



# CITY OF HAGERSTOWN, MARYLAND

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## Department of Community & Economic Development

TO: Scott Nicewarner, City Administrator  
FROM: Kitty Clark, Community Events Coordinator  
Cathleen Miller, Farmers Market Coordinator  
DATE: July 14, 2021  
SUBJECT: **Historic City Farmers Market Update**

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Staff will attend the July 20, 2021 work session to provide an update to Mayor and Council on the operations of the Historic City Farmers Market and to seek direction on reinstating vendor fees at the Market.

### **MARKET UPDATES**

#### Vendors

Cathleen Miller was hired in August, 2020 to be the Farmers Market Coordinator. Since that time, the number of vendors in the Market has increased. There are currently 25 vendors selling a variety of goods, including prepared food, baked goods, teas, produce, meats, cheeses, microgreens, mushrooms, preserves, pottery, candles, jewelry, pillows, and other handcrafted items. 14 of these vendors were there prior to August, 2020. 19 new vendors have started since August; 8 of those have left for reasons including change of business plans, returning to pre-Covid weekend vending opportunities, and moving away. There has been steady interest from potential vendors, and vacant booth space has filled quickly.

#### Special Events

Several special events took place in FY21, including Fall Fest, Christmas at the Market, Spring at the Market, Carnival at the Market, and a Vendor Yard Sale. Attendance at each was approximately 300 people. Promotion of these events was done via advertisements in the Herald Mail, boosted Facebook posts, and print fliers. Events included door prizes, goody bags for children, and appearances by Santa at Christmas and a magician at the Carnival. Additionally, external groups such as the US Census Bureau, voter registration groups, and health care organizations used a table at the Market to share relevant information to market customers. The Market also hosted a 'Toys for Tots' collection box.

#### Market Improvements

Several physical changes to the Market House have been made in the last year to improve the overall aesthetic and to increase safety.

- Re-organized vendor booths to freshen up the layout, make room for additional eating tables, and improve the overall appearance of the Market.
- Hung a curtain at the common dishwashing room to keep this area from customer view.
- Painted the exterior benches.
- Purchased an additional table to create more eating space.
- Mounted a wooden "Welcome" sign and Daily Specials board for vendors to use.
- Worked with individual vendors to improve and update their booth displays.
- Coordinated with Visit Hagerstown to display area attraction pamphlets at the Market.

- In consultation with HPD, purchased and mounted three Ring cameras to monitor activity and to alleviate complaints from vendors about theft.
- Had 'No Parking' and 'Loading Zone' signs re-installed outside the market.
- Had railing installed at steps in market office and hung a curtain in office window for professional appearance.

#### Maryland Market Money Program

The Market recently became part of the Maryland Market Money program through a trial arrangement with the County. This program, coordinated statewide by the Southern Maryland Agricultural Development Center (SMADC), serves farmers markets across the state. Its goal is to amplify benefit programs including the Supplemental Nutrition Assistance Program (SNAP) and the Farmers Market Nutrition Program (FMNP) by providing matching amounts for each dollar that a SNAP/FMNP customer uses at the Market. This win-win program gives SNAP customers, many of whom live in food deserts, more buying power; and it gives vendors selling SNAP-eligible food the opportunity to sell twice as much product and earn more income. The City's arrangement with the County, as spelled out in an MOU, is as follows:

- The County manages the grant funds from SMADC
- The County manages the tokens that are used in the program
- The County has hired, pays for, and supervises a program manager, who is at the City Farmers Market from 8am-12pm from July through the end of October
- The MMM Manager is responsible for all transactions and record keeping
- The County provides a check to the City on a monthly basis from which we reimburse the vendors for their SNAP sales
- At the end of the trial period, City staff will evaluate the program's impact and explore options about continuing the program under our own agreement with SMADC

#### **VENDOR BOOTH FEES**

Staff seek direction from Mayor and Council about whether to continue the waiver of vendor fees or to reinstate vendor fees at the Market. The Market has operated rent-free since July 1, 2019, a direction given by the Council at that time. This correlated with the approval of updated Market Guidelines and Application.

The number of vendors at the Market has increased since then, especially since the Farmers Market Coordinator was hired in August, 2020. However, expenses of market operations and maintenance of the building have not decreased. As shown in the table below, the net cost of the Market has increased 32% since FY17.

	<b>Booth Revenue</b>	<b>Other Revenue (parking garage)</b>	<b>Total Revenue</b>	<b>Total Expenses</b>	<b>Net Cost</b>
<b>FY17</b>	\$21,049	\$9,990	\$31,039	\$95,475	\$64,436
<b>FY18</b>	\$17,181	\$9,180	\$26,361	\$80,477	\$54,116
<b>FY19</b>	\$15,034	\$7,905	\$22,939	\$68,215	\$45,276
<b>FY20</b>	\$2800*	\$8,870	\$11,670	\$72,679	\$61,009
<b>FY21 (preliminary)</b>	\$400*	\$8,901	\$9,301	\$94,519	\$85,218

*\*Booth revenue in FY20 and FY21 reflects rent paid by the Valley Coop*

#### Pros of Reinstating Fees

- Lower net cost of operating the building and the market
- Puts a value on booth space
- Encourages vendor entrepreneurialism

#### Cons of Reinstating Fee

- Potential departure of vendors due to booth expense
- Potentially more challenging to recruit new vendors
- More staff time required for billing and collections

An additional point of consideration is that the Market House is on the City's Competitive Negotiated Sale list.

Previous booth rates were \$75/quarter for a 6 foot booth at a wall space and \$63/quarter for a 6 foot booth not at a wall. Additionally, all vendors paid \$33/quarter for electric regardless of location or number of booths. Prior to 2019, there had been preliminary work done to transition to a fee based on square footage. Shifting to a square footage fee model would result in a more equitable fee and truly capture the amount of space any one vendor is utilizing; however, it will require staff time to work out and implement, including a reorganization of the space.

c: Jill Thompson, Director of Community and Economic Development  
Eric Deike, Director of Public Works