



CITY COUNCIL STAFF REPORT

MEETING DATE: February 13, 2023

ITEM TITLE: Adopt a Resolution Authorizing the City Manager to Sign an Agreement for Products and/or Services with Urban Villages Farmers' Market Association to Operate the San Carlos Farmers' Market Event.

RECOMMENDATION:

Staff recommends that the City Council adopt a Resolution authorizing the City Manager to sign an agreement for products and/or services with Urban Villages Farmers' Market Association to operate the San Carlos Farmers' Market.

FISCAL IMPLICATIONS:

There is no fiscal impact associated with this recommendation. By outsourcing management of the weekly San Carlos Farmers' Market ("Market"), there will be significant savings in staff and operational costs.

The current total operating budget for the Farmers' Market is \$60,000, which includes field and program supplies, professional services, part-time salaries, and overtime salaries. These budgeted costs were offset by projected revenues from booth fees and sponsorships.

BACKGROUND:

On April 12, 2021, the City Council approved Resolution 2021-027, creating a budget for the City to operate the Market. The City assumed responsibility for Market operations in July 2021. At that time, the Market was held in the Industrial Arts district of San Carlos on Bayport Avenue. Attendance from both vendors and attendees was light and the decision was made to return the Market to Laurel Street the following month. Since resuming the Market on Laurel Street in August 2021, staff continues to experience challenges in securing new vendors as well as getting pre-Covid participating vendors to return. As a result in lack of vendor growth, staff has not been successful in implementing the CalFresh program, which provides fresh produce options to low income families.

Out of 17 total farmers' markets in San Mateo County, 11 are operated by farmers' market associations, six markets are operated by community service clubs, and the City of San Carlos is currently the only municipality to operate a market. A Sunday market poses challenges from a coordination and management perspective. Full-time staff respond to vendor cancellations and other operational issues of the market seven days per week.

ANALYSIS:

A request for proposals for the San Carlos Farmers' Market Operator was posted on the City's website on December 16, 2022. Staff held an informational meeting for any interested vendors to ask questions and get clarification on the City's desires for a Market operator. Four proposals were submitted by the deadline, and the top two qualified vendors were invited to an interview with City staff on January 26, 2023.

Following the interviews, staff recommends Urban Village Farmers' Market Association ("Urban Village") as the operator for the San Carlos Farmers' Market. Urban Village currently operates nine markets throughout the Bay Area in communities similar to San Carlos. Staff believes Urban Village demonstrates an in-depth understanding of the existing Market operations and shares the City's vision and community's expectations for maintaining a welcoming and community-oriented experience.

Partnering with a farmers' market association such as Urban Village will enhance the Market, as they have access to hundreds of vendors, offering a variety of produce, nursery items and specialty foods to create a farmers' market that meets the needs and expectations of the community. Staff recommends for the Market operations to fall under the Special Event Permit program. Urban Villages will submit an application on an annual basis and staff will generate a permit with applicable guidelines to operate the Market on Laurel Street. The permit fee will be collected on a monthly basis.

Additionally, the City's goal for the San Carlos Market is to be a part of the California Department of Social Service's CalFresh Program so that low-income community members who meet federal income eligibility rules may have access to fresh fruits and vegetables. Foods that must be offered in the Market to be CalFresh Program eligible include fresh fruits and vegetables, dairy, eggs, nuts, honey, and meats. These foods must be a minimum of 50% of market sales to be eligible for CalFresh. In 2022, staff faced challenges in securing vendors that supplied the required foods, therefore, was never able to join the CalFresh Program or to offer CalFresh benefits. Urban Village offers this program in six other markets across the Bay Area. Entering in an agreement with Urban Villages as the new operator of the Market gives San Carlos the opportunity to provide this program to the community.

ALTERNATIVES:

The alternatives available to the City Council include:

1. Adopt a Resolution authorizing the City Manager to sign an agreement for products and/or services with Urban Villages Farmers' Market Association to operate the San Carlos Farmers' Market; or
2. Do not adopt the Resolution; or
3. Provide staff with direction.

Respectfully submitted by:

Amy Newby, Parks & Recreation Director

Approved for submission by:

A handwritten signature in black ink, appearing to be 'J. Maltbie', written over a horizontal line.

Jeff Maltbie, City Manager

ATTACHMENT(S):

1. Resolution
2. Urban Village Farmers' Market Association Proposal