

THE INCREDIBLE POWER OF YEAR-ROUND **Public Markets**



The Incredible Power of Year-Round Public Markets | Handout



Public markets used to be the centerpiece of just about every great city

- Hundreds were burned or demolished
- Now public markets are back and once again are the heart and soul of a successful downtown
- In 1994: 1,755 public markets across US
- In 2010, more than 7,800
- In 2013: more than 8,000
- In 2010: 15% now open year round and growing!
- Farmers: 70,000+ are involved in public markets
 - 85% travel less than 50 miles
 - 50% travel less than 10 miles
- USDA: \$1.5 billion spent at farmers markets
- East Farmers Market in Easton, Pennsylvania
 - Did research to find out how much non-market spending a market generates
 - Market generates \$26,000 a week in non-market spending
 - People are spending time and money in the downtown, not just the market



The 12 reasons why public markets are important and absolutely worth the investment

- They are the #1 downtown revitalization strategy around the world – and the most successful
 - There is nothing you can do for less money that will have even close to the same positive economic impact as a public market



Least expensive investment of all economic development activities

- The most effective way to turn one-time capital funding into permanent jobs
- Small vendors, farmers, cottage industries, etc. can build their business and showcase their products at low cost
- It creates jobs for vendors and families often shut out of the mainstream economy: women and minorities
- People are four-times more likely to buy art when they meet the artist

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Least expensive investment of all economic development activities

- Can use vacant lots, underutilized parking lots, etc.
- There simply isn't a less expensive business incubator
- They provide a retail outlet for cottage industries
- Foods, artisans, etc. – a way to grow these businesses
- The Queens Market in London: every \$19 spent at the market generated an additional \$48 in economic activity downtown – four times more than the average supermarket generates in additional spending
 - Also creates twice as many jobs per square foot of space



They create additional tax base with minimal local cost

- This is about cash!
- Low need for additional resources



Increases consumption of local products and agriculture – the best “buy local” program ever

- This is the way to get people buying local products
- People want these products more than ever before

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They create a sense of community, a central gathering place

- Create a “third place”
- Entertainment, picnic tables, etc.
- Giving people a place to hang out, connect with the community



A fantastic way to celebrate cultural diversity

- Entertainment
- Foods
- Crafts
- Art



They provide fresh, wholesome and affordable foods to everyone

- The Farmers Market portion of a Public Market
- Many feature organic foods
- Offer healthy foods to the community

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They increase property values around the market for both commercial and housing uses

- In many cities, developers will give a market a facility because they know how it will affect property values
- What comes first – putting merchants in your buildings or bringing people downtown? Number one is bringing people downtown
- They create a central gathering place: they “populate” downtown with people and merchants will follow



Check out Byward Market In Ottawa

- Every space within half a kilometer of the market is occupied
- 2002 survey: 60% of market shoppers also visit nearby stores; 60% of those ONLY visit those shops on market days
- 2006 study in Ontario confirmed those numbers
- Iowa Farmers Market Association: local farmers markets added \$20 million in sales and \$12 million in secondary spending
- Markets are the lure to pull people into downtown
- Typically the most valuable properties are those next to year round public markets and plaza areas



They generate significant tourist traffic

- Visitors go where the locals go
- Public markets are very popular for tourists
- The number one activity of visitors – in the world – is shopping, dining, and entertainment in a pedestrian-friendly intimate setting
- This is where 80% of all non-lodging tourism spending takes place
- In Canmore, Alberta, we found that 75% of the market shoppers were visitors

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Pike Place Market is the number one tourist attraction in the 5 northwest states of Washington, Oregon, Idaho, Wyoming, and Montana

- It hosts nearly 14 million visitors a year
- One merchant alone has a 400 sq. ft. space and generates \$6 million a year in sales
- Perhaps the highest annual gross income per square foot of any retailer in the US
- Pike Place does \$100 million in annual sales
- Employ 1,500 employees in the winter; 2,500 during the peak season



They create “critical mass” often meeting the 10+10+10 rule of clustering

- The 10+10+10 Rule:
 - In 3 lineal blocks
 - 10 places that sell food: soda fountain, coffee shop, bistro, café, sit-down restaurant, wine store, deli, confectionary
 - 10 destination retail shops: galleries, antiques (not second hand stores), collectibles, books, clothing, home accents, outfitters, brand-specific businesses, garden specialties, kitchen stores, cigars, etc.
 - 10 places open after 6:00pm: entertainment (theater, movies, performing arts), bars and bistros, specialty shops, dining, open air markets, etc.
- Think about antique malls – do 10 time the business when grouped together



What to do with all of this?

- Boomers can make your shoulder season travel
- Boomers want the unusual
- Both generations love voluntourism – giving back
- Multigenerational travel is kicking into high gear
- Boomers go where the millennials go
- Travelers want to learn something (both groups)
- Focus on women
- With women, safety is rule one

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The “mall mentality”

- Open hours: consistent hours and days
- Evenings: open late into evening hours
- Clustering: like businesses grouped together
- Anchors: recruit and promote anchor tenants
- Place: a central gathering place
- All of this applies to public markets
- The quickest way to create critical mass in your downtown
- They are an “anchor tenant” – think of your downtown as a mall; every mall has anchor tenants

They are the access point for addressing public health and education issues

- Allow for tables distributing info on health, nutrition, etc.
- Educate people in the community
- Fundraising possibilities
- Simply put: there is just NO reason why EVERY community shouldn't have a public market
- Here are the eight things you need to know and do to create a fantastically successful market

Make it a public market

- Not just a farmers market
- Extend the seasons
- Artisans, pottery shows, quilt guilds, other specialties
- Your market should change by season
 - Christmas tree auction and forests
 - New Year's festival
 - Ice carvers
 - Romance festival (and goods)
 - Chainsaw carvers
 - Gaming pavilion and contests
 - Job fairs
 - Hunting and fishing shows
 - Music festivals and shows
 - Juried art shows and exhibitions

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Provide a permanent physical structure with plenty of outdoor expansion space

- Alpena, Michigan
 - Bookending their downtown core with a public plaza and a public market
 - Designed a building on a concrete pad – can be heated
 - Wrapping around it are garage doors with windows
 - Doors can open during warm months, closed but still allowing light in colder months
 - Inexpensive to build
 - Space can also be cleared out and rented out for events

Case history: Olympia, Washington

- Olympia Farmers Market
- Population 50,000
- 200 vendors
- Thursday – Sunday, April – October, 10:00-3:00
- \$5 million a year to local growers and artisans
- Local organic produce, baked goods, arts and crafts
- Lots of development around the market – some of the most expensive real estate in the city
- People will drive an hour from Seattle to visit the market
- Regular acts on stage: singers, dancers, speakers
- The market hosts 500,000 visitors a year
- The Port of Olympia owns the property
- The city owns the building and the market pays market rental rates
- Members pay an annual membership fee plus a percentage of daily sales to cover the three full-time employees
- They vet their own vendors with an emphasis on organic
- Are always open to new ideas – tried evening hours but the farmers fought it

Markets should be in the heart of the spending district: your downtown

- Case history: Fallbrook, California
 - Village Market
 - Population: 30,000
 - 20 vendors
 - Open Fridays 10:00-2:00 year round
 - The Village Association owns and manages it
 - Challenge: no room to expand; just 6,000 square feet
 - Revitalized the downtown
 - Vendors change per the seasons
 - In the heart of their downtown
 - Grown down the street and the whole downtown is thriving

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Case history: Charleston, South Carolina

- Charleston City Market
- Population: 122,000
- 285+ vendors
- Open 8:30-5:30, 7 days a week, year round
- Stretches four city blocks, 31,000 rentable square feet
- Recently went through a multi-million dollar renovation
- Built in the midst of a boulevard – the market goes right down the middle
- All of the vendors are local
- Great anchor tenant to their downtown



Move your markets into the evening hours

- Top five evening markets: <http://on.details.com/ICU5Gj>
- NBC story on how markets are moving into evening hours
- <http://bit.ly/farm-eve>
- 70% of all consumer retail spending takes place after 6:00pm. Are you open?
- Sparks, Nevada market
 - Originally open 10:00-2:00 with attendance at about 500
 - Changing hours to be open until 7:00 doubled attendance to 1,000
 - Now they are open from 11:00-9:00 and attendance averages 10,000



Make sure you carefully orchestrate your vendors and vendor mix. Keep it local

- Don't let it turn into a flea market
- General rule of thumb:
 - 1/3 arts and crafts
 - 1/3 raw foods
 - 1/3 prepared foods
 - All within a 30 to 50 mile radius
 - No foreign made goods

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Case history: Asheville, North Carolina

- Woolworth Walk Art Mart
- Population: 85,000
- Vendors: 160 artists
- Open 7 days a week, 11:00-7:00, year round
- Artists must live within an hour's drive of the market
- Privately owned and operated
- 80% of sales go back to the artists
- Juried vendors only (must submit a portfolio)
- People come to Asheville just to go to the art market
- Right in the heart of Downtown Asheville
- Just a block down the street, they extended it to outdoor booths



Add music and other performers

- Not just a retail outlet – becomes a gathering place
- Often they will work for tips



Natural lights and roominess

- Make it as light as possible
- Open air feeling
- Natural light – windows, skylights
- High ceilings
- Avoid florescent lights – halide, LED, natural "daylight" lighting
- Concrete flooring with drains
- Public restrooms/washrooms
- Storage lockers
- Refrigeration
- Running water to many booths
- Power to all booths
- Make it "flex space" so it can be rearranged
- Change is good: don't be a "been there, done that" market

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Case history: Ferndale, Michigan

- Rust Belt Market
- Population: 20,000
- Vendors: 30
- Open Saturday – Sunday, 11:00-7:00, year round
- Space is rented for other uses during weekdays
- Used Kickstarter to create the event space
- Family operated
- Was an Old Navy store
- Cool, edgy, “indie” market



Kansas City, Missouri

- City Market
- Population: 400,000
- Vendors: 140 (40 are full time)
- Open Saturday and Sunday, 8:00 – 3:00, year round
- Operating since 1887
- 600,000 patrons each year
- Privately operated; city owns the building
- Whole downtown district is called “City Market” and includes the public market



Flint, Michigan

- Flint Farmer's Market
- Population: 100,000
- Vendors: 30 inside + 20 more seasonal outside
- Open Tuesday, Thursday, Saturday, 9:00-5:00, year round
- 270,000 annual patrons
- \$4 to \$5 million in annual sales
- Owned and operated by the Uptown Reinvestment Corp.

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Napa, California

- Oxbow Public Market
- Population: 78,000
- Vendors: 22
- Open 7 days a week, 10:00-6:00, year round
- 40,000 square feet
- Many are open into the evening hours
- \$11 million to build
- Credited with revitalizing downtown Napa
- Wide variety of vendors, many permanent
- Central gathering place and has done very well
- Video of market in Wenatchee, WA: Vimeo. com/64198149#



Resources

- The best news: there is money for the development of public markets – more so than just about any other form of public investment
- Funding: typically markets need two to three years of support until they become self-sustaining



Funding sources – government

- USDA – US Department of Agriculture
- HHS – Housing and Human Services
- EDA – Economic Development Administration
- Contact states offices of the USDA
- Some states: Tobacco Trust funds
- State Dept. of Commerce
- CDBG – Community Development Block Grants
- State cultural resources
- Tax increment financing districts
- HUD – Housing and Urban Development

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Funding sources – private

- Local and national foundations
- Business Improvement Districts (BID/BIA)
- State historic tax credits (rehabilitation costs of existing structures)
- Below market-rate lease from private developer
- Corporate grants (consider naming rights)
- Local philanthropy
- Endowments
- Loan guarantees (HUD Section 8)



Funding sources – market

- Logo gear (canvas tote bags, aprons, shirts, hats)
- Farm to Table dinners (fund raisers)
- Naming rights (market, exterior space, pavilion space)
- Paid events using the facilities (rental income)
- Sale of bricks or name space



Ownership and operation

- Private ownership and operation
- Public ownership and non-profit operation – primary model
- Non-profit ownership and operation
- Non-profit or public ownership, privately managed

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Facilities

- Don't saddle the market with debt service for the facility
 - The lower the capital costs, the better the market
 - It is an economic development tool – like a convention center, performing arts center, recreation center, civic center, etc.
- Remember: this is a public market, NOT just a farmers market. While farmers are VERY important, they make up 1/3 of the mix
 - Check out the “Community Facilities” program at USDA.gov
 - Note: for communities of under 20,000 residents
 - Also check out “Farmers Market Promotion Program” – FMPP
 - Another great resource - farmersmarketcoalition.org
 - www.PublicMarketDevelopment.com