REPORT OF THE JOINT HOUSE AND SENATE SUBCOMMITTEE

TO STUDY METHODS OF IMPROVING THE RICHMOND FARMERS' MARKET

TO THE

HOUSE COMMITTEE ON AGRICULTURE

AND THE

SENATE COMMITTEE ON AGRICULTURE, CONSERVATION AND NATURAL RESOURCES



House Document No. 21

COMMONWEALTH OF VIRGINIA

Department of Purchases and Supply

Richmond

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INTRODUCTION

This report is a result of the study directive contained in House Joint Resolution No. 114, passed by the 1974 Session of the General Assembly, as follows:

HOUSE JOINT RESOLUTION NO. 114

Directing the House Committee on Agriculture and the Senate Committee on Agriculture, Conservation and Natural Resources to conduct a study and make a report on methods of improving the Richmond Farmer's Market.

Whereas, the Richmond Farmer's Market on Main and Seventeenth Streets has been in existence since seventeen hundred ninety-two; and

Whereas, many farmers from all areas of the Commonwealth still depend upon the market to sell their produce; and

Whereas, many citizens of the Commonwealth rely upon the market to obtain fresh Virginia produce; and

Whereas, the Richmond Farmer's Market area has in recent years been ravaged by floods; now, therefore, be it

Resolved by the House of Delegates, the Senate concurring, That the Committee on Agriculture of the House of Delegates and the Committee on Agriculture, Conservation and Natural Resources of the Senate are directed, jointly and severally, to make a study and report on methods of improving the present Richmond Farmer's Market or if such improvements are deemed ill advised, the feasibility of establishing a regional market in the Richmond metropolitan area. The Department of Agriculture and Commerce and the governing bodies of Richmond, Henrico and Chesterfield shall assist the Committees in their study upon request.

The Joint Committee shall complete its study and make its report not later than November one, nineteen hundred seventy-four.

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Pursuant to the study directive, Senator Rawlings, Chairman of the Senate Committee on Agriculture, Conservation and Natural Resources, appointed Senators Leslie D. Campbell, Jr., who served as Vice Chairman, Paul W. Manns, and James T. Edmunds to represent the Senate Committee in the Joint Study. Delegate Reynolds, Chairman of the House Committee an Agriculture, appointed Delegates L. Ray Ashworth, who served as Chairman, Robert B. Ball, Sr., Garry G. DeBruhl, Richard W. Elliott and Lacey E. Putney to represent the House Committee in the Joint Study.

The Division of Legislative Services made staff and facilities available to carry out the study, Mr. L. Willis Robertson, Jr. and Mrs. Janet C. Baker being assigned to the Study Committee.

At the initial meeting, the Chairman suggested that a review of previous, extensive studies of the Richmond Farmers' Market by the Department of Agriculture and Commerce, would be helpful in determining the most effective approach to adopt in order to comply with the study directives contained in House Joint Resolution No. 114.

Mr. B. W. Sadler, Director, Division of Markets, Department of Agriculture and Commerce, gave a thorough review of the Department's past studies. He also noted that there are provisions in the Code for the creation of a Produce Market Authority.

In the course of its study, the Joint Committee, through the cooperation of the Department of Agriculture and Commerce and Virginia Polytechnic Institute and State University, was able to avail itself of the assistance and expertise of Mr. B. W. Sadler, Dr. James B. Bell and Dr. Joseph M. Johnson. The Committee also received cooperation from the city of Richmond, several civic organizations, and county extension agents. Mr. Joe Dunglisson, Chief, Bureau of Operations, Department of General Services, city of Richmond, arranged for the members to tour the present Seventeenth Street Market and talk with the farmers preceding one of the meetings.

The Committee held several meetings at which various farmers and their representatives were also heard.

At the first meeting it was recognized that specific areas should be thoroughly investigated and the Chairman appointed the following Subcommittees to delve into three particular areas of concern to the Committee's study: (1) to acquire statistics and evaluate other farmers' markets; (2) to visit and inspect the farmers' markets in Raleigh, North Carolina, and Columbia, South Carolina; (3) to explore further the possibility of the Fairgrounds as a site for a farmers' market. The three subcommittees fulfilled their obligations as directed.

At a meeting of the Subcommittee on Statistics and other farmers' markets, Mr. Richard Cockrel, VPI Extension Agent in charge of the Virginia Beach Farmers' Market, explained its origin, operation and success.

Dr. Bell added that prior to its establishment, tours were made to several markets and he stressed that location and a facility suited to a predetermined need are of primary importance.

The Subcommittee appointed, visited the farmers' markets in Columbia, South Carolina and Raleigh, North Carolina, and reported the experience of these markets with respect to their origin, organization, financial status, facilities, size and the degree of usage by consumers and farmers. It was noted that the Raleigh market is more consumer oriented and therefore a better model for Richmond.

The Subcommittee exploring further the possibility of the State fair grounds as a site, met with Dr. George A. Morrow, Agricultural Manager, State Fair of Virginia. At a subsequent meeting Dr. Morrow reported on the various buildings the Subcommittee had considered and their respective costs and facilities.

A report, <u>Analysis of Supplies of Virginia Produce for the Richmond Farmers' Market</u>, was prepared by Dr. Bell and Dr. Johnson, for the Committee's perusal.

In the report, it is pointed out that while the present site has served as a farmers' market for 180 years, many problems have been encountered in recent years and a solution has been sought by interested parties several times.

The report is an analysis of the supply area of the market, however it does comment on farmer interest and notes that several proposals were developed during the last fifteen to twenty years for improved facilities. The report notes further that farmers have stressed that a new facility in an improved location would be used to a far greater extent than the present market.

During the course of the several meetings and hearings, it was emphasized by various groups, and individuals that there is a definite need and desire by both the farmer and consumer for a properly constructed, conveniently located and well-publicized market in the Richmond metropolitan area. It was eminently clear to the Committee that this same need has been recognized and successfully met in several neighboring states where the implementation of farmers' markets has benefited the farmer, consumer and the state. The Committee also learned that these markets are self-sustaining.

The minimal amount of business transacted at the present site is attributed to the concern of both the consumer and farmer for their safety, and not to a general lack of interest on the part of the consumer. In this vein, the Committee heard it stressed many times

that location is the primary consideration for a successful market. It must have accessibility, ample parking space, sanitary facilities—and a rail siding and refrigeration if wholesalers are to be included. Equally important is a location which assures safety for the farmer and consumer.

The consensus of the Committee was that a properly located, constructed and publicized farmers' market in the Richmond metropolitan area and other areas would be beneficial to the consumer, farmer and the State. That there is a definite need has been ascertained.

RECOMMENDATIONS

- I. That a bill be drafted to amend Chapter 9 of Title 3.1 of the Code of Virginia, to provide for retail sales under a Produce Market Authority; to permit such an authority to be established regionally when a majority of the governing bodies located in a designated area wish it.
- II. That the Department of Agriculture and Commerce and Virginia Polytechnic Institute and State University be directed to work with various local groups including but not limited to the Atlantic Rural Exposition and the Richmond Planning District Commission in making a feasibility study to determine the location and type of building best adapted to the area's needs.
- III. An interest and need has been demonstrated by agribusiness people and the Committee is convinced a properly constructed, properly located and well-advertised farmers' market in Richmond or other areas would be of benefit to the consumer and farmer. However, they believe the feasibility study in Recommendation II should first be completed.

REASONS FOR RECOMMENDATIONS

I. That a bill be drafted to amend Chapter 9 of Title 3.1 of the Code of Virginia, to provide for retail sales under a Produce Market Authority; to permit such an authority to be established regionally when a majority of the governing bodies located in a designated area wish it.

During the course of its study the Committee realized that the feasibility of a regional market must be considered, as the need for and success of this type market has been demonstrated in several neighboring states. The Code sections, which permit Produce Market Authorities, presently restrict it to a city or county.

It was also emphasized to the Committee that a strong interest existed among the individual farmers and consumers for a welllocated and constructed market for retail sales. Since the present statute limits a produce market authority to wholesale only, it was agreed this section should be amended to include retailers.

II. That the Department of Agriculture and Commerce and Virginia Polytechnic Institute and State University be directed to work with various local groups including but not limited to the Atlantic Rural Exposition and the Richmond Planning District Commission in making a feasibility study to determine the location and type of building best adapted to the area's needs.

As the Committee was cognizant of the extreme importance the location of facilities would have in the success of a market, it was deemed advisable to recommend that all available expertise in the agribusiness field be utilized to determine the most favorable site. Therefore the Committee felt the Department of Agriculture and Commerce and Virginia Polytechnic Institute and State University, together with other interested agricultural and business organizations would be most qualified to conduct such a feasibility study.

III. An interest and need has been demonstrated by agribusiness people and the Committee is convinced a properly constructed, properly located and well-advertised farmers' market in Richmond or other areas would be of benefit to the consumer and farmer. However, they believe the feasibility study in Recommendation II should first be completed.

The Committee heard from numerous organizations, individuals, and experts interested in an improved farmers' market in the Richmond area. The members were impressed with the strong need and desire expressed to them repeatedly. Therefore they felt if a regional market is to be established, that since the location and structure are the two primary factors for its success, the study in Recommendation II should first be completed to insure that the site selected is the most desirable to all who would be involved.

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Respectfully submitted,
L. Ray Ashworth, Chairman
Leslie D. Campbell, Jr., Vice Chairman
Robert B. Ball, Sr.
Garry G. DeBruhl
James T. Edmunds
Richard W. Elliott
Paul W. Manns

Lacey E. Putney

A BILL to amend and reenact §§ 3.1-47, 3.1-48, 3.1-49, and 3.1-52 of the Code of Virginia, relating to produce market authorities.

Be it enacted by the General Assembly of Virginia:

- 1. That §§ 3.1-47, 3.1-48, 3.1-49 and 3.1-52 of the Code of Virginia are amended and reenacted as follows:
- § 3.1-47. Definitions.—As used in this article, the following words and terms shall have the following meanings, unless the context shall indicate another or different meaning or intent:
- (a) The word "authority" shall mean the "(here insert name of city, or county or market) Produce Market Authority" created pursuant to the provisions of §§ 3.1-48 and 3.1-49 of this article, or, if such authority shall be abolished, the city, county, board, body, commission or agency succeeding to the principal functions thereof or on whom the powers given by this article to the authority shall be conferred by law.
- (b) The word "market" shall mean the market constructed, maintained and operated under the provisions of this article by the authority, including all buildings, structures, parking facilities and other facilities and appurtenances thereto which the authority may deem necessary for the maintenance and operation of the market, together with all property, rights, easements and interest which may be acquired by the authority for the construction, maintenance and operation of the market.
- (c) The word "cost" as applied to the market shall include the cost of construction, the cost of any subsequent additions thereto or expansion thereof, the cost of the acquisition of all land, rights-ofway, property, rights, easements and interests acquired by the authority for such construction, additions or expansion, the cost of demolishing or removing any building or structure on land so acquired, including the cost of acquiring any lands to which such buildings or structures may be moved, the cost of all equipment, financing charges, insurance, interest prior to and during such construction, and during the construction of any addition or expansion, and, if deemed advisable by the authority, for a period not exceeding one year after completion of such construction, addition or expansion, the cost of surveys, engineering and architectural expenses, borings, plans and specifications and other engineering and architectural services, legal expenses, administrative expenses, and such other expenses as may be necessary or incident to the construction of the market, and of such subsequent additions thereto or expansion thereof, the cost of financing such construction, additions or expansion and placing the market and such additions or expansion in operation.
- § 3.1-48. Market authorities authorized to be established.—In order to provide facilities for the buying, selling, handling and distribution of perishable farm produce so as to promote the agricultural and industrial development of the Commonwealth and

the health, safety, welfare, convenience and prosperity of the inhabitants thereof, there is hereby authorized to be established a wholesale or retail produce market authority in or for each city, or county or any combination of cities and counties of the Commonwealth having a population of more than thirty thousand inhabitants which is hereby established as and declared to be a political subdivision of the Commonwealth and is authorized and empowered to construct, enlarge, extend, maintain, repair and operate the market, and to issue bonds of the authority as hereinafter provided in this article.

§ 3.1-49. Activation and organization of authorities.—(a) Whenever the governing body or bodies of any such city, or county or combination thereof shall adopt, by the affirmative vote of a majority of all of the members thereof, a resolution petitioning the Governor to activate an authority for such city, or county or combination thereof, the Governor may by proclamation activate the authority, or if in the opinion of the Governor no substantial need exists therefor, he may decline to do so. The resolution shall state whether it is desired that the authority shall consist of five or seven directors, and the proclamation, if issued, shall designate the number.

The Department of Agriculture and Commerce or a majority of the governing bodies of the governmental subdivisions situated within the geographic boundaries of any planning district, may, after the completion of a feasibility study showing the necessity for a market authority in any area, by resolution petition the Governor to activate an authority in that area. The Governor may activate such an authority by proclamation if there is a substantial need for such an authority. The resolution shall state whether the authority should consist of five or seven directors and the proclamation shall designate the number of directors for the authority.

(b) Every authority shall be governed by a board of directors to be appointed by the Governor. One member of the board shall be appointed from a list of three persons nominated by the Director of the Division of Markets with the approval of the Commissioner of Agriculture and Immigration_Commerce. One member shall be appointed from a list of three persons nominated by the Director of the Agricultural Extension Division of the Virginia Polytechnic Institute. One member shall be appointed from a list of three persons nominated by the governing body or bodies of such city, or county or combination thereof. One member shall be appointed from a list of three wholesale or retail dealers in perishable farm produce nominated by a majority vote of all of the wholesale or retail dealers in such produce doing business in such city, county or combination thereof or on the market after it is in operation, each store unit having one vote. One member shall be appointed from a list of three farmers nominated by the agricultural agents of the several counties contiguous to such city, or county or combination thereof or contiguous to the county or counties in which such city is geographically located. In the event the number of directors is to be seven, one member shall be appointed from a list of three persons nominated by the directors or other governing body of the chamber of commerce of such city, or county or combination thereof and one member shall be appointed from a list of three food retail merchants nominated by the governing body of such city, or county or combination thereof. All nominees shall be residents of such city, or county or combination thereof or of one of the several counties

contiguous thereto or contiguous to the county or counties in which such city is geographically located.

- (c) The members first appointed shall be appointed one each for terms of one, two, three and four years, and one or three, as the case may be, for a term of five years, according to the order in which they are listed in this section, respectively. Subsequent appointments shall be made for terms of five years each, except appointments to fill vacancies which shall be for unexpired terms. The terms of the members first appointed shall, for the purpose of determining the expiration dates of their respective terms, be taken to commence on January first of the year immediately succeeding the year in which the appointments are made, although the appointment is made and duties are assumed prior thereto. No person shall be eligible to serve for or during more than two successive terms; provided, however, any person heretofore or hereafter appointed to fill an unexpired term may be eligible for two additional successive terms after the term appointed has expired, and incumbency during the current term when this amendment takes effect constitutes the first of the two successive terms. Each member shall continue to hold office until his successor has been appointed. Members of the board shall be subject to removal from office in like manner as are State, county, town and district officers under the provisions of §§ 15.1-63 to 15.1-66 of the Code of Virginia. Immediately after such appointment, the directors shall enter upon the performance of their duties. The board shall annually elect one of its members as chairman and another as vice-chairman, and shall also elect annually a secretary and a treasurer, who may or may not be members of the board. One person may be elected to both of the last-named offices. The chairman, or in his absence, the vicechairman shall preside at all meetings of the board. In the absence of both the chairman and vice-chairman the board shall appoint a chairman pro tempore, who shall preside at such meetings. A majority of the full number of directors shall constitute a quorum for the transaction of the business of the authority, and no vacancy in the membership of the board shall impair the right of a quorum to exercise all the rights and perform all the duties of the authority. The members of the board shall be entitled to reimbursement for their necessary expenses incurred in attendance upon the meetings of the board or while otherwise engaged in the discharge of their duties. Each member of the board shall also be paid a sum to be determined by the board not exceeding twenty-five dollars per day for each day or portion thereof during which he is engaged in the performance of his duties. Such expenses and compensation shall be paid out of the treasury of the authority upon vouchers signed or approved by the chairman of the board or by such other person or persons as may be designated by the board for the purpose.
- (d) The members of the board of directors of a produce market authority heretofore appointed pursuant to the provisions of chapter 7.1 of Title 3 of the Code of Virginia shall constitute the board of directors of the authority created by this article. They shall serve as such until the expiration of the terms for which they were appointed and the powers and duties conferred and prescribed in this article shall be exercised and performed by such board and all of the other provisions of this article shall be applicable to such

board and to such authority. Thereafter, the members of the board shall be appointed pursuant to the provisions of this section.

§ 3.1-52. Credit of Commonwealth and cities not pledged.— Revenue bonds issued under the provisions of this article shall not be deemed to constitute a debt of the Commonwealth or of any such city, or county or combination thereof or a pledge of the faith and credit of the Commonwealth or of any such city, or county or combination thereof, but shall be payable solely from the funds of the authority herein provided for. All of such revenue bonds shall contain on the face thereof a statement to the effect that neither the Commonwealth, the authority nor any such city, or county or combination thereof shall be obligated to pay the same or the interest thereon except from funds of the authority and that neither the faith and credit nor the taxing power of the Commonwealth nor that of any such city, or county or combination thereof is pledged to the payment of the principal of or the interest on such bonds, notes, certificates or evidences of borrowing. All expenses incurred in carrying out the provisions of this article shall be payable solely from the funds provided under the provisions of this article and no liability or obligation shall be incurred by the authority hereunder beyond the extent to which moneys shall have been provided under the provisions of this article. Neither the members of the board of directors nor any officer or agent of the authority executing any bond, note, certificate or other evidence of borrowing pursuant to this article shall be personally liable by reason of such execution.

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