



Request for City Council Committee Action from the Department of Regulatory Services

Date: October 24, 2011

To: Council Member Elizabeth Glidden, Chair – Regulatory, Energy & Environment Committee

Referral to: Council Member Betsy Hodges, Chair – Ways & Means/Budget Committee

Subject: Farmers Market Ordinance Amendments

Recommendation: Adopt comprehensive amendments to Chapters 201 and 202
Amend Schedule J Director's Fee Schedule
Amend Farmers Market related License Fee Schedule

Previous Directives: On April 2, 2010, Council directed Regulatory Services and Zoning staff to work with farmers market managers on potential revisions to the ordinances regarding farmers markets, with a report back to the Regulatory Energy & Environment Committee no later than February 28, 2011.

Department Information

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Approved by:

Henry Reimer, Interim Director of Regulatory Services

Dana Banwer, Director of Licensing and Environmental Services

Daniel Huff, Manager Environmental Management & Safety and Green Building Program

Presenters in Committee: Daniel Huff

Financial Impact

- Other financial impact -

Community Impact

- City Goals
 - LIVABLE COMMUNITIES, HEALTHY LIVES - Healthy choices are easy and economical
 - ECO-FOCUSED - Locally grown food available and chosen

Supporting Information

Currently, the City has two license types for farmers markets: an ordinance for the Municipal market, with an accessory market on Nicollet Mall, and an ordinance for Public Markets, under which the rest of the markets in Minneapolis are licensed. As of October, 2011, there are 16 Public Markets.

In September, 2007, the Council's Public Safety and Regulatory Services committee received and filed a report from staff on the creation of the Local Produce Market, or "Mini Market" license. This change has been highly successful, resulting in the creation of 19 mini markets around the city.

All current Public Markets are nonprofits or projects of nonprofits, with the exception of the Farmers Market Annex. The proposed ordinance amendments would redefine the Annex as an adjunct to the Municipal Market. The Nicollet Mall market, which is currently operating as a Public Market, would be licensed under Chapter 201, rather than as a "satellite" of the Municipal Market.

In April 2010, the Council changed the farmers market ordinance to delete the word "outdoor," thereby allowing indoor farmers markets. At that time, farmers market managers requested that the City undertake a more comprehensive review and revision of the farmers market ordinances. The Council directed Regulatory Services staff to work with the farmers market community on this revision.

In fall 2010, a group of farmers market stakeholders, including market managers and vendors, met to draft a set of recommendations for ordinance changes. These recommendations became the structure for the amendments to Chapters 201 and 202.

Those recommendations included creation of new "Farmers Market" and "Produce and Craft Market" license types; the formalization of the existing "Mini Market" license type with some additional flexibility in vendor types; allowing sampling as part of the market license and cooking demonstrations provided there is a certified food manager on-site; clarifying that vendors not selling foods for immediate consumption to operate from unpaved surfaces, provided they follow the Minnesota Health code; and adopting an updated set of definitions.

Farmers Markets

Definition: A primarily outdoor recurring event, created for public benefit, where on designated days and times, a group of market vendors consisting principally of agricultural producers, and that may include food market manufacturers, food market distributors, craft producers and home processors are organized for the purpose of selling their products directly to the public.

Key features:

- **60%** of vendors must be agricultural producers
- The other **40%** can be a mix of distributors, manufacturers (selling food for immediate consumption), home processors, craft vendors and vendors of services provided a maximum of 25% non-food vendors
- No distributors may sell food that is available from growers locally and in-season
- No vendors may resell non-food items or "found" or "reclaimed" items, to differentiate between Farmers Markets and Flea Markets
- All Farmers Markets must be nonprofits or projects of nonprofits, and be able to share bylaws and other supporting documentation on request

- Must accept Farmers Market Nutrition Program and equivalent programs, not including EBT
- Must take place outdoors, but may have six indoor market events per year

Produce and Craft Markets

Definition: A recurring event, held outdoors or in another defined place, where on designated days and times, market vendors consisting of agricultural producers, home processors, food market manufacturers, food market distributors and craft producers are organized for the purpose of selling their products directly to the public.

Key features:

- **30%** must be food vendors. The rest can be a mix of food vendors and people selling arts and crafts they have made themselves
- No distributors may sell food that is available from growers locally and in-season
- No vendors may resell non-food items or “found” or “reclaimed” items, to differentiate between Produce and Craft Markets and Flea Markets
- All Produce and Craft Markets must be nonprofits or projects of nonprofits, and be able to share bylaws and other supporting documentation on request
- Must accept Farmers Market Nutrition Program and equivalent programs, not including EBT

Mini Markets

Definition: A type of farmers market, limited to five or fewer vendors, whose primary purpose is to improve access to locally grown agricultural products.

Key features:

- May have up to 5 vendors, all of which must sell food
- At least one vendor must be an agricultural producer
- May have up to one distributor of fresh fruits and vegetables – provided they’re not available locally and in-season – and up to one home processor
- Must take place outdoors, but may have six indoor market events per year

Municipal Market

The Municipal Market ordinance (Chapter 202) was changed less than the Public Market ordinance (Chapter 201). Changes include adopting the same requirements for the Municipal Market manager as existed previously for Public Market managers, incorporating the Farmers Market Annex into the Municipal Market ordinance as an adjunct market, and clarifying that the Nicollet Mall Market is now to be licensed under Chapter 201.

License and Plan Review Fees associated with Farmer’s Markets and Farmers Markets Vendors

Regulatory Services staff administration and inspection costs for Farmers Markets exceed revenue from license fees. Proposed fees for 2012 are based upon 100% cost recovery for all license types except for Mini Markets and Exempt Home processor vendors. Plan review fees are one-time only and represent 100% cost recovery. Anticipated shortfall from Regulatory Services budget based upon this recommended fee schedule and anticipated administration and inspection costs is \$5,100.

Farmers Market Related License Fee Schedule 2011-2012

License Type	2011 License fee	2012 Proposed License fee
Market, Municipal	\$171	<u>\$480</u>
Farmers Market (formerly Public Market) and market adjunct to Municipal Market	\$171	<u>\$276</u>
Produce and Craft Market	N/A	<u>\$276</u>
Market Distributor	\$172	<u>\$177</u>
Market Manufacturer	\$172	<u>\$177</u>
Mini Market	\$0	<u>\$59.00</u>
Exempt Grower and Home Processor vendors	\$0	\$0

Farmers Market Related Plan Review Fees.

Fee Type	2011 fee	Proposed 2012 fee
Plan review fee Farmers Market (formerly Public Market)	\$171	\$177
Plan Review fee Mini Market	\$59	\$71
Plan Review fee Municipal Market	\$171	\$177
Plan Review fee Produce and Craft Market (New license)	N/A	\$177
Plan Review fee Food Market Distributor	\$59	\$71
Plan Review fee Food Market Manufacturer	\$59	\$71
Plan Review fee Home and Pickle Bill processors	\$59	\$71

Staff Farmer's Market Workteam

A special thanks to Home Grown Minneapolis, Farmer's Market stakeholders and the following City of Minneapolis staff persons for their work with the community to develop these provisions:

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