

— SANTA MONICA —
**FARMERS
MARKETS**

Rules, Regulations and
Policy Guide

Adopted
May 25, 2010

Updated

March 20, 2012; June 11 2013, and November 27, 2018, May 25, 2021

— SANTA MONICA —
**FARMERS
MARKETS**

ADMINISTRATIVE OFFICE

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farmersmarket@santamonica.gov

WEDNESDAYS DOWNTOWN

8:00 am – 1:00 pm

Arizona Avenue and 2nd Street

SATURDAYS DOWNTOWN

8:00 am – 1:00 pm

Arizona Avenue between 3rd Court and 2nd Street

SATURDAYS PICO

8:00 am to 1:00 pm

2200 Virginia Avenue

MAIN STREET SUNDAYS

8:30 am – 1:30 pm

2640 Main Street

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— SANTA MONICA —
**FARMERS
MARKETS**

A Brief History

Established July 15, 1981, the Santa Monica *Certified* Farmers Markets create thriving, vibrant communities that are inclusive, connected, and diverse by promoting the prosperity of California farmers and small food businesses, preservation of the agricultural arts and sustainable food systems. The City of Santa Monica (“City”) oversees the operation and management of four Certified Farmers Markets (“CFM”):

Wednesday Downtown Market: The oldest farmers market in Santa Monica is held every Wednesday from 8:00 am – 1:00 pm on Arizona Avenue and 2nd Street. The Wednesday Downtown Market is in the heart of the Downtown Santa Monica Business District and is adjacent to the 3rd Street Promenade retail businesses and restaurants. Each week over 8,000 home shoppers, chefs and tourists visit the Wednesday Downtown Market in search of fresh produce and flowers as well as cooking inspiration and community.

Saturday Downtown Market: The Saturday Downtown Market is held every Saturday from 8:00 am – 1:00 pm on Arizona Avenue at 3rd Street. The Saturday Downtown Market boasts the largest percentage of *Certified* organic growers of the City’s four markets. In the heart of the Downtown Santa Monica Business District, the Saturday Downtown market is adjacent the 3rd Street Promenade retail businesses and restaurants. Each week over 4,000 residents, 3rd Street Promenade patrons and tourists visit the Saturday Downtown Market. A complimentary bike valet is available.

Saturday Pico Market: The Saturday Pico Farmers Market is held every Saturday from 8:00 am to 1:00 pm in Virginia Avenue Park. adjacent to the Pico Branch Library The market features seasonal special events with Virginia Avenue Park and the Pico Branch Library, *Prepared* foods, and occasional live entertainment. The Pico Farmers Market offers Market Match to eligible food assistance customers. Each week over 3,000 customers, visit the Pico Farmers Market. A complimentary bike valet is available.

Sunday Main Street Market: The Sunday Main Street Market is held every Sunday from 8:30 am to 1:30 pm, in the Heritage Square parking lot. In addition to California farmers, Market Participants include *Prepared* food vendors, businesses from the local business district, children’s activities and musical performances. Each week, over 5,000 customers visit The Sunday Main Street Market. Visitors purchase produce, meet friends and family for breakfast and lunch and often stay two to three hours enjoying the ambiance, music and food. A complimentary bike valet and validated parking are also available

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— SANTA MONICA —
**FARMERS
MARKETS**



1. AUTHORITY TO OPERATE

Authority to operate a *Certified* Farmers Market (CFM) is granted by the State of California, the Los Angeles County Departments of Health and Agriculture/Weights and Measures, and the City of Santa Monica. The Santa Monica Farmers Markets are *Certified* Farmers Markets established under California law to provide direct marketing of agricultural products from California *Producers* to local consumers.¹ By providing direct marketing of agricultural products, the Santa Monica Farmers Markets benefit the agricultural community and the consumer by, among other things, providing an alternative method for growers to sell their products while benefiting the consumer by supplying quality produce at reasonable prices.² The state regulatory framework for direct marketing is designed to ensure agricultural products are of acceptable quality and selling activities are conducted honestly and fairly.³ Additionally, the framework authorizes additional nonagricultural vending activities that are ancillary but contiguous to a CFM, thereby providing a larger community event amenity.

The Santa Monica City Council has adopted these Rules, Regulations and Policy Guide (“Rules”) for the operation of the Santa Monica Farmers Markets (“SMFMs”). All participating *Producers* and market participants are required to abide by these Rules, along with all applicable local, county, state, federal laws and regulations (collectively, the “applicable law”)⁴ in effect, and as may be amended from time to time. The City, through its SMFMs’ management and its designated agents, shall implement and enforce all Rules pertaining to the operation the CFM in a fair and equitable manner.

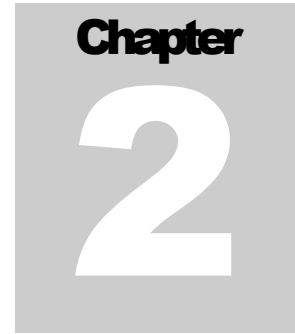
1 Cal Food and Agricultural Code, Section 47000; 3, California Code of Regulations (CCR), Sections 1392.2 (a) and 1392 et al.

2 Cal Food and Agricultural Code, Section 47000(a).

3 3, CCR, Section 1392.

4 3, CCR, , Section 1392.2(p)(local regulations are permitted to be more stringent than those established by state regulations provided they do not violate or conflict with other relevant state laws or regulations).

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2. PARTICIPATION

This chapter describes how the SMFMs are organized, who may sell at the market, what products may be sold, how to apply, which permits are required to sell, how participation is determined and how stall spaces are allocated. Each Santa Monica Farmers Market is a CFM with each market divided into two sections: The Certified Agricultural Section and the Non-Certified/Community Events Section.

2.1. CERTIFIED AGRICULTURAL SECTION

- The *Certified Agricultural Section* of each market consists of Producers and *Certified Producers* (farmers) selling either *Certified Agricultural Products* or *Noncertifiable Agricultural Products* as these terms are defined by law.⁵ *Agricultural Product* means a fresh or processed product produced in California, including fruits, nuts, vegetables, herbs, mushrooms, dairy, shell eggs, honey, pollen, unprocessed bees wax, propolis, royal jelly, flowers, grains, nursery stock, raw sheared wool, livestock meats, poultry meats, rabbit meats, and fish, including shellfish that is produced under controlled conditions in the waters located in California.⁶
- *Producer* is a person, partnership, corporation or an otherwise legally formed farm or ranch that produces agricultural products by practice of the agricultural arts upon land that the person or entity owns, rents, leases, sharecrops, or otherwise controls and has the documented legal right to possession.⁷ A person or entity that rents, leases, or otherwise acquires the right to possession of property essentially for or limited to the period of the harvest season of the agricultural products produced on that property shall not be considered a producer.⁸ *Certified Producer* is a *Producer* authorized by the county agricultural commissioner to sell *Certified Agricultural Products*, produced by the practice of the agricultural arts

⁵ Cal. Food and Agricultural Code, Section 47000.5(a); see 3 CCR, Section 1392.2.

⁶ California Food and Agricultural Code, Section 47000.5(a); see Title 3, CCR, Division 3, Subchapter 4, Article 6.5, Section 1392.2, "Definitions."

⁷ California Food and Agricultural Code, Section 47000.5(c); see Title 3, CCR, Division 3, Subchapter 4, Article 6.5, Section 1392.2(d).

⁸ California Food and Agricultural Code, Section 47000.5(c).

upon land which the *Certified Producer* controls, to customers at a Certified Farmers Market.⁹

- *Certified Agricultural Products* are Agricultural Products that are *Certified* under the jurisdiction of the county agricultural commissioner relative to inspection and verification.¹⁰ Examples of *Certified Agricultural Products* include fresh fruits, nuts, vegetables, shell eggs, honey, flowers, mushroom, herbs, and nursery stock.
- *Non-certifiable Agricultural Products* are all *Certified Agricultural Products* that have been processed, as well as dairy, pollen, unprocessed bees wax, propolis, royal jelly, raw sheared wool, livestock meats, poultry meats, rabbit meats, and fish, including shellfish that are produced under controlled conditions in waters located in California.¹¹
- *Processed Agricultural Products* are those Agricultural Products that have been altered or *Prepared* by such means as, but not limited to, slicing, juicing, drying, shelling, smoking, freezing or cooking; provided, however, that the seller has produced all of the ingredients contained in the final product.¹² The only exceptions to this production requirement shall be the inclusion of food coloring, pectin, rennin/rennet or ingredients used as preservatives, seasonings and flavorings.

2.1.1. Required Documentation Certified Producers

The following, where applicable, must be posted at the booth during market hours

- Embossed *Certified Producers* ' Certificate (CPC) listing Los Angeles County as an "Authorized County"¹³;
- Apiary registration;
- Avocado exemption permit or proof of inspection;
- Organic registration and certification;
- Annual Health permit for processing facility; and
- Egg Handler Registration.

2.1.2. Selection Criteria: Certified Producers

The following criteria, in no particular order, are used to evaluate potential market participants for the *Certified* Section of the SMFMs.

9 Title 3, CCR, Division 3, Subchapter 4, Article 6.5, Section 1392.2(e).

10 Title 3, CCR, Division 3, Subchapter 4, Article 6.5, Section 1392.2(l).

11 Title 3, CCR, Division 3, Subchapter 4, Article 6.5, Section 1392.2(m)

12 Title 3, CCR, Division 3, Subchapter 4, Article 6.5, Section 1392.2(v)

13 Title 3, CCR, Division 3, Subchapter 4, Article 6.5, Sections 1392.2 and 1392.4.

- Products may not contain genetically modified ingredients or be grown from genetically engineered seeds.
- Product mix - products are admitted to the SMFMs with adequate variety to ensure a wide product mix and to fulfill consumer demand without creating a surfeit (glut) of any one product.
- Desirability of crops - crops which are in demand, are one-of-a-kind or of exceptional quality or uniqueness, are preferred over crops already in sufficient supply at the market.
- Length of stay – growers of short-season specialty crops receive higher priority than growers of year-round crops. Short-season crops change frequently and afford a maximum number of *Producers* access to selling space.
- Fresh products – growers of fresh products are given priority over *Producers* of processed products.
- Preference is given to growers selling processed products that they process themselves rather than products taken to a processing facility (i.e. dried fruit, juice, shelled nuts, etc.).
- Preference is given to growers whose primary distribution is local, not national.
- Preference is given to *Producers* who follow sustainable farming practices. Sustainable farming practices include organic (as *Certified* by State and Federal regulations), Integrated Pest Management (IPM), "Low Input" which refers to minimal use of synthetic fertilizers and pesticides, as well as other practices including crop rotation, crop diversity, water conservation, composting, use of cover crops to increase soil fertility and any methods that use natural means to control weeds, pests and disease, as well as biodynamic farming methods. Sustainable farming practices also include fair wages for workers and humane treatment of farm animals.
- Preference is given to growers with no prior violations of the *Certified* farmers markets program.
- Preference is given to farms that are locally owned by individuals as opposed to corporate farms that are controlled by individuals or entities not located near the farm and that are operated by farm management companies.

SMFMs management may require the *Certified Producer* or *Producer* to provide additional supporting documentation and may either contact agricultural inspectors in the county where crops are grown or conduct a farm inspection to verify production and quality. SMFMs management may verify information from other market managers or industry organizations outside the City.

2.1.3. Additional Selection Criteria: Meat, Poultry and Dairy

- All meat sold at the SMFMs must be processed at a United States Department of Agriculture (USDA) facility. Chicken falls under California Department of Food and Agriculture oversight when more than 20,000 chickens per year are processed at one facility.
- No livestock, meat, or dairy goods in which the pre-emptive use of hormones or antibiotics is used. The use of rBGH (bovine growth hormone) is not accepted.
- Preference is giving to grass fed and finished meat products.
- Preference given to Producers of livestock, meat and dairy products that have a “*Certified Humane*” designation from Humane Farm Animal Care (www.Certifiedhumane.org) or similar organizations.
- Only farmstead dairy products (made by the producer) processed on the farm and made from the milk of animals that are owned by the Producer are permitted. Proof of ownership of dairy animals must consist of but is not limited to one or more of the following documents:
 - i. Market Milk Permit
 - ii. Farm Inspection Report
 - iii. Grade A (or B) permit for milk production
 - iv. Tuberculosis Test Record
 - v. Producers /Handlers/Processors Application and Registration

2.1.4. Additional Selection Criteria: Nursery Stock

Nursery Stock consists of potted plants, trees or nursery starts where the seller has performed propagation, germination, planting of cuttings, or division work.

- Products sold must be a higher value than the container in which they are sold.
- *Certified* Producers shall not purchase plants for the sole and immediate intent to resell them without sufficient propagation or growing time.

2.1.5. Additional Selection Criteria: Producers of Fish and Shellfish

Aquaculture operators who sell products from controlled ponds or waters are considered *Non-certifiable* agricultural *Producers* and may sell in the *Certified* section of the market. Aquaculture operators are required to provide current documentation that verifies production including, but not limited to the following:

- California Department of Health Services Shellfish Growing Area Certificate;
- Proof of control over the pond or waters;

- State of California Department of Health Services Food and Drug Branch Shellfish Handling and Marketing Certificate;

2.1.6. Second Certificate

Second certificates (Certified Producers selling Certified agricultural products on behalf of one other Certified producer) are admitted to the SMFMs based on the criteria listed for Certified Producers. The Producer carrying product for another Producer on a second certificate must have agricultural products in greater volume, measured by weight or dollar amount, than the other Certified Producer as measured at the beginning of the sales day¹⁴. A Certified Producer shall not represent or be represented by more than one other Certified Producer in a 12-month period.

- Second certificate holders will be given one selling season's notice if their product is no longer needed at the market
- Each Certified Producer will receive a separate load sheet and is individually responsible for stall fee payments. If the absentee (second certificate) farmer is unable to identify the quantity or identity of their crop(s) being sold at the market, that producer's selling privileges shall be revoked.

2.1.7. Probationary Period

Once selected first time *Certified* Producers and Producers will be offered a three-month probationary participation agreement. Provided there are no notices of violation during the three-month period *Certified* Producers and Producers will be awarded a participation agreement.

Farmers wishing to add a product to their product mix that was not included in their original participation agreement must apply to do so.

2.1.8. Partnerships

A partnership is a separate entity distinct from its individual members. As a separate entity, a partnership must obtain a *Certified* Producers certificate to market its Agricultural Products. Such Agricultural Products shall be produced by practice of the agricultural arts upon land that the partnership, as a separate entity, exclusively controls.¹⁵

2.1.9. Organic Products

Any product sold as organic must post have a current Organic Registration from the state of California and an Organic Certification from an approved third-party organic certifying organization. No representation of organic production, either written or verbal may be used by a Producer who does not have organic certification and registration documentation. These documents must be posted during sales hours. posted in their booth.

¹⁴ 3 CCR, Section 1392.4

¹⁵ 3 CCR, Sections 1392.2(s) and 1393.9.1.

If a *Certified* organic Producer also sells produce that is not organic, the non-organic produce shall not come in physical contact with the organic produce at any time during handling, shipping or display. Non-organic produce must be displayed in a manner that separates it from the organic produce with a physical barrier, and non-organic produce must be clearly labeled and identified as such by means of a sign stating “Non Organic” in letters at least 2” high.

2.1.10. “No Chemical” “Pesticide Free” labeling

Certified Producers may use the terms “No Chemical” and “Pesticide Free” to advertise their products. The term “No Spray” may not be used since it is vague and misleading.

2.2. NON-CERTIFIED/COMMUNITY EVENT SECTION

All products other than *Certified* and *Non-certifiable Agricultural Products* shall be located in the *Non-Certified/Community Event Section* of the market. This section includes the *Non-certifiable Processed Agricultural Products*, *Prepared* and *Pre-packaged Food*, Retail, and entertainment, and other items as may be approved by the Market Manager from time to time. *Non-certifiable Processed Agricultural Products*: *Non-certifiable Processed Agricultural Products* are *Prepared* or packaged foods where the primary ingredient(s) are grown by the market participant but contain additional ingredients not grown by the farmer. These include stuffed olives.

- *Non-Certified Agricultural Products* are *Agricultural Products* collected or foraged on land or in water not under the Producer’s control. Examples in wild mushrooms harvested on federal or public lands, and wild caught seafood.
- *Prepared* and *Pre-packaged Food*: *Pre-packaged Foods* are foods *Prepared* and packaged off site in a Health Department Certified kitchen and include items such as coffee, breads, pastry and sandwiches. *Prepared Food* is *Prepared* on site and includes omelets, burritos and pancakes.
- *Retail*: *Retail* products are permitted in the Little Main Street section of the Sunday Main Street Farmers Market or in an area designated by market management. and may include clothing, accessories, pottery, books, art, home goods. Retail products do not include any food products.
- *Entertainment*: Musical entertainment, children’s art activities, balloon twisters, face painting or other activities as approved by the SMFMs.
- *Tabling*: Table or booth space at SMFMs is provided only for City departments and programs
- *Market Manager/Information Booth*: Staffed by market manager, staff or volunteers, this is where CalFresh is distributed and general information is provided.
- *Services*: Knife sharpeners, soap refill station, or other items which enhance the products at the market and support the City’s sustainability goals. Services must fit within agricultural, culinary or sustainability related categories and must be for direct sale at market site.

2.2.1. Wild Harvested and Foraged Agricultural Products

Wild harvested and foraged agricultural products, which are products that are not grown on land that is controlled by the Producer may only be sold in the Non-Certified Section of the market. In order to participate, vendors must obtain and present appropriate documentation which may include, but is not limited to:

- National Forest Collectors Permit.
- Community Event Permit issued by the Los Angeles County Department of Health.

2.2.2. Sellers of Wild-Caught Fish and Shellfish

Wild-caught seafood and shellfish may only be sold in the Non-Certified Section of the market. All fish sold must be harvested from a well-managed fishery in properly licensed boats in which sustainable harvesting methods are employed, in accordance with the Monterey Bay Aquariums Seafood Watch program. Wild caught seafood and shellfish vendors must obtain and present appropriate documentation which may include, but is not limited to:

- DMV Boat registration;
- Commercial California fishing license issued by the California Department of Fish and Game;
- Boat registration issued by the California Department of Fish and Game;
- Processers and Handlers Permit issued by the California Department of Fish and Game;
- Landing Receipts;
- Community Event Permit or a Vehicle Permit issued by the Los Angeles County Department of Health.

2.2.2.1 Additional Selection Criteria Wild Caught Fish and Shellfish

Selection criteria for wild caught seafood applicants includes, but is not limited to:

- First preference is given to applicants selling their own catch which is caught, in California coastal waters, or by boats that originate in California coastal waters.
- Second preference is giving to applicants selling their own catch and documented catch of others who fish in California coastal waters, or by boats that originate in California coastal waters.
- Last preference is given to fishmongers who contract directly with people who fish.
- Any fish or shellfish purchased at a commercial/wholesale fish market is not allowed to be sold at the SMFMs.

- Seafood or seafood products made from species that are overfished or unsustainably farmed as identified by the Monterey Bay Aquarium's Seafood Watch program will not be admitted to the SMFMs.

2.2.3. Children's Activities

Children's activities are a market sponsored activity and are conducted by either market staff or by independent contractors. Application for a children's activity booth is on the farmers market website.

All applicants will be accommodated on a space available basis. Once there is no space, selection will be conducted through an RFP process. Selection criteria include, but are not limited to the following:

- Experience performing children's activities
- References
- Appropriateness and quality of the activity provided

2.2.4. Market Sponsored Consumer Education

Consumer Education is intended to promote healthy eating, support California farming and sustainability and may include but is not limited to seasonal festivals, Master Gardeners, speaker panels, school tours and chef demonstrations.

2.2.5. Prepared and Prepackaged Food Vendors

Prepared and Prepackaged Food vendors are selected through a Request for Proposals (RFP) process. Prepared Food Permits are awarded for set terms to allow access for interested applicants.

Selection Criteria Prepared and Pre-Packaged Food

Prepared and Pre-Packaged food vendors will be selected based on evaluation criteria in five categories: Ingredient Sourcing, Environmental Sustainability, Qualifications and Experience, Value and Product Concept, and Local Businesses.

- I. Ingredient Sourcing
 - a. GMO products are prohibited
 - b. Pre-emptive use of antibiotics or hormones to promote growth is prohibited
 - c. Preference for ingredient purchases of California grown products
 - d. Preference for ingredients purchased at SMFMs
 - e. Preference for Organic Ingredients
 - f. Preference for sustainable and/or fair-trade products
 - g. Demonstrated use of sustainable ingredients

- h. Preference for menus which include vegetarian and vegan items
2. Environmental Sustainability
 - a. Proof of sustainable business practices (Green Business Certification, Sustainable quality Award) preferred
 - b. Demonstrated use of sustainable practices with regard to recycling, composting, green cleaning products, water conservation measures, energy efficiency
3. Qualifications and Experience
 - a. Preference for businesses with a proven record of successful temporary event booth operation
 - b. Preference for businesses with a stated policy of excellent customer service and high-quality standards
 - c. Preference for booths with attractive, unique displays
4. Value and Product Concept
 - a. Preference for businesses that provide one of a kind offering that enhance overall variety and consumer choice
 - b. Preference for business with an operating policy that supports community wellbeing, inclusiveness, and fair pricing
5. Local Business
 - a. Businesses that are located in Santa Monica or operated by Santa Monica residents, especially those located near the neighborhood of market on application

2.2.6. How is Stall Space Allocated?

Market participants are granted one selling space and may not occupy two separate selling spaces or sell outside their assigned space under the same CPC. The size and location of each selling space is determined by market management. Every effort is made to assign permanent space locations to market participants. This ensures continuity, which is beneficial to the market participant and to the overall operation of the market. Occasionally changes must be made in stall assignment location. Such decisions are made at the market management's discretion for the benefit of overall market operations. The following evaluation criteria will be used when making stall assignments:

- Need to alleviate chronic overcrowding.
- Reallocations will make better use of the space available.
- Need to alleviate potential health, safety risk or hazard.
- Empty spaces which need to be filled.
- Placement of stall space to create increased foot traffic

- Stall space may be reduced or increased based on:
 - Sales volume indicating a need to reduce or increase stall space allotment.
 - Offloading due to shortage of parking space.

2.2.7. Information Disclosure Statement

Many records maintained by the SMFMs are subject to the California Public Records Act, Government Code Section 6250 et al. For purposes of publicizing the markets, SMFMs may promote and share information about market participants, their products, production or growing methods and photographs.

2.2.8. Other Activities

All SMFMs are open to the public. As such, they attract a variety of activities not related to the SMFMs mission. The most common activities and the rules which regulate these activities are listed below:

2.2.9. Filming and Photography

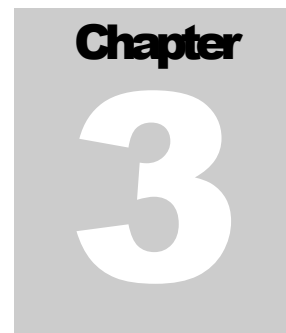
Filming and photography for commercial purposes or for broadcast purposes other than by an accredited news organization are subject to prior approval from SMFM management and must have a valid film permit issued by the City's designated film permit coordinator. An additional permit from the Downtown Santa Monica Inc., may also be required to film in the area designated as the Downtown Santa Monica.

2.2.10. Signature Gathering/Petitioning/ Leafleting

Signature gathering, and petitioning are allowed as free speech activities. Any free speech activities must occur at least 10 feet away from any vendor booths and may not cause obstruction to vendor sales

2.2.11. Product sample distribution

Only market participants may offer product samples within the markets.



3. DOLLARS AND CENTS

This chapter presents information about fees, billing, taxes, payments credits and prices.

3.1. PRICES & MONEY HANDLING

3.1.1 Product Prices

Product prices are set by the individual market participants. All prices must be clearly posted. Collusion among market participants to set prices is strictly forbidden.

3.1.2 Money Handling

All market participants are expected to be accurate in all monetary transactions. It is advisable that each farmer have in place a cash handling system. Disputes over monetary transactions may be mediated on a case by case basis by the market manager with final resolution determined by the market manager.

3.2. REFUNDS

Market participants are encouraged to give customers the benefit of the doubt and offer a full monetary refund or replacement of equal value when purchases are disputed. Return or exchange policy shall be posted in writing at the stall.

3.3. LOAD SHEETS

Market participants will complete and turn in a load sheet for record keeping and billing purposes. Load sheets shall include an itemized list of all products sold at the CFM. Additionally, all market participants shall indicate sales by commodity group and total gross sales per commodity group. Load sheets shall contain a declaration of the dollar amount of amount of wholesale transactions. Load sheet reporting is subject to verification by a booth audit. Load sheets shall be submitted to Market Management by same day, with a grace period of 48 hours. Any load sheets outstanding beyond 14 days will incur a Schedule B violation.

3.4. RATES AND FEES

Certified Producers are billed 6% of their reported daily commodity sales as listed in each commodity category on their load sheet. Prepared and prepackaged food vendors are assessed market participation fees per individual participation permit. Retail booths located in the Little

Main Street section of the Sunday Main Street Market are subject to fees as determined by an agreement between the Main Street Business Improvement Association (MSBIA) and SMFMs. In addition, all vendors shall also pay a \$2 per market fee as required by state law.

3.5. BILLING

Market participants shall be billed for all stall fees at the beginning of each month and payment is due upon receipt.

3.6. PAYMENTS

Payment of stall fees must be made by check or money order (cash is not accepted) and may be made at the end of each market or mailed upon receipt of the monthly statement. The City may, from time to time, modify acceptable payment procedures.

3.6.1. Delinquent Accounts

Accounts over 61 days past due are delinquent accounts.

3.6.2. Returned Checks

Checks returned to the City for insufficient funds will be charged a \$25.00 penalty for the first occurrence and \$35.00 for a subsequent occurrence in addition to the amount owed. Thereafter future payments shall be made by a *Certified* check or money order.

3.6.3. Credits

Market participants will receive credits toward their stall fees for a variety of items, including *CalFresh* (food stamps), *Farmers Market Nutrition Program (FMNP)* checks, market dollars and Market Match (Pico Market only.) Credits will appear on the monthly statement. Credits must be reported as income and included in the daily gross sales report by commodity.

3.7. ASSISTANCE PROGRAM PARTICIPATION

All market participants selling SNAP eligible food items as authorized by the USDA (<https://www.fns.usda.gov/snap/eligible-food-items>) are required to accept SMFMs tokens issued for *CalFresh* (food stamps), *Women Infants and Children (WIC)*, *Farmers Market Nutrition Program FMNP*, and *Senior Nutrition Farmers Market Program (SFMNP)* and other programs approved by local, county, state or federal agencies from time to time. Farmers must be authorized to accept FMNP and Senior FMNP by renewing their eligibility with the California Department of Health Services as required and must have an authorized 6-digit WIC number. No change for food assistance vouchers can be given. Farmers are encouraged to provide produce in even dollar amounts.

3.8. DONATIONS

SMFMs in a partnership with Food Forward, authorizes the collection of leftover produce from individual farmers at the end of the market day. No money for the food collected and distributed is ever charged or collected. The City of Santa Monica, its employees and agencies do not solicit

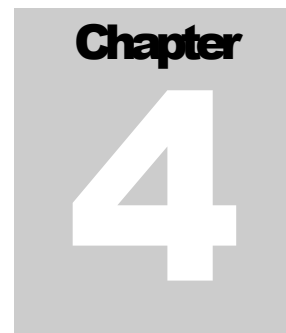
donations from farmers, and market staff is required to pay full price for any items purchased for personal consumption. Farmers may, at their own discretion, donate produce to any individual or entity other than paid farmers market staff that they choose.

3.9. SALES TAX

Market participants will be individually responsible for conformance to local, state, and federal laws. Market participants selling taxable items must obtain a Board of Equalization Permit listing Santa Monica as a sales location.

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4. HEALTH, SAFETY & CONDUCT

This chapter describes standards for health, safety and professional conduct expected of all market participants.

4.1. ABSENCES

SMFMs management endeavors to keep each selling space occupied each week. Market participants who will not be attending the market must notify the market manager prior to the date of absence. Market participants who cannot attend the market due to unusual circumstances or an emergency such as truck breakdown en route to market must contact SMFMs management within 48 hours after market day to confirm a selling space for the following week. Repeated absences, regardless of their cause or whether notification was provided, may result in suspension from the following market or termination of market participation.

4.1.1. Prepared Food Absences

Prepared and packaged food vendors operating under a signed permit are allowed three excused absences per year for any reason including but not limited to: weather conditions, vacations, illness, staffing, etc. Market fees will be waived for excused absences. Beyond these absences, *Prepared* and Packaged food vendors will be required to pay market fees regardless of the reason for absence.

4.2. ANIMALS

No live animals are allowed within 20 feet of any area where food is stored or held¹⁶ with the exception of service animals as defined by the American With Disabilities Act (ADA).

4.3. CLEANING STALL SPACE

Market participants are required to maintain their individual selling space in a clean, safe and sanitary manner during the course of the market, including protecting the pavement from drips from any part of a market participant's vehicle and/or from food *Prepared* or sold in the stall space. Public trash receptacles may not be used for disposal of excess produce, sampling peels or boxes. In compliance with the City of Santa Monica's Sustainability program, each market has

¹⁶ Cal. Health and Safety Code, Section 114371(d).

a compost and recycling program. Market participants who do not clean their stall space or incorrectly dispose of waste may be subject to fines and penalties.

Water from handwash or sampling set up must be disposed of in a treated sewer line (such as the public toilet) and may not be dumped in planters or gutters.

4.4. DIRECT SALES

Direct sales at a Certified farmers market may be conducted to consumers who are end users, individuals, organizations or entities that subsequently sell the produce directly to end users and individuals, organizations or entities that distribute the produce to end users at no cost to those users. When produce is being re-sold or distributed at no charge, a farmer must provide a memorandum that lists the identity of the producer, address of the Producer and the identity and quantity of the produce purchased. (California Food and Agricultural Code Section 6 47002 (d) 1-3). All produce sales, whether sold by pre-order, at the market table, or in any farmers market designated area must be declared on the load sheet.

4.5. COURTEOUS CONDUCT

Market participants are expected to conduct themselves in a respectful and courteous manner. No rude, abusive, insulting, disruptive or threatening language or behavior is permitted. Violation of this rule is grounds for immediate dismissal as a Schedule A violation in Chapter 7.

4.6. CUSTOMER ADVISORIES

Market participants may refrain from or limit sampling or sales of product to any customer. Clear signage with lettering at least two inches high stating the market participants' policy shall be posted at the stall.

4.7. DECEPTIVE PACK

Pre-packed items must clearly indicate the representative size and quality of all items in the container offered for sale.

4.8. HANDWASHING

Market participants must wash their hands before returning to work from a food, smoking or restroom break.

4.9. HEALTH CODE COMPLIANCE

SMFMs are licensed food facilities that operate under a Public Health Operating Permit issued by the Los Angeles County Department of Environmental Health. Health Code compliance at a CFM includes, but is not limited to the following:

1. All food shall be stored at least six inches off the ground.
2. No live animals are permitted within twenty feet of food being stored or sold, except for service animals as defined by the ADA.

3. Prepackaged food sold directly to the customer must be *Prepared* and packaged at an approved food facility. Prepackaged food must be clearly labeled with the following information
 - Name of the item;
 - Weight or volume of the package;
 - Ingredient list; and
 - Name and location of the manufacturer.
4. All food products prepared for resale at SMFMs must be prepared in a county Health Department licensed commercial or Certified home kitchen, and a copy of the facility's health permit must be kept at the seller's stand.
5. Produce sampling that follows the California Health and Safety Code guidelines is permitted.
6. Cut melons with skin on and sprouts must be kept on ice. Dairy products must be maintained at 45 degrees.
7. Processed products such as dried fruits and salad mix must be covered or clearly marked with a sign stating "wash before consuming"

4.10. MINIMUM GRADE REQUIREMENTS

Commodities offered for sale are subject to inspection at any time by SMFM management or authorized person. Produce must meet minimum grade requirements and must represent a "field run" or better-quality range. Containers of culls or "seconds" only will not be permitted for sale unless the *Producer* is also selling the same product at a "field run" standard or better. Culls must be clearly labeled as "culls", "seconds" "overripe", "canning grade" and priced accordingly. Any product not meeting USDA minimum quality standards may not be sold at any price at SMFMs.

Produce offered for sale in containers or packs must not exceed California Department of Food and Agriculture (CDFA) tolerance for spoilage and waste.

Customers must be informed if produce is over-ripe and requires immediate consumption or processing

4.11. NOISE, DISTURBANCE, OR INTRUSION

Radios and music shall not be played during market hours. No loud hawking or shouting to promote products is allowed. Any disruptive action, including rough housing or throwing of items, is prohibited. No bicycling, skateboarding, roller-skating, or riding of scooters is permitted.

4.12. NON-MARKET RELATED ACTIVITIES

Sales, marketing, or advertising of products not otherwise listed on the *Producers CPC* or *Selling Agreement* is strictly prohibited while operating at the market. Market bags may be given away with a minimum purchase with prior approval from SMFMs management. Market participants

may advertise events they are hosting. Market participants shall not market, advertise or display information for events or causes not related to the SMFMs.

4.13. PARKING

When possible, market participants will be provided vehicle parking at their stall space. When space is not available, market participants must park off-site in designated off-site market participant parking. Market participants and their employees shall not park vehicles or trailers in lots or at meters adjacent to the Saturday Pico Market or the Sunday Main Street Market. Upon closing, market participant vehicles must be moved to accommodate market clean up. Market participants may not leave vehicles parked on the Sunday Main Street or Saturday Pico market sites after the close of the market. Farmers may receive up to four reduced rate parking passes at the downtown farmers markets for employees while they are working at the market.

4.14. DISCRIMINATION AND HARASSMENT

The SMFMs have a policy for discrimination or harassment toward any person while at the SMFMs. Discrimination consists of directing negative, derogatory or demeaning comments or behavior toward any person on the basis of race, religion, age, gender, sexual orientation, national origin or disability. Harassment is any word or action meant to embarrass, offend, intimidate or impede another person's ability to engage in lawful activities while at the SMFMs. Harassment includes any conduct which could be unwelcome or unwanted even if the individual has no intention to harass. Even well-intentioned conduct can constitute harassment if the individual would find it offensive (e.g. gifts, over-attention, endearing nicknames, hugs.) Simply because no one has complained about a joke, gesture, picture, physical contact or comment does not mean that the conduct is welcome.

4.15. PUNCTUALITY

Market participants are expected to arrive on time. To ensure safety, market participants arriving late must be escorted into the market by authorized personnel or may be asked to leave their vehicle outside the market boundaries and walk their product into the market.

4.16. SAMPLING

Distribution of food samples may occur under the following conditions, as allowable by Public Health guidelines:

4.16.1. Sampling Setup

- Five (5) gallon hot (100o) water container with downward-facing continuous flow spout (for hands and produce washing);
- Non-absorbent cutting board;
- A knife used exclusively for sampling;
- 1% chlorine solution for sanitizing the cutting knife – 100 ppm (1/2 oz. per gallon). Litmus strips are available from market management to test for concentration;

- Liquid pump soap dispenser (bar soap is not acceptable);
- Single use (paper) towels;
- Cover (sneeze guard) for cut samples;
- Single-serve toothpick dispenser or tongs for handing out samples;
- Bucket to catch wash water.

4.16.2. Sampling Procedures

- All produce must be washed in potable water before cutting, and waste water shall be collected in a receptacle and disposed of at an approved site;
- Samples must be cut out of reach of customers and under a canopy or protective cover. Cut samples must be kept covered;
- Clean, disposable plastic gloves shall be used when cutting food samples;
- Samples must be served to customers on a toothpick or with tongs;
- Samples shall be kept in approved, clean, covered containers;
- All food samples shall be distributed by the Producer in a sanitary manner.

4.17. SIDE-SELLING AND DELIVERY

The sale of non-approved products at the SMFMs or adjacent areas under the market's control is prohibited.

4.18. SMOKING

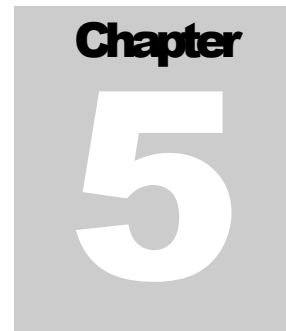
Smoking is prohibited at SMFMs and within 20 feet of all entrances, exits and open windows of buildings open to the public. Market participants who smoke must wash their hands prior to returning to their stall.

4.19. SUBSTANCE USE

Consumption of alcoholic beverages or any controlled substance while at the SMFMs is prohibited and constitutes a Schedule A violation, subject to immediate dismissal under Chapter 7.

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5. SETUP & DISPLAY

This chapter describes stall set up and breakdown times, booth layout, labeling and display requirements. It is the goal of the SMFMs to have a safe and aesthetically pleasing market.

5.1. STALL LAYOUT

All stalls must comply with the following layout requirements:

- Displays including shade overhang and signs shall not extend into the walkway or fire lanes. No boxes or produce displays may extend into the common customer traffic areas;
- Directional signs are permissible to guide and direct. Directional signs shall not impede pedestrian circulation or safety;
- Market participants who display product on a side table must allow at least 24 inches of unobstructed side aisle;
- Tables and other display fixtures must be sturdy and not overloaded to a point where they are unstable;
- All shades and shelters must be securely fastened. Windy conditions may necessitate canopies being removed; and
- Market participants whose stalls are not set up to standard shall be asked to discontinue sales until set up is corrected.

5.2. WEIGHTS AND MEASURES

When any product is sold by weight, the scale used must be approved, tested and sealed by the County Agricultural Commissioner, Sealer of Weights and Measures. Scales must be sealed annually and display a current seal. Sellers are not permitted to use scales with expired seals. Scales shall be set up so that the display is easily readable by customers.

5.3. LABELING & DISPLAY

Market participants are encouraged to create attractive displays.

5.3.1. Closed or Sealed Containers

All *Certified* and *Non-certifiable Agricultural Products* (fresh fruits, nuts and vegetables) sold in closed consumer containers shall be labeled with the name, address, and ZIP code of the producer, and a declaration of identity and net quantity of the commodity in the package¹⁷.

5.3.1.1 Pre-packaged and Non-certifiable Processed Agricultural Products.

Food prepackaged in a food facility shall bear a label that complies with the following:

1. The common name of the food, or absent a common name, an adequately descriptive identity statement;
2. If made from two or more ingredients, a list of ingredients in descending order of predominance by weight, including a declaration of artificial color or flavor and chemical preservatives, if contained in the food;
3. An accurate declaration of the quantity of contents;
4. The name and place of business of the manufacturer, packer, or distributor.

Bulk Food that is available for consumer self-service shall be prominently labeled with either (1) manufacturer's or processor's label that was provided with the food or (2) a card, sign or other method of notification that includes the information specified under paragraphs 1 – 4 above.

5.3.2. Prices

Prices must be clearly posted and legible. Collusion among market participants to set price or exertion of any influence, pressure, or persuasion to cause a Producer to set price is forbidden by state laws.

5.3.3. Organic Labeling

Certified Producers who claim their produce is "organic" either in signs or in verbal claims, must be *Certified* and *Registered Organic*. A copy of the certification and registration must be posted at the stand. Portions containing sales information and personal contact may be redacted for privacy purposes.

5.3.4. Signs and Posting

During selling hours the following documents shall be conspicuously posted at the point of sale:

1. A sign or banner that states the farm name, the county of production and a statement "We Grow What We Sell" or similar phrase for each farm that is selling in the booth¹⁸;

¹⁷ Cal. Food and Agricultural Code, Section 47002(c).

¹⁸ Cal. Food and Agricultural Code, Section 47004(c)(1).

2. Embossed current Certified Producer's Certificate (CPC) which lists "Los Angeles" as an Authorized County¹⁹;
3. Employment Agreement;
4. Current organic registration and certification;
5. When an organic grower is also selling non-organic produce at the same stand, the non-organic produce must be physically separated from the organic produce and clearly labeled "non-organic" in letters at least 2 " high;
6. All applicable Health permits;
7. All applicable exemption permits;
8. Other signs as required by SMFMs as "WIC", "EBT/CalFresh" Accepted here" or market management issued marketing posters and flyers;
9. Prices must be clearly posted; and
10. Produce varieties shall be posted.

5.4. SUSTAINABILITY

Market participants shall comply with the City sustainability programs and initiatives which include, but are not limited to the Zero Waste Program, the Single-Use Carryout Bag Ban, Organic Waste ordinance and the Expanded Polystyrene Ban. Market participants are also required to comply with additional sustainability programs which may be initiated by SMFMs.

5.5. SETUP & BREAKDOWN TIMES

SMFMs hours are as stipulated by each market. No market participant may sell prior to market opening or after the market is closed. SMFMs management may open or close the market early if inclement weather conditions exist

Market participants are not permitted to leave the market prior to closing unless special arrangements are made with market management

¹⁹ 3 CCR, Section 1392.4.

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6. AUDIT PROGRAM

SMFMs are known for high quality and unique products. To ensure the integrity of SMFMs and products sold, the following audit program is in place.

6.1. BOOTH SALES AUDITS

Booth sales audits are conducted at the market participants' stall during the market hours of operation to ensure accuracy in sales reporting.

6.2. FARM AUDITS

Farm Audits are conducted by SMFMs management to verify that the products being sold at SMFMs are in production at the Certified location and in accordance with the provisions of the Direct Marketing Regulations²⁰. Farmers are required to be at the farm during the farm audit. Failure to allow a scheduled farm audit by authorized farmers market representatives may result in suspension or revocation of participation privileges.

6.3. MYSTERY SHOPPER

SMFMs management may utilize mystery shoppers to verify accuracy and integrity in all sales transactions.

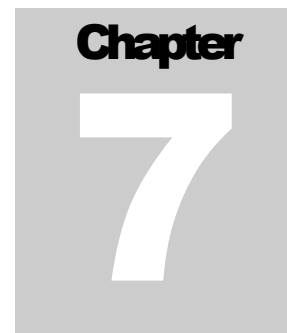
6.4. AUDIT PROGRAM PARTICIPATION

Market participants shall cooperate with requests by SMFM Management for booth sales audits or farm audits by SMFMs management or authorized person. Refusing to comply with audit requests shall result in a Schedule A Violation subject to immediate dismissal.

20 3 CCR 1392 CA Food and Ag Code Part 1, Division 1, chapter 9, section 890 (a)

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7. MARKET VIOLATIONS

Santa Monica Farmers Markets follow an open and fair due process in all matters pertaining to reporting and investigating market violations.

The SMFMs management may issue warnings, fines, and suspensions; remove a market participant from any market, curtail selling privileges at SMFMs or expel a market participant for failure to comply with these rules or other applicable federal, state or local regulations and laws. Market participants are responsible for the actions of their employees. All violations will be documented to the market participants file.

7.1. MARKET VIOLATIONS.

The Farmers Market Manager or designee may issue a Notice of Action for violation of The Rules by any market participant, and may suspend, dismiss or expel any market participant according to the following schedule:

7.2. SCHEDULE A.

Schedule A violations are violations that are serious in nature, impact public health, safety and welfare, or severely interfere with the operations of the SMFMs. These violations include, but are not limited to, the following:

1. *Producers* selling product not of their own production;
2. Physical violence or threatening behavior to anyone;
3. Rude, abusive, insulting, disruptive or threatening language to anyone;
4. Under the influence of drugs or alcohol at the market;
5. Refusing to participate in the stall or farm audit program or to comply with any corrective action required by the City through the audit;
6. Refusal to comply with a directive from the Market Manager;
7. Violations of the California Food and Agriculture Code.

Schedule A violations are grounds for immediate dismissal and expulsion from the market as determined by the Market Manager or designee. Within 72 hours from the dismissal, the market participant will be provided with a Notice of Action as set forth in Section 7.5.1 below.

7.3. SCHEDULE B.

Schedule B violations are violations for selling products not authorized, false marketing, interfering with the operations of the SMFM or other violations of the Rules. These violations include, but are not limited to, the following:

1. Noncompliance with local health department regulations;
2. Selling product not listed on CPC;
3. Selling product not listed in selling agreement;
4. False organic marketing;
5. Failure to submit load sheet within 14 days of market;
6. Failure to comply with other market rules, except nonpayment;

Schedule B violations may be grounds for suspension and/or expulsion by the Market Manager or designee absent corrective action. Within 72 hours of the determination by the Market Manager or designee, the market participant will be provided with a Notice of Action set forth in Section 7.5.1 below.

7.4. SCHEDULE C. PAYMENT.

Schedule C violations involve nonpayment of stall fees in a timely manner. The following notices and opportunity to cure will shall be applied:

1. First Notice. A Notice(s) of payment violation will be issued for any delinquency over 61 days, and the market participant will be suspended until the delinquent payment is received.
2. Second Notice. A second notice for payment violation over 61 days past due violation will result in suspension until the entire balance is paid in full, including the current balance.
3. Third Notice. Any market participant with three payment violations/delinquencies will be placed on a weekly payment plan and will be required which requires to make the payment at the end of each market day and to maintain a \$0 balance at all times.
4. Failure to pay arrears after the SMFM's issuance of three notices of payment violation will result in an additional one (1) day suspension from the SMFMs. The market participant may not participate in the SMFMs until all arrears are paid in full.
5. Final Notice. The final notice of violation may result in either a suspension from the market for a duration as determined by the Market Manager or expulsion from the market.

7.5. ENFORCEMENT AND DUE PROCESS

In determining the appropriate action by the City for the violation by the market participant, the City shall take into consideration the following factors: (i) whether the violation is a Schedule A, Schedule B, or Schedule C violation; (ii) the frequency, recurrence and number of violations by the market participant; (iii) history of the violation; (iv) market participant's good faith efforts to come into compliance; (v) impact upon market customers; (vi) impact upon market operations; and (vii) such other factors as justice may require. Market management shall provide reasonable due process relating to the imposition of any fine, suspension, dismissal or expulsion from the SMFMs as follows:

7.5.1. Notice of Action.

For Schedule C violations, the market management will follow the sequence of notices and actions set forth in Section 7.4, above. For Schedules A violations and Schedule B violations, the market manager shall issue a Notice of Action within 72 hours from the violation. The Notice of Action shall contain the following information:

- A description of the violation and the section of the Rule violated;
- The action imposed (i.e., suspension, dismissal or expulsion from the SMFM);
- Any required corrective action as a condition to reinstatement; and
- The appeals process set forth in Sections 7.6 and 7.6.1.
- The Notice of Action shall be sent by (i) personal delivery to the market participant or (ii) by deposit in the United States Mail, in a sealed envelope postage prepaid, to the address provided to the Farmers Market, or (iii) by overnight express mail or (iv) by email to the market participant, or a combination of two of the above methods. Service by mail shall be deemed to have been completed at the time of deposit in the post office.
- The action imposed by the Market Manager shall be effective from the service of a Notice of Action.

7.5.2. Office Conference

A market participant may request an Office Conference with the Economic Development Manager or designee to review a Notice of Action. Any such request must be made within five (5) days after service of the Notice of Action. The Office Conference is an informal opportunity for the market participant to present evidence and argument against the action by the Market Manager.

7.5.3. Decision After Office Conference.

Following an Office Conference, the Economic Development Manager or designee shall issue a written decision ("Economic Development Decision") within five (5) days after the conclusion of the Office Conference. The Economic Development Decision is effective on the date of issuance.

Any determination to suspend, dismiss or expel shall remain in full force and effect during the pendency of the appeals process set forth in Section 7.6.

7.6. APPEALS AND ADMINISTRATIVE HEARINGS

7.6.1. Appeal to Hearing Examiner

An Economic Development Decision may be appealed to a Hearing Examiner appointed by the City of Santa Monica to conduct a hearing in accordance with SMMC Section 1.10.090. The request for appeal must be submitted in writing within thirty (30) days from the date of the Economic Development Manager's Decision. Absent good cause for extension or agreement by the parties to extend the hearing date, the hearing will be conducted within thirty (30) days from the submission of the appeal request.

7.6.2. Conduct of Hearing

The Hearing Examiner shall consider any written or oral evidence consistent with the Administrative rules and procedures regarding the violation and the decision by the Economic Development Manager. The appellant has the burden of proof. In order for the appellant to prevail, the appellant must show, by a preponderance of the evidence, that the City staff's decision under review is not authorized by applicable local, state or federal law or is inconsistent with these Rules.

7.6.3. Decision of Hearing Examiner.

The Hearing Examiner shall issue a written decision upholding, reversing or amending the Economic Development Decision. This decision shall be final and shall not be subject to further administrative appeal. The decision shall be issued within thirty (30) days after the conclusion of the Administrative Hearing.