
<b>Value of Grant (3 years) included in the Subsidization Total Above</b>	\$0	\$0	3(a) \$3,000.00 3(b) \$15,000.00
<b>Allows time to explore a location for a permanent year-round market location</b>	Yes – CVFMA would be an interest holder in the City’s planning processes.	Yes – through agreement	Yes - through agreement
<b>Allows CVFMA to continue to operate the fall and winter market at the Native Sons Hall</b>	CVFMA would either have to decrease market days or cancel the market and or reduce programming.	CVMA may have to reduce the number of winter markets and reduce programming.	3(a) CVFMA may need to reduce staff and modify some programming and food policy planning work. 3(b) CVFMA to maintain currently level of staffing and programming.
<b>Return to holding the Wednesday Downtown Summer Market</b>	Not likely until it’s financially viable.	Not for several years until it’s financially viable.	In both 3 (a) and (b): not for several years but 3 (b) would allow for the Wednesday Downtown Summer Market to start up again, sooner.
<b>Within Bylaw 2988, 2024 Rate Categories</b>	Yes	Yes. Fees and Charges Framework allows for flexibility to increase	No. However, Fees and Charges Framework allows for flexibility to increase

		subsidy based on high public benefit.	subsidy based on high public benefit.
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**Recommended Option**

Staff are recommending Option 2: that the City and CVFMA enter into a Partnering Agreement and the City apply the facility use category rate of Not-for-Profit Adult as per Bylaw No. 2988, 2024. Option 2 allows sufficient time for CVFMA to explore alternative locations for a year-around permanent farmers' market, treats CVFMA equally to other adult not-for profits, and is within the policy and bylaw approved by Council. This option allows CVFMA to participate in City land use and park planning processes that will be initiated in 2024 and that present an opportunity to achieve a common vision for a permanent year-round farmers' market that may also have adequate supporting infrastructure in place.

Providing a grant to further reduce rental fees exceeds the subsidization levels as recently defined in the Fees and Charges Bylaw No. 2988, 2024 and would suggest that the community benefit provided by CVFMA is greater than other adult non-profit organizations, and potentially also youth, senior, and Indigenous non-profit organizations. Council may consider these options in light of the CVFMA's role in supporting the achievement of food security objectives and policies as outlined in the OCP, 2022.

By supporting CVFMA in exploring other locations for a year-round permanent location, the City will be looking at possible long-term options to freeing up available space in the Native Sons Hall - Grand Hall. This would help support other local non-profit organizations seeking space for their activities and or provide much needed space for Courtenay Recreation to meet recreation program demands.

**POLICY ANALYSIS:**

*Community Charter*

Section 25 of the Community Charter prohibits assistance to a business. According to the Community Charter Schedule of Definitions and Rules of Interpretation, "business" means:

- (a) carrying on a commercial or industrial activity or undertaking of any kind, and
- (b) providing professional, personal or other services for the purpose of gain or profit

Section 21 allows for a municipality to enter into a partnering agreement for the provision of a service through a third party on behalf of a municipality.

*OCP, 2022*

Food Security Chapter:

- Objective 1: All residents have access to affordable, healthy, culturally appropriate, and local food outlets within walking distance, including food access services and programs when needed.
  - o FS 1: Support establishment of small-scale healthy food retail options such as both year-round and seasonal farmers markets, small to mid-size grocery stores, mobile food vendors, bakeries and restaurants within or in proximity to the Town and Neighbourhood Centres and Corridors including the Downtown Town Centre.
  - o FS 2: Work with the Comox Valley Farmers Market Association to secure a permanent site and facility for its year-round operation in a suitable and accessible location with necessary supportive amenities, preferably near the downtown.
  - o FS 3: Ensure adequate space and amenities such as loading zones, washrooms, water and electricity are provided whenever a farmers' market is planned.

In addition to Food security, support for Farmers Markets aligns with objectives and policies in the Local Economy, Social Infrastructure, and Arts, Culture and Heritage chapters.

*Fees and Charges Amendment Bylaw 2988, 2024 – Recreation User and Rental Fees*

The Fees and Charges Amendment Bylaw 2988, 2024 authorizes Council to impose fees and charges for rental uses of recreation facilities. Staff do not have the authority to waive the fees established by bylaw.

**FINANCIAL IMPLICATIONS:**

Options to reduce the rental fees charged to CVFMA from Bylaw 2988, 2024 have financial implications for the City.

- Option 2 (recommended): The reduction of rental charges through categorizing CVFMA's facility use in the adult not-for-profit group will result in a foregoing of rental revenue for Recreation, Culture, and Community Services (RCCS).
  - The foregone revenue is estimated at \$11,853 over a three-year period however the actual value will vary based on number of days and hours booked by CVFMA.
- Options 3 (a) and (b): The reduction of rental charges through the provision of a grant would:
  - Result in a foregoing of rental revenue for RCCS as per option 2; and
  - Require the allocation of grant funding from Gaming Funds for a term of three years.
    - Option 3(a) would require approximately \$3,000 in grant funding from Gaming Funds over a three-year term, with additional grants valued at approximately \$1,000 per year if the agreement is renewed for up to two more years (a total of five years).
    - Option 3 (b) would require \$15,000 (\$5,000 per year) in grant funding from Gaming Funds over a term of three years.

CVFMA will continue to utilize a portion of the Native Sons Hall parking lot for each Saturday market at no cost.

When CVFMA is able to operate the Wednesday Summer Downtown Market, there will be no cost to CVFMA for use of Duncan Avenue as in previous years.

**ADMINISTRATIVE IMPLICATIONS:**

The negotiation of the terms and conditions, as well as administration of the partnering agreement will be led by the Recreation, Culture and Community Services Department.

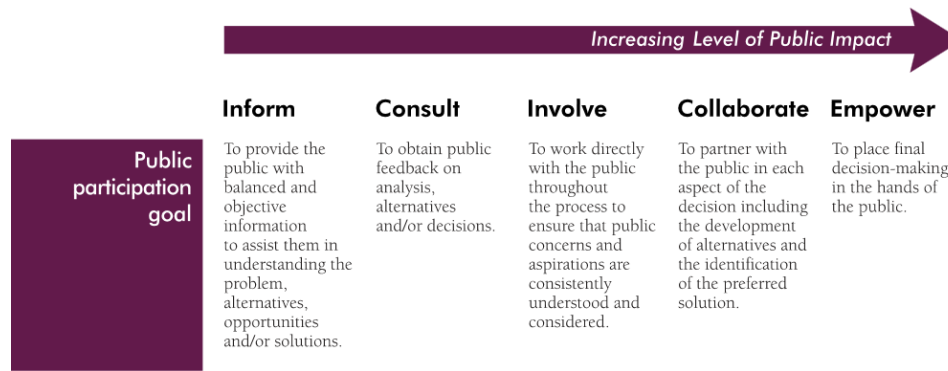
**STRATEGIC PRIORITIES REFERENCE:**

This initiative addresses the following strategic priorities:

- Food Systems - Identify roles for the City in the delivery of food security as outlined in the OCP
- Food Systems - Engage with Agricultural Community and Food Policy Council to identify needs and support relevant OCP policies

**PUBLIC ENGAGEMENT:**

Staff would inform the public based on the IAP2 Spectrum of Public Participation:



© International Association for Public Participation

Should a partnering agreement be entered into, proper notice would be required under section 24 of the Community Charter in advance of executing the agreement.

**OPTIONS:**

1. (Recommended)  
THAT Council approve Comox Valley Farmers' Market Association be charged the Adult Not-For-Profit Rate at the Native Sons Hall Grand Hall as established by the Fees and Charges Bylaw No. 2988, 2024; and  
THAT Council delegate authority to the Director of Recreation, Culture, and Community Services to determine the service and reporting deliverables and form and content of an agreement between the City of Courtenay and Comox Valley Farmers' Market Association for a three year term with two options to renew for an additional one year term each; and,  
THAT Council delegate authority to the Director of Recreation, Culture, and Community Services to execute any agreements related to the assistance both in-kind and financial provided to Comox Valley Farmers Market Association, subsequent to the publishing of notice.
2. THAT Council delegate authority to the Director of Recreation, Culture, and Community Services to determine the service and reporting deliverables and form and content of an agreement between the City of Courtenay and Comox Valley Farmers' Market Association; and  
THAT upon execution of the agreement, Council approve an annual grant to the Comox Valley Farmer's Market Association in the amount equivalent to the difference between the the Adult Not-For-Profit Rate at the Native Sons Hall Grand Hall as established by the Fees and Charges Bylaw No. 2988, 2024 and the Community Daily Rate as per Bylaw No. 2947, 2018 of \$369.25 for a three year term, ending March 31, 2027, to be sourced from Gaming Funds for meeting the service and reporting deliverables outlined in the agreement; and  
THAT Council delegate authority to the Director of Recreation, Culture, and Community Services to execute any agreements related to the assistance both in-kind and financial provided to Comox Valley Farmers Market Association, subsequent to the publishing of notice.
3. THAT Council delegate authority to the Director of Recreation, Culture, and Community Services to determine the service and reporting deliverables and form and content of an agreement between the City of Courtenay and Comox Valley Farmers' Market Association; and  
THAT upon execution of the agreement, Council approve an annual grant to the Comox Valley Farmers Market Association of \$5,000 per year for a three year term ending March 31, 2027, to be

sourced from Gaming Funds for meeting the service and reporting deliverables outlined in the agreement; and

THAT Council delegate authority to the Director of Recreation, Culture, and Community Services to execute any agreements related to the assistance both in-kind and financial provided to Comox Valley Farmers Market Association, subsequent to the publishing of notice.

4. THAT Council provide alternative direction to staff.

**ATTACHMENTS:**

1. Attachment 1: A Sample List of Winter Markets in British Columbia

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Reviewed by: Susie Saunders, Director of Recreation, Culture, and Community Services

Concurrence: Geoff Garbutt, M.P.I., MCIP, RPP, City Manager (CAO)