



## Legislation Text

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**File #:** 20-0016, **Version:** 1

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**TO:**

Honorable Mayor and Members of the City Council

**THROUGH:**

Bruce Moe, City Manager

**FROM:**

Steve S. Charelian, Finance Director

Cynthia F. Mickschl, Revenue Services Manager

**SUBJECT:**

Consider Adopting a Resolution Approving an Agreement with the Downtown Manhattan Beach Business and Professional Association (DMBBPA) for the Management of a Certified Farmers Market and Utilization of City Property and Right-of-Way (Finance Director Charelian).

**ADOPT RESOLUTION NO. 20-0013**

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**RECOMMENDATION:**

Staff recommends that the City Council consider adopting Resolution No. 20-0013 approving an agreement with the Downtown Manhattan Beach Business and Professional Association (DMBBPA) for the management of a weekly Farmers Market on City property.

**FISCAL IMPLICATIONS:**

If approved, the City will realize revenue of approximately \$84,153 over the five-year term of the contract (\$16,830 annually).

**BACKGROUND:**

On April 4, 2006, City Council approved a request from the Downtown Business and Professional Association (DBPA) to conduct a weekly Farmers Market on 13<sup>th</sup> Street between Valley Drive and Morningside Drive. At that time, City Council decided to support the market by providing use of the public right-of-way between Morningside Drive and Valley Drive at no cost to the association. Initially, the market expected to generate income of \$13,520 annually. The City discussed possible reimbursement for City costs and ultimately decided it was in the best interest of the community and the Farmers Market to forego cost recovery until the market was established. Today, the Manhattan Beach Farmers Market has established itself as a well-attended weekly community event. The number of registered vendors, along with the footprint of the market-now extended into the Metlox Plaza-has increased exponentially from its origin. The variety of vendors and attractions has improved market income to more than \$185,000 per year according to the 2019 DMBBPA profit & loss statement.

At the June 18, 2019, City Council meeting, staff was asked to bring back a formal agreement between the City and the Farmers Market to recover a reasonable amount of costs associated with the utilization of City property, right-of-way and other City related costs. Some of those costs are lost

parking meter revenue, inspections and Police staff time for deploying the police vehicles to the east and west entry points of the market at Valley Drive and Morningside Drive for public safety.

## **DISCUSSION:**

There are 37 metered parking spaces, and 10 unmetered spaces utilized by the market from 9:00 a.m. to 5:00 p.m. An analysis of the actual occupancy rate for those meters (as depicted in Exhibit B of the agreement) during regular weekdays over the same daily hours indicates an average occupancy rate of approximately 60%. The occupancy percentage was confirmed with the City's Traffic Engineer. At the current rate of \$1.75 per hour, the cost to occupy these meters for eight hours per week for 48 weeks (assuming 4 weeks of holiday meter bagging) equates to \$74,592 per year. Under the attached agreement, DMBBPA will pay an annual amount of \$14,198 for the use of the meters, \$2,332 for police department staff time to set-up and take-down the police vehicles, approximately \$300 for the annual fire operation permit/inspection, and the annual business license tax for the Farmers Market. The commencement date of the agreement is July 1, 2019, to coincide with the start of the City's current fiscal year.

The City of Manhattan Beach has included additional stipulations in the agreement such as:

- Requiring cube trucks with prep sinks parked on Morningside Avenue to be closest to the curb, with smaller vehicles stacked to allow better visibility for drivers;
- All food vendors are to conspicuously display their Los Angeles County Health Permit assuring patrons that LA County Health food prep guidelines and best practices are being followed in the interest of public health;
- The "mix" of vendors is to be no more than 20% (10) prepared food vendors, 40% (20) packaged food vendors, and 40% (20) farmers and ranchers;
- The Fire Department will conduct an additional fire inspection each year at no added cost to DMBBPA;
- A discount of 50% on parking fees invoiced in the event a market day does not occur due to factors beyond DMBBPA control;
- A periodic walkthrough by Community Service and/or Code Enforcement Officers for additional support of market compliance;
- Vendors not adhering to the scope of work and stipulations within the agreement pertaining to their vendor category may be suspended from the market for up to 30 days, and may receive a citation for parking violations;
- Any changes to the setup of vendor parking must be cleared with the City Traffic Engineer.

The attached agreement was a collaborative effort between the DMBBPA and the City. There were multiple meetings over a period of five months between City staff, the DMBBPA Board and the Farmers Market operations manager. The meetings also had key staff members from Police, Fire and Risk Management representing public safety.

Manhattan Beach Farmers Market benefits the community by providing fresh, locally sourced produce, fun activities for children such as face painting and train rides, community outreach booths and unique food offerings. The DMBBPA carefully curates the vendors at the market to ensure that they do not directly compete with downtown eateries. The market supports healthy lifestyles by contributing to Growing Great, a non-profit focused on empowering children to make healthy food choices through hands-on science and gardening education, provides "carrot coins" to local wellness

programs at a discounted rate that are used to make purchases by program participants. In addition, the Farmers Market contributes to the Roundhouse Aquarium, Manhattan Beach Education Foundation (MBEF), Manhattan Beach Little League (MBLL), MBX Foundation, Mira Costa High School Drug and Alcohol Prevention, Coordinating Council, Catalina Classic, and more.

Staff recommends that the City Council approve the attached resolution approving an agreement with the DMBBPA for the management of a certified Farmers Market and utilization of City property and right-of-way at 13<sup>th</sup> Street between Valley Drive and Morningside Drive by the Manhattan Beach Farmers Market.

**PUBLIC OUTREACH:**

After analysis, staff determined that public outreach was not required for this issue.

**ENVIRONMENTAL REVIEW:**

The City has reviewed the proposed activity for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a “Project” as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review is necessary.

**LEGAL REVIEW:**

The City Attorney has approved the agreement as to form.

**ATTACHMENTS:**

1. Resolution No. 20-0013
2. Agreement - Downtown Manhattan Beach Business and Professional Association
3. DMBBPA Letter to the City