

Source

TO: City Council

FROM: City Manager and Staff

DATE: May 11, 2007

RE: Sustainable Farms and Communities (Columbia Farmers' Market)
Memorandum of Understanding



Mike Hood



Summary: A public hearing was held by the City Council on January 16, 2007 regarding the four proposals received by the City for the use of the land located adjacent to the ARC. At the conclusion of the meeting, staff was directed to develop a Memorandum of Understanding with two organizations, Columbia Youth Basketball Association (CYBA) and Sustainable Farms and Communities (SF&C) regarding their proposals for use of the property. A memorandum of understanding with the Columbia Youth Basketball Association was approved by the Council at the April 2, 2007, Council meeting. Following several meetings between staff and the SF&C, a Memorandum of Understanding between the City and SF&C regarding their proposal to develop a permanent facility to house the Columbia Farmers' Market has been drafted and is being submitted to Council for consideration and review. This memorandum mirrors the CYBA agreement in almost every major issue. The draft memorandum is based on the premise that SF&C would raise \$900,000 for the construction of a permanent structure to house the Market. Those funds when raised would be donated to the City which would construct, operate, maintain, and schedule use of the facility.

Fiscal Impact

YES

NO

Other Info.

Discussion: A draft Memorandum of Understanding between the City of Columbia and SF&C for a proposed facility to be located on city owned land adjacent to the ARC has been negotiated by Park and Recreation Department staff. The draft Memorandum of Understanding addresses the main concerns expressed by City Council at the January 16, 2007 meeting. In addition to these concerns, it also incorporates a framework which would allow the Market to raise the necessary money for the facility as well as general operational principles once the facility is constructed. It is anticipated that if the fund raising campaign is successful, this non-binding Memorandum of Understanding will be replaced with a formal, binding agreement between the two parties at the time the funds are donated to the City.

This draft memorandum very closely mirrors the recently approved Memorandum of Understanding with the Columbia Youth Basketball Association. As with the CYBA agreement, SF&C would raise the necessary funds (estimated at \$900,000) to build the facility and would donate those funds to the City. The City would build, operate, maintain, and schedule the facility. This concept is somewhat of a departure from the SF&C's original proposal whereby they would have leased the land from the City, and then built and operated the facility under their ownership with the City being allowed a certain amount of use. Both staff and SF&C now agree that using the same approach as the CYBA is a more reasonable and efficient method of developing the

facility.

Key points under the Memorandum of Understanding include:

- A. Sustainable Farms and Communities (SF&C) is a not for profit organization established to promote partnerships with local farmers and consumers, to nurture farmer's markets, and to increase the knowledge of sustainable foods and farming issues.
- B. The City is the present owner of approximately 19 acres of real estate located in and around the Activity & Recreation Center (ARC) at 1701 W. Ash, Columbia, Missouri.
- C. SF&C proposes to raise funds privately in order to fund the construction of a Farmers' Market Community Center to be used as a local farmers' market and community multi-purpose space. The goal for fundraising by SF&C is \$900,000 to cover the cost of the facility and essential FFE (furniture, finishing, and equipment).
- D. SF&C has a two year window, from the time of this Memorandum of Understanding, to raise the necessary funds. Should the SF&C not reach the \$900,000 goal at the end of the two year period, the SF&C and the City may chose to extend, modify, or end the Memorandum of Understanding.
- E. SF&C would raise the funds necessary for the Facility and donate them to the City for the construction of a facility on the site. The City will own, operate, maintain, and schedule the facility.
- F. As the facility will be owned by the City, the City will, if the project is determined to be eligible, apply for tax credits for the project. The tax credits, if received, will be used by the SF&C to assist in soliciting donations for the project.
- G. The City will pay for the necessary parking and road improvements to the site as well as provide and maintain the landscaping for the Facility.
- H. The facility would be designed by the City with input from SF&C. The design of the facility will have an exterior look which will be complimentary to the ARC, any future CYBA facility, and the facilities surrounding the area. Final design will be subject to the approval of the City Council.
- I. The Facility will contain space for 100 vendor stalls in the primary market area and may include restrooms, concessions, office/offices/ and a meeting area. Such facilities may be partially or completely enclosed by a pavilion type structure.
- J. The Facility will serve as a permanent home for SF&C and the Columbia Farmers' Market (CFM). SF&C will partner with CFM to plan and

operate a local farmers' market for the Columbia community.

- K. The City and SF&C/CFM will develop an annual schedule of use of the facility by SF&C/CFM with a guaranteed minimum amount of use as agreed upon in the Memorandum of Understanding. The use schedule will provide both the City and SF&C/CFM reasonable use opportunities throughout the year. Specifically, the City shall have sufficient time to provide use opportunities to other groups and organizations from throughout the community based on the ultimate design and function of the facility.
- M. The City shall assume all maintenance, operating and custodial costs associated with the building.

Staff has actively worked with the SF&C and the CFM in the development of this draft Memorandum of Understanding and believes that it reflects the commitments of both the City and the SF&C/CFM to this project.

Recommended Council Action: If the Council concurs that the City should proceed with the Memorandum of Understanding with Sustainable Farms and Communities, staff should be directed to prepare a resolution authorizing the agreement.

MEMORANDUM OF UNDERSTANDING

This Memorandum of Understanding is entered into on this ____ day of April, 2007, by and between the City of Columbia, Missouri ("City"), a municipal corporation, and Sustainable Farms and Communities ("SF&C"), a Missouri not-for-profit corporation.

RECITALS

- A. Sustainable Farms and Communities (SF&C) is a Missouri 501C(3) not-for-profit corporation established to promote partnerships with local farmers, consumers, and organizations; to increase knowledge of sustainable food and farming issues, to nurture farmers' markets, and to provide educational activities that enrich the community.
- B. City owns approximately 19 acres of real estate located in and around the Activity & Recreation Center (ARC) at 1701 W. Ash, Columbia, Missouri (the "Site").
- C. The Columbia Farmers Market (CFM) is a membership organization made up of area farm producers to improve the production and marketing of, and stimulate public interest in local farm products. The CFM currently manages and operates a seasonal open air farmers market on the site, in cooperation with the SF&C.
- D. SF&C proposes to raise funds for the construction of a Farmers' Market Community Center (the Facility) to be used as a farmers' market and community multi-purpose space.
- E. City proposes to assume all maintenance, operating, and custodial costs associated with the facility.

UNDERSTANDING

NOW, THEREFORE, the parties propose the following:

1. *Purpose.* The purpose of this Memorandum of Understanding is to set forth the general expectations of City and SF&C in order to enter into good faith negotiations with respect to the development and subsequent operation of a Farmers' Market Community Center (the Facility) on such terms and conditions as may be acceptable to City, SF&C and CFM.
2. *SF&C Fundraising.* SF&C will raise funds towards the construction of the Facility. City will assist SF&C where possible including providing site schematics, facility guidance and general knowledge. SF&C will ask the City of Columbia's New Century Fund, Inc. to serve as a vehicle for some of the donations for the Facility. The goal for fundraising is \$900,000 and will cover the cost of the facility, essential Furniture, Finishing and

Equipment (defined as items associated with the operation of the Farmers' Market) and the installation of utilities. The funds raised for the Facility, will be given to City for the express purpose of building the Facility.

3. *Tax Credits.* If eligible, the City will pursue the possibility of tax credits for this Facility from the Missouri Department of Economic Development and/or other sources .
4. *SF&C Fundraising Time Period.* SF&C will have two (2) years from the signing of this memorandum to raise the necessary funds to develop the Facility. If SF&C does not reach its goal at the end of the two (2) year period, City and SF&C may enter into discussions to:
 - a. Evaluate the amount of money pledged and raised and decide whether a scaled down Facility will meet the needs of both parties.
 - b. Extend the amount of time SF&C has to reach its goal.
 - c. End the memorandum of understanding between City and SF&C.
5. *SF&C Naming Opportunities.* The Columbia City Council shall name the facility but shall consider naming recommendations suggested by SF&C. SF&C may name specific areas of the Facility after principal donors, subject to approval of the Columbia Parks & Recreation Department.
6. *Facility Design Considerations and Requirements.* The Facility shall follow the general intent of the master plan for the site. The Facility will have an exterior look that will be complimentary to the ARC, any future CYBA facility, and other facilities surrounding the area and will be subject to the approval of City. The Facility will be designed to contain space for 100 vendor stalls in the primary market area. The Facility may also include space for restrooms, a concession area, office/offices, and meeting area. Such features may be partially or completely enclosed by a pavilion type structure. The Facility's design will be coordinated by the City with input from SF&C and CFM. The Facility will be fully ADA accessible. All signage must comply with City code and will be subject to review and approval of the City. City intends to provide parking, roads, landscaping and a storm water detention pond.
7. *Operation of the Facility.* The Facility will be owned, maintained, and scheduled by City. City will be responsible for establishing the hours of operation, scheduling, maintenance, and upkeep of the Facility.
8. *Shared Use of the Facility.* City and SF&C/CFM will develop an annual calendar of use for the Facility each year. The Facility shall be available for use by City, SF&C and CFM as follows:

A. SF&C/CFM: *SF&C/CFM shall have priority for use of the facility as follows*

- i. Traditional Market Season: March 15 through November 21
 1. Mondays and Wednesdays: 3:00 pm to 8:00 pm (to include set-up and take-down)
 2. Saturdays: 6:00 am to 3:00 pm (to include set-up and take-down)
 3. The above days and times may be subject to change upon mutual agreement of the City and SF&C provided the total number of hours of use remains substantially the same.
 4. SF&C may be granted additional use of the Facility at other times the Facility is available and has not been scheduled for use by City for other groups or activities. Additional use shall be subject to payment of a use rate to be established by Council ordinance as outlined in item iii below.

- ii. Winter Season: November 21 through March 15
 1. SF&C shall be provided up to 20 hours of use per week based upon submittal of a request for a specific schedule which shall be agreed upon by the City and SF&C annually.
 2. SF&C may be granted additional use of the Facility at other times the Facility is available and has not been scheduled for use by City for other groups or activities. Additional use shall be subject to payment of a use rate to be established by Council ordinance as outlined in item iii below.

- iii. Facility Use Fees
 1. To assist in meeting the operating and maintenance expenses of the Facility, SF&C/CFM will pay the following customary fees for:

A. Priority Market Hours as Outlined in Items 8A-i:1-2 and 8A-ii:1

A fee of \$25 per vendor for each vendor that registers with and sells products at any SF&C/CFM event during the traditional market season and a fee of \$25 for each vendor that registers with and sells products at any SF&C/CFM

event during the winter season. Such fees shall be subject to City Fee Ordinance review each year.

B. Additional Uses as Outline in Items 8A- i:4 and 8A-ii:2

User fees shall be established by City ordinance for the additional use of the facility as outlined in items 8A-i:3 and 8A-ii:2. SF&C and CFM shall have a preferred use fee as compared to other users of the facility.

B. *City:*

- i. City retains the right to program this facility as it deems appropriate during all hours of operation other than those assigned to SF&C/CFM.
- ii. City shall have the right to establish and charge appropriate facility use fees to all other groups and individuals using the facility throughout the year.

9. *Concession Operations*

- a. SF&C/CFM shall have all concessions rights during their hours of operation as outlined in item 8.
- b. City shall have concession rights at all times not granted to SF&C/CFM.
- c. SF&C/CFM shall observe all applicable Columbia/Boone County Health Department Regulations in the operation of any concessions.

10. *Advertising Opportunities*

- a. City and SF&C/ CFM will develop an advertising policy and an advertising revenue splitting program for the Facility. Both the City and SF&C/CFM shall have a right of refusal for potential advertisers.

11. *Non-Binding Memorandum of Understanding.* This Memorandum of Understanding evidences the intention and desire of City and SF&C to commit their time and financial resources to negotiate in good faith towards the development of the Farmers' Market Community Center to be located on the Site as generally described herein. This Memorandum of Understanding is not a binding agreement upon City or SF&C. The legal agreements reflecting the Project shall be set forth in definitive agreements subsequently negotiated, authorized and entered into by City and SF&C. Either City or

SF&C shall have the ability to terminate such negotiations at any time. Each party shall bear its own expenses in connection with the negotiation of such definitive agreements.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals as of the day and year above first written.

CITY OF COLUMBIA, MISSOURI

By: _____
H. William Watkins, City Manager

ATTEST:

Sheela Amin, City Clerk

APPROVED AS TO FORM:

Fred Boeckmann, City Counselor

SUSTAINABLE FARMS AND
COMMUNITIES

By: _____
Chair

ATTEST:
