

IV. Public Markets Case Studies

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKETS CASE STUDIES

Introduction

In order to gain a better understanding of the physical and operating characteristics of public markets, ERA surveyed four similar facilities in comparable mid-sized cities around the country. The markets selected all contain an indoor market hall as well as outdoor vendor space for farmers markets. Although some of these public markets have some component to attract the visitor market, they all primarily serve the permanent resident population. For each of the facilities, ERA collected data on the location and history, physical attributes, vendor and product mix, special and cultural events, operating budgets, and management structure.

River Market- Little Rock, Arkansas

The River Market is home to an indoor market hall and an outdoor farmer's market. The market is extremely popular with tourists and residents of Little Rock, with an estimated one million visitors per year.

Location and History

The River Market opened in 1996 as part of a \$300 million riverfront development project designed to utilize the scenic charm of the Arkansas River, the Riverfront Park and existing historical

structures along the riverfront. The area surrounding the market is called the River Market District and is home to many of Little Rock's cultural institutions. Major elements of the River Market District include: the Central Arkansas Main Public Library, the Arkansas Museum of Discovery, several restaurants/bars, specialty retail stores, residential living, Julius Breckling Riverfront Park, and of course the River Market. The Clinton Presidential Library and Museum is located a short distance away on President Clinton Avenue east of I-30. A map of the market's location is presented in Figure IV-1.

Figure IV-1: MAP OF RIVERMARKET WITHIN LITTLE ROCK



Source: Little Rock River Market

The River Market trolley operated by the local transit authority is a rubber-tired trolley bus whose route commences at the River Market. The trolley has a fare of \$0.50 and allows downtown office workers and residents to easily access the market.

The River Market cost an estimated \$5 million to develop. Funding was derived from a number of sources, including \$1.2 million from a U.S Housing and Urban Development grant, \$1.1 million from the Capitol Improvement Bond Fund, \$200,000 from related city street programs, \$170,000 from the Downtown Partnership, \$100,000 from Riverfest programs, and \$800,000 from the Central Arkansas Library System. Additional funds were paid by local property owners and the City to improve sidewalks and lighting in the area.

Site and Physical Issues

Construction of the River Market centered around the refurbishment of the existing four-story Dickenson Hardware building that served as an anchor for the market development. The refurbishment of the building was designed by AMR Architects, located in San Diego. The Dickenson building contains three levels of useable floor space and a basement, each measuring 2,400

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKET'S CASE STUDIES

square feet. The basement provides cold and dry rentable storage space for tenants. The ground floor contains a restaurant and restrooms. The second floor provides office space for the River Market. Finally, the third level serves as meeting space and additional storage. In addition to the warehouse, the River Market contains three main elements: the Otteheimer Market Hall, the Bill & Margaret Clark Third Floor Multi-Purpose Facility and the Little Rock Farmer's Market. The entire River Market contains 11,500 square feet of indoor space and a total of 15,000 square feet of outdoor space. The outdoor space is distributed among two pavilions and smaller plazas, which also host the outdoor farmer's market.

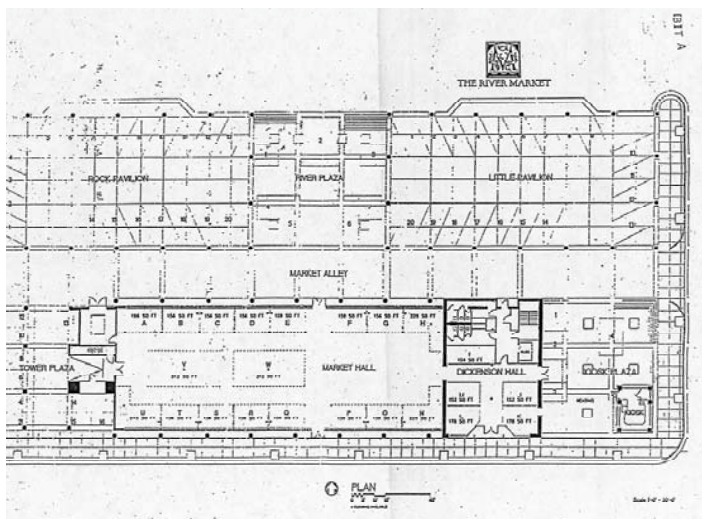


Figure IV-2: RIVER MARKET LAYOUT

Otteheimer Market Hall

The Otteheimer Market Hall is located on the first floor of the River Market facility. The fully enclosed, lighted, heated and cooled Market Hall is a grand space with a barrel vaulted roof rising 40 feet to the top skylight. The 11,500-square-foot hall is currently designed to accommodate 16 vendors selling a variety of fresh foods and specialty products. As of May 2007 the Market Hall was fully leased. The stall size ranges from 160 to 500 square feet. The original floor plan provided space for 23 stalls. However, as individual vendors expanded the number of rentable stalls decreased. The stalls are flexible and can be consolidated and divided as necessary. Each stall is equipped with electricity, plumbing and floor drains. Vendors are responsible for completing stall build-out, including installing fixtures and equipment and connecting to the hall's plumbing and electrical services. The stalls are not metered; therefore the vendors do not pay for their individual use of the services. Stalls are arranged in a rectangular pattern with three vendors positioned in the center aisle to maximize the efficiency of the space. The center-aisle stalls are 270 to 500 square feet, substantially larger than the perimeter stalls

measuring 160 square feet. The typical vendor's booth is shown in the adjacent Figure IV-3, and a section of the typical booth is illustrated in Figure IV-4. Corner stalls are slightly larger as these stalls form an L-shape to utilize space at the end walls.



Currently there are over 100 interior seating spaces available for customer use, with an additional 175 seats outdoors. Restrooms are located adjacent to the Market Hall on the ground level of the Dickenson building. Restrooms are shared by customers and vendors. The Market Hall is open Monday through Saturday 7:00 am to 6:00 pm. Vendors are required to be open during market hours. Vendors who do not sell breakfast are required to open no later than 9:00 am.

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKET'S CASE STUDIES

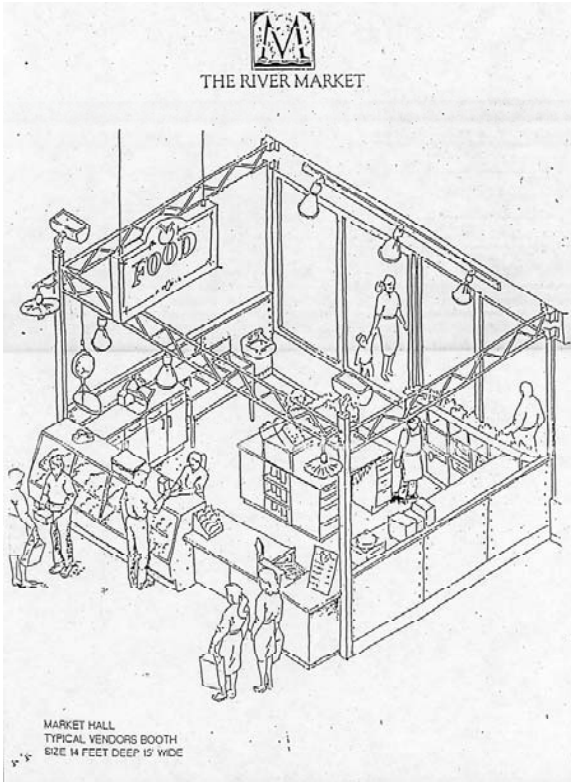


Figure IV-3. TYPICAL MARKET HALL STALL

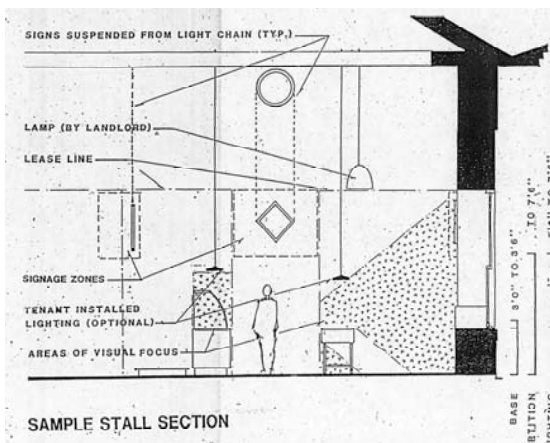


Figure IV-4. MARKET HALL STALL SECTION

Little Rock Farmers Market

The River Market Pavilions and Plazas host the weekly farmer's market which has been in existence for over 30 years. The farmer's market is open Tuesday and Saturday from 7:00 am to 3:00 pm, regardless of weather. The vendor's stalls range from 100 square feet to 160 square feet. Vendors are also permitted to use vehicular parking to tailgate sales or to be used for daily storage. Outlets are provided for each stall. Use of electricity is included in the vendor fee. However if the electricity is used for machines which require a large amount of power there is a \$5.00 surcharge.

Event Space and Multi-Purpose Facility

The pavilions and plazas can also be rented for special events. When combined the two pavilions have seating for 1,000 guests. In the past the outdoor space has been rented for corporate functions or parties, picnics, wedding receptions, class reunions, cultural or church events, award ceremonies, fundraisers, and birthday parties. Each pavilion is 6,844 square feet and is equipped with several hose bibs and GFCI 110V outlets. The pavilions are rented for \$400 individually or \$850 combined. The pavilions are covered; however, the River Plaza that joins the two pavilions

is not covered. The pavilions are rented an estimated 160 times per year. The Bill & Margaret Clark Third Floor Multi-Purpose Facility is located on the third floor above the Otteheimer Market Hall. The room is 1,500 square foot loft-style room with hardwood floor, exposed brick walls, view of the River Market District and has complete commercial kitchen. The room can accommodate 100 people after tables and chairs. The room can be rented for \$300. In-house catering by the Otteheimer Market Hall tenants is also available. The multi-purpose room is rented approximately 170 times per year.



NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKETS CASE STUDIES

Parking

There are a total of 3,000 parking spaces available for customers in pay lots or along the streets within the River Market district. Street parking is limited to two hours.

There is limited parking located behind the market, which is usually used by the tenants. Buses unload in front on the Museum of Discovery, just one block down from the market. Secure weekend parking in the River Market Garage at 2nd and Commerce is \$3.00 per day. The River Market Garage was constructed in 2004 as part of a large mixed-use development in downtown Little Rock.

Vendors

As indicated in Table IV-1, the current vendor mix within the Market Hall includes: oven baked breads, pastries, pies, and cakes; meats and poultry; fresh cut flowers; roasted gourmet coffees and specialty coffee drinks. In terms of prepared foods vendors within the market provide authentic Mexican, Japanese, Middle Eastern, and Central European cuisine and groceries; fruit smoothies, gourmet chocolates, jellies, preserves, sauces, spices, seasonings, and Creole dishes.

Type of Vendor / # of Vendors / Percent		
Cafes	2	13.3%
Local Crafts	2	13.3%
Ethic Food	3	20.0%
Bakery	2	13.3%
Grocery	3	20.0%
Traditional Food	3	20.0%
Total Market Hall	15	100.0%

Source: Little Rock River Market

Currently rent within the Market Hall is \$27.50 per square foot annually. Utilities including heating, lighting, gas, electricity, water, sewage, trash, and common area maintenance are included in the rent. Rent is paid on a monthly basis. Tenants typically sign multi-year leases, however they are allowed to relocate within the facility. Additional monthly fees for cold storage, advertising and security are listed below. There is no dry storage for the tenants. All tenants are required to pay for advertising and security.

- Cold storage - \$35.00 per month, \$27.14 per month for additional space.
- Ice - \$15.00 per month
- Advertising - \$20.00 per month
- Security - \$0.15 per square foot per month

In the farmers market, there are between 60 and 100 vendors depending on the season. For 2007-2008 season there are 250 registered vendors. The registered vendors include the following:

- Farmers
- Plant and fresh-cut garden flower vendors
- Baked goods
- Arts & Crafts
- Antiques & collectible vendors
- Commercial items
- Non-profit organizations
- Entertainers

Priority is given to farmers and local growers, baked goods, and hand-made crafts. Flea market items and commercial food are not allowed in the farmers market. Farmers market vendor rents range based on length of rental and location of stall. Table IV-2 details the vendor rents for the 2007-2008 season:

Special Events

In addition to renting out the pavilions and multi-purpose room, the River Market hosts a number of special events. In 1997 the market hosted eight events. In 2007 they are scheduled to host 41 events. The events range in attendance and level of participation from the market tenants.

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKETS CASE STUDIES

Operating Characteristics

The River Market is owned and operated by the City of Little Rock's Parks and Recreation Department. The City owned the land prior to the development of the market. The River Market and associated District were originally developed by the Downtown Partnership, a non-profit, membership-based organization charged with developing and promoting Downtown Little Rock. In 1998 the Parks and Recreation Department became the manager of the River Market.

The River Market is managed by a small team within the Little Rock Parks and Recreation Department. The management team is comprised of four full time employees including a market manager, general administrator, and two people responsible for scheduling the special event rentals. In addition there are 14 employees on the janitorial staff. The janitorial staff is responsible for cleaning and maintaining not only the River Market but the common areas located through the River Market District.

For fiscal year 2006 the market generated \$800,000 in revenue and cost an estimated \$1.2 million to operate. The subsidy to cover the operating cost was

Table IV-2: VENDOR RENTS PER MONTH FOR FARMERS MARKET, 2007-2008 SEASON

Location	Pre-Season May	High Season June to Aug.	Fall Season Sept. to Nov.	Winter Season Dec.-April
Little Pavilion	\$16.00	\$23.00	\$16.00	\$10.00
Rock Pavilion	\$16.00	\$23.00	\$16.00	\$10.00
River Plaza	\$11.00	\$15.00	\$11.00	\$11.00
Andina Patio	\$11.00	\$15.00	\$11.00	\$11.00
St Vincent Plaza	\$11.00	\$15.00	\$11.00	\$11.00
Riverfest Plaza	\$5.00	\$10.00	\$5.00	\$5.00

Source: Little Rock River Market

provided by the City of Little Rock. Table IV-3 includes the markets revenues detailed by category. Approximately 22 percent of the market's revenue comes from rental fees, which includes rent from special events, market tenants and farmer market vendors.

In terms of expenditures approximately 27 percent is spent on labor and 40 percent on maintenance and supplies. It should be noted that the expenditures for maintenance and supplies are for the River Market and the surrounding common areas that are located within the River Market District. As indicated in Table IV-4, the River Market operated with a net loss of almost \$440,000

in 2006. The City provided a subsidy to cover the gap between expenditures and revenue.



NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKETS CASE STUDIES

Table IV-3: REVENUE FOR LITTLE ROCK RIVER MARKET, FY 2006

Category	FY06 Budget	2006	
		FY06 Actual Budget	Remaining Budget
Fees for Services	\$38,000	\$59,565	(\$21,565)
Amphitheater	\$35,000	\$23,950	\$11,050
Rent Income	\$214,700	\$177,423	\$37,277
Access Fees	\$85,000	\$60,698	\$24,302
City's General Fund	\$469,675	\$469,675	\$0
Miscellaneous	\$7,400	\$10,994	(\$3,594)
Total Revenue	\$849,775	\$802,305	\$47,470

Source: City of Little Rock Park and Recreation Department

Table IV-4: EXPENDITURES FOR LITTLE ROCK RIVER MARKET, FY 2006

Category	FY06 Budget	FY06 Actual Budget
Personal services	\$295,550	\$332,821
Supplies & Maintenance	\$208,407	\$500,233
Contractual Services	\$157,000	\$228,868
Depreciation	\$84,750	\$78,866
Capital Charges	-	\$2,784
Transfers	\$96,941	\$96,941
Total Expenditures	\$842,648	\$1,240,513
Total Revenue	\$849,775	\$802,305
Revenue Over (Under)	\$7,127	(\$438,208)

Source: City of Little Rock Park and Recreation Department

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKETS CASE STUDIES

Lessons Learned

If the River Market could start over again they would plan for growth. The market is currently reaching capacity and they have no where to expand. In addition, there was no thought of dry storage space for either the tenants or the market management. The management of the River Market recommends that if the building was redesigned there would be 150 square feet of dry storage and 75 square feet cold storage for each tenant; in addition to 400 square feet of dry storage for the market management. The dry storage for the market management would include space to store excess toiletries, maintenance equipment and supplies that are required to clean and maintain the market.

The management of the River Market also recommends that each tenant space be metered so that tenants are responsible for their own utilities. The River Market currently does not charge a common area maintenance fee; however, if they could rewrite their leases they would certainly include a common area maintenance fee.

Findlay Market- Cincinnati, Ohio

Findlay Market is the oldest continuously operated public market in Ohio, dating back to 1852. It is located a few blocks from downtown Cincinnati in the historic Over-the-Rhine neighborhood. The market is open year-round five days a week, and features about two dozen permanent indoor merchants selling meat, fish, poultry, produce, flowers, cheese, deli, and ethnic foods. On weekends from April to November, the Market also hosts a farmers market, outdoor vendors, street performers, and special events.

History and Background

Findlay Market is the only surviving municipal market house of the nine public markets operating in Cincinnati in the 19th and early 20th century. Built originally as an open-sided pavilion, the market hall opened in 1855.

Designed by the City's Civil Engineer Alfred West Gilbert, Findlay Market was among the first markets in the United States to use iron frame construction technology and is one of very few that have survived. The building was listed on the National Register of Historic Places in 1972.

Findlay Market was renovated in the early 1970s as part of the federal Model

Cities program. It was renovated again and underwent expansions from 2002 through 2004. A local architecture firm, Glaserworks, was involved with the most recent renovations and principal design consulting services were provided by Hugh Boyd and Associates. Figure IV-5 contains a photo of the market's renovated north entrance.

Site and Physical Issues

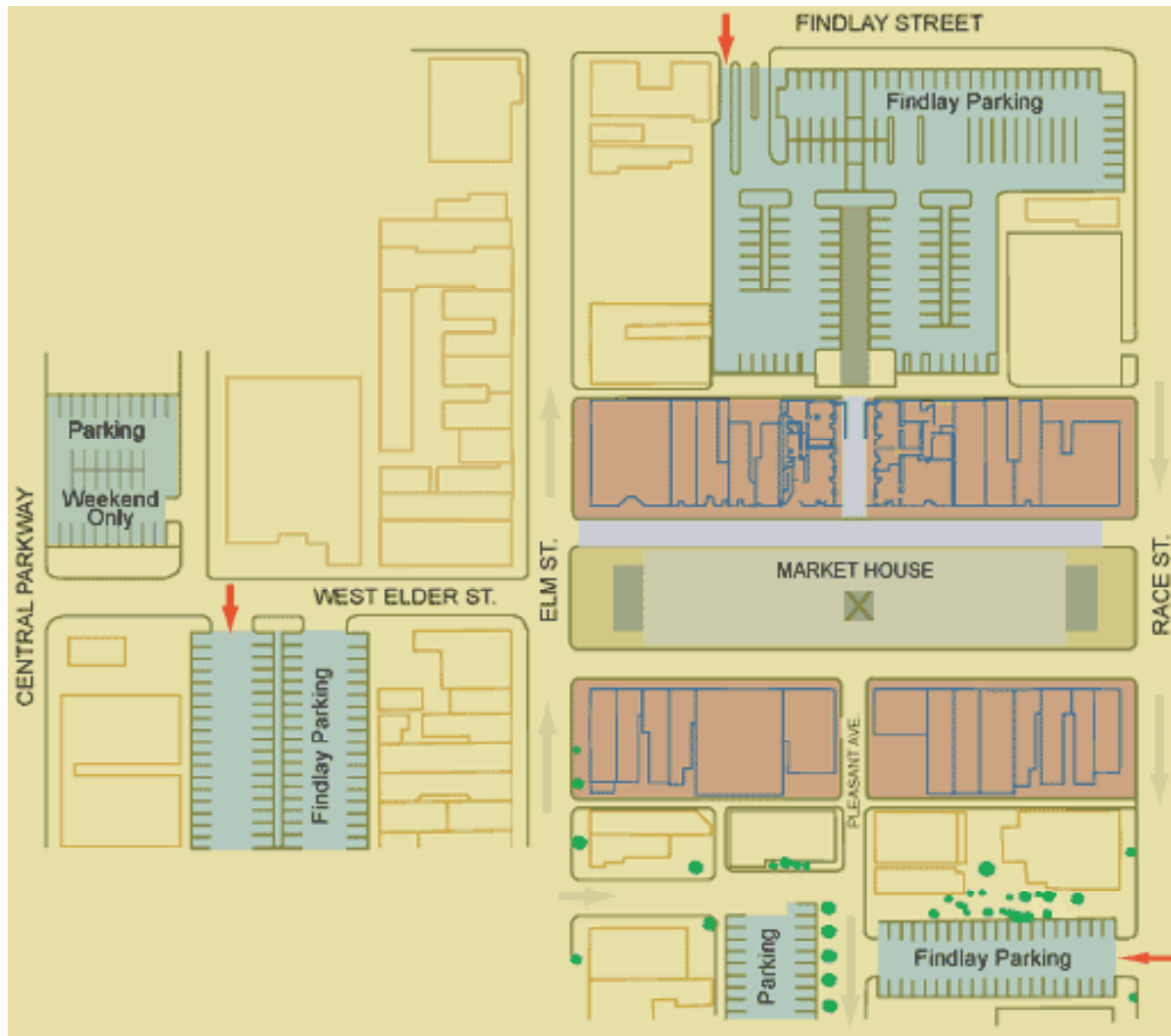
As mentioned above, Findlay Market is located in central Cincinnati, in the historic Over-the-Rhine neighborhood a short distance from Downtown. Figure IV-6 is a diagram of the layout of the market. The indoor market includes 14,000 square feet of leasable space in the main market building and then another 6,000 square feet within several out buildings.



Figure IV-5:
NORTH
ENTRANCE
TO FINDLAY
MARKET

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKET'S CASE STUDIES

Figure IV-6: LAYOUT OF FINDLAY MARKET



Source: Findlay Market

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKET'S CASE STUDIES

Indoor vendor spaces are located in the market house and in the storefronts to the north and south. The indoor vendor spaces range in size from 100 square feet to 1,200 square feet, with typical spaces in the 500 to 600 square foot range. There are no real dividing walls between tenants in the market hall. Spaces are separated due to the unique configuration of the market floor. The floor is not very uniform; therefore changes in the concrete elevation determine vendor spaces. In addition, there are several screen dividers. Diagrams of the indoor stalls and storefronts are presented in Figure IV-7 and Figure IV-8.

Figure IV-8: STOREFRONTS

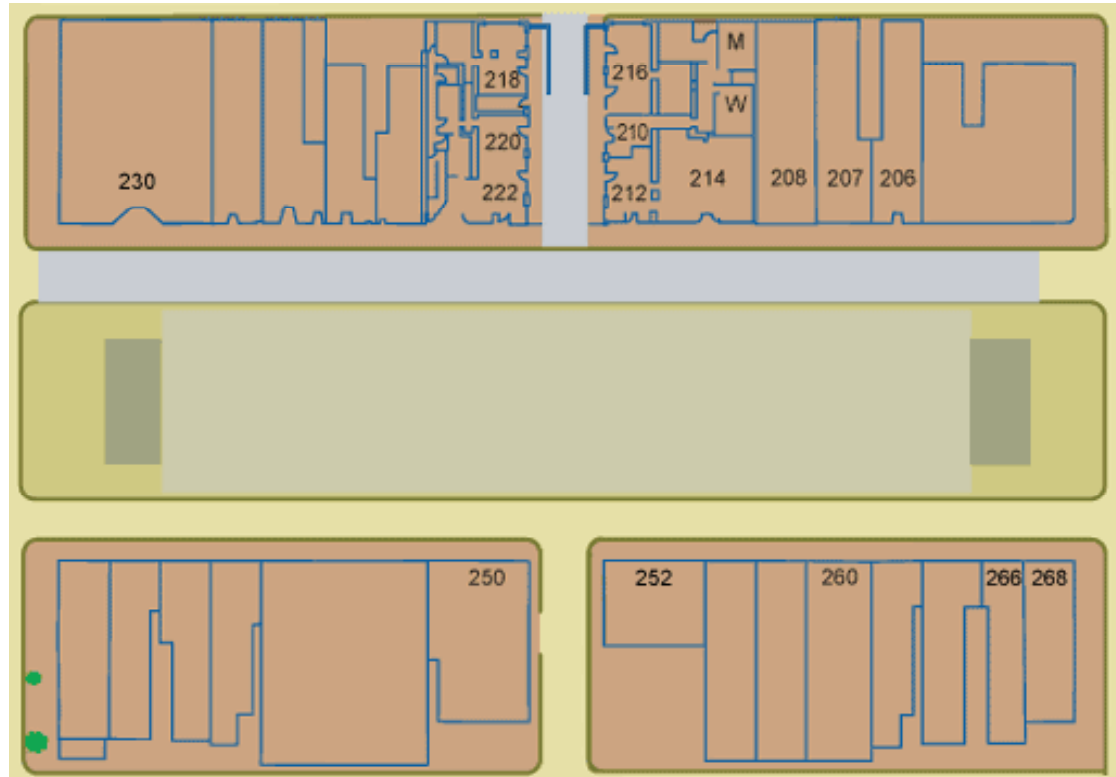
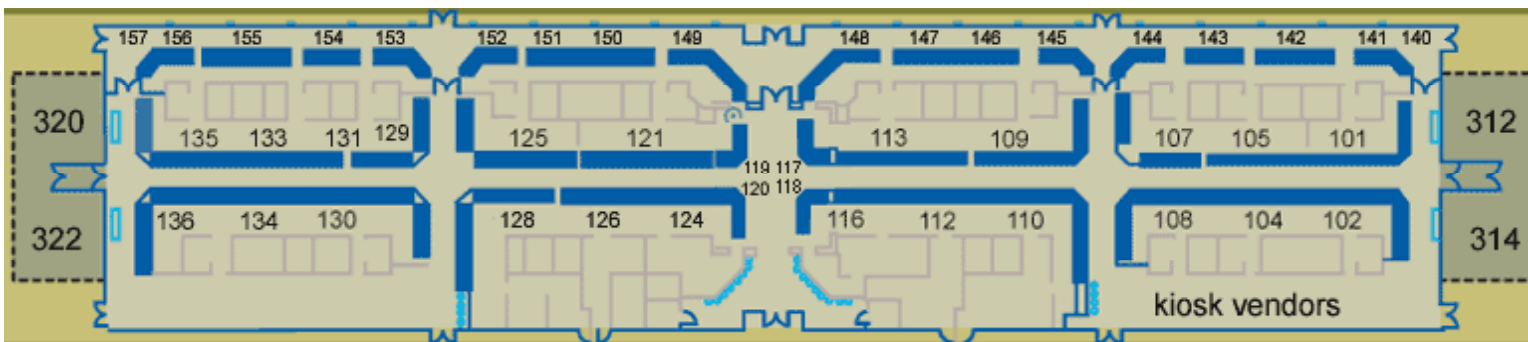


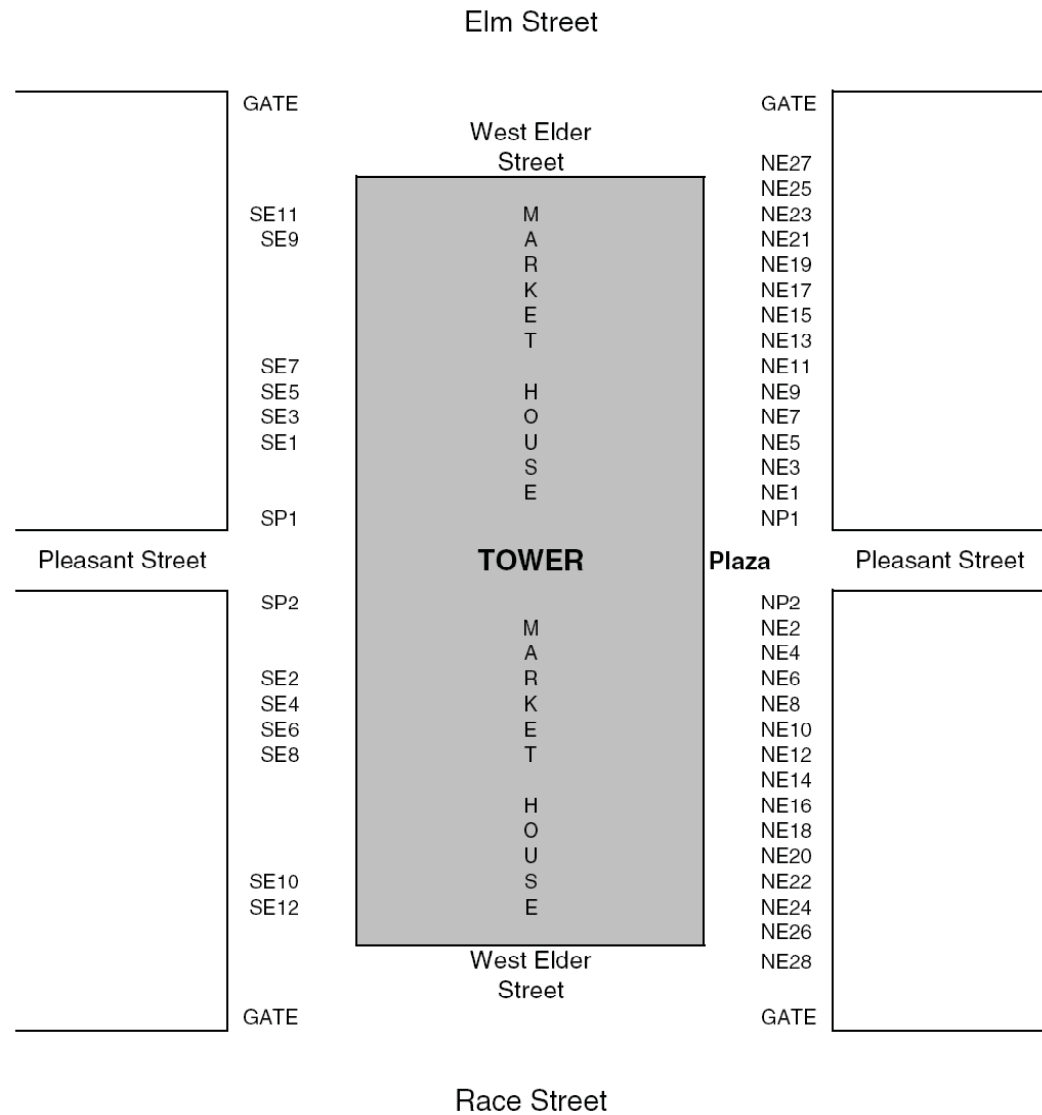
Figure IV-7: MARKET HOUSE INDOOR STALLS



NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKET'S CASE STUDIES

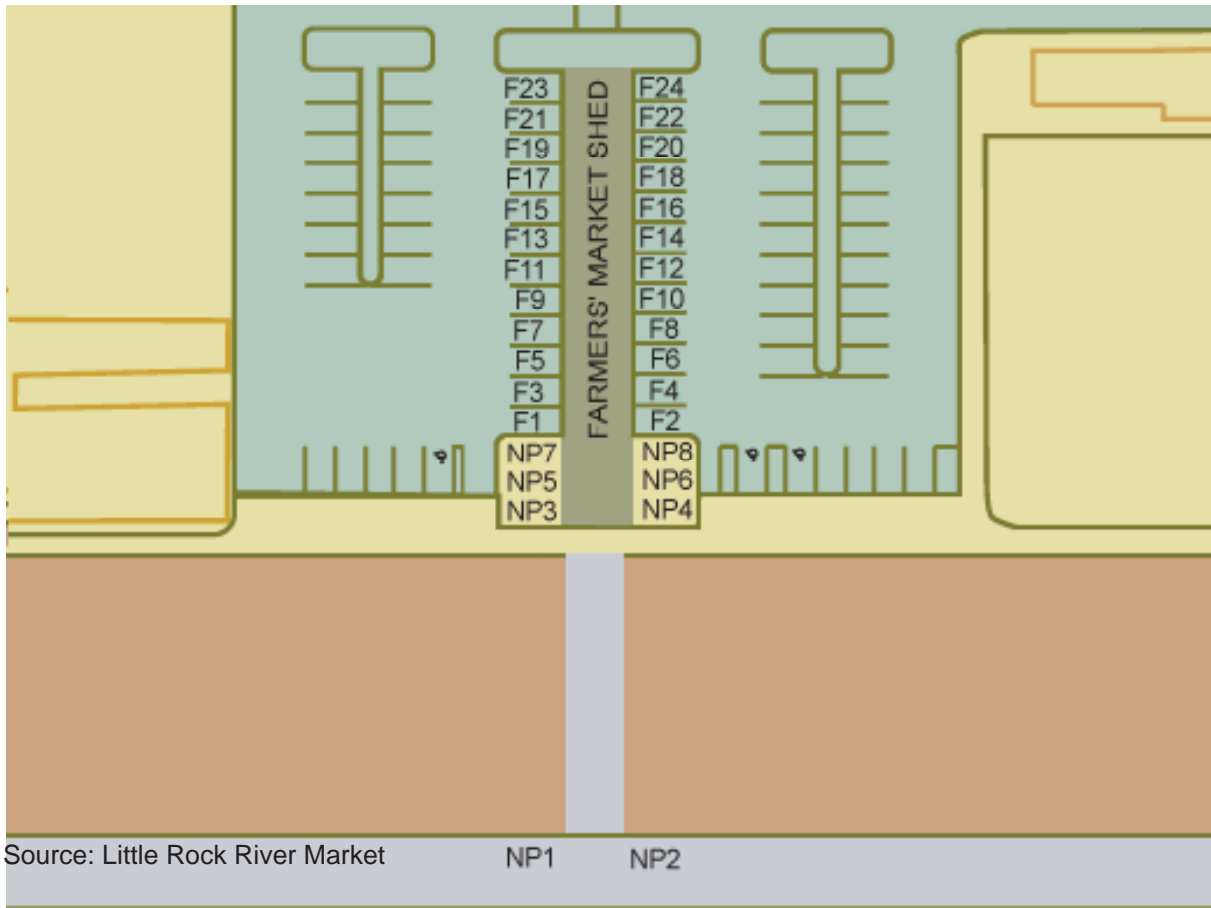
Figure IV-9: OUTDOOR MARKET STALL DIAGRAM

The outdoor market is available year round on Elder and Pleasant Streets adjacent to the market house. There are 37 outdoor stalls, each approximately ten feet by ten feet (100 square feet). The outdoor market is closed in bad weather. A diagram of the outdoor market stalls is shown in Figure IV-9. The farmers market is located north of the market hall (see Figure IV-10). There are approximately two dozen farmers market stalls, consisting of nine by thirteen foot wide parking spots adjacent to an open sided shed. Growers can back their trucks up to the shed, which provides some shelter, and sell out of their vehicles.



NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKETS CASE STUDIES

Figure IV-10: FARMERS MARKET STALLS AND SHED



Currently the market has several free parking lots, containing over 300 free parking spaces. There are plans to possible increase parking spaces and start charging a fee in the future though nothing has been approved yet. Non-leasable space includes restrooms,

a visitor station, a gift shop, dining tables and an internet café. It is estimated that this non-leasable space makes up less than five percent of the indoor market square footage. The market director feels that the space current allocated to public amenities is

adequate, with the exception of the addition of several more dining tables.

These additional tables would, however, put a strain on current maintenance capacity.

Entertainment such as small musical groups, poetry readings, and dance are accommodated in the following areas:

- The plaza immediately south of the farmers' market shed
- Street vendor locations along Elder Street
- Under or near Esplanades at Elm and Race Streets
- Along Pleasant Street south of Elder Street

Vendors

Tenancing

The market began as primarily a grocery needs market. Following the 2004 renovation, more attention has been placed on ready-to-eat prepared food offerings. Findlay Market, however, is very intent on preventing the market from becoming a "food court"; it would like to satisfy customers as a lunch destination while at the same time maintain a grocery focus.

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKETS CASE STUDIES

Table IV-5: INDOOR VENDORS IN MARKET HALL

Type of Product	Number of Stalls	Percentage by Count
Meat & Cheese	11	31%
Produce	7	19%
Prepared		
Food/Bakery	11	31%
Other	7	19%
Total	36	100%

The market is seeking additional vendors for the indoor stands, targeting merchants selling fresh produce, specialty items, food and beverage, take-home dining, baked goods, ethnic foods, meats and cheeses, etc.

In selecting tenants for the market, the following criteria are evaluated for applicants:

- Compatibility of business with the market's product and business mix priorities
- Strength and credibility of business plan
- Credit-worthiness
- Business experience
- Financial resources
- Woman or minority ownership
- Compatibility of operations plan with market operations

- Current Findlay Market merchant or vendor

The majority of outside vendors and farmers market vendors are produce and grocery-oriented. The outdoor stalls can be rented on a daily basis. The farmers market is reserved for vendors selling agricultural products that they grow themselves. On occasion, when space is available, the farmers market also rents to "cottage producers" that produce their own food or craft items from home. The farmers market typically rents space to growers and cottage producers by the season, and is presently only operating on Saturdays from March to December.



Services and Utilities

Indoor tenants are expected to pay for gas and electricity usage. Employees can park for free, however, they park in separate lots, not those reserved for customers. Some of the services provided to indoor tenants are the following:

- Refrigerated walk-ins in most stands
- 100 amp and 200 amp 108/220 electrical service
- Hand sinks, prep sinks, and 3 basin sinks
- Refrigerated display equipment provided in some stands
- Free lighted parking for customers and employees
- Trash compactor service

Outdoor vending space has no electric service, water, shelter, tents, tables, chairs or other amenities. Although trucks and other vehicles are not permitted, the market does allow the use of mobile food carts.

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKETS CASE STUDIES

The farmers market is adjacent to an open air shed, which has electric but no water. The farmers market has no tables, chairs, or other services.

Tenant Guidelines

There are a number of operating guidelines for tenants of Findlay Market. Indoor market tenants must remain open for business during the market's open hours, equipped with staff, merchandise, and product mix. Produce aisles and market areas must remain clean and free of obstructions.

Tenants must also abide by the following signage guidelines:

- All tenants are required to purchase and display an identity sign for their business.
- Tenant identity signs must be professionally designed and must be constructed of permanent materials such as wood, glass, and metal. Identity signs shall be limited to trade name and logo only.
- All signs displayed by tenants must be approved by market management. Tenants are required to submit in advance conceptual drawings indicating location, size, materials, graphics and letter style, method of attach-

ment, and name of the sign company or fabricator for all signs. Drawings submitted should reproduce sign colors as closely as possible.

- No animated components, flashing lights, injection molded plastic, neon, or box-type signs are permitted.
- Signs may not contain specific brand names or manufacturer advertising. Use of the Findlay Market logo is limited to the market itself and may not be imitated or duplicated for use as a vendor's logo.
- The use of antique signs is encouraged.
- Electrical service to the tenant's sign(s) must come from the tenant's electrical panel.
- Restrictions on orientation of the signs exist depending on market section.

There are designated loading and unloading zones for deliveries and all deliveries must be made from these zones. In addition, tenants must abide by the following restrictions:

- No unloading or deliveries are permitted on Elder Street between Elm and Race Streets on

Saturdays between 7:30 am and 6:00 pm. All deliveries made during restricted Saturday hours must be made from designated Loading/Unloading Zones on Elder Street, Elm Street, or Race Street, or from the service lot north of the market house that is

- Deliveries may not be made through customer doors or the restroom access door of the north addition retail shops. All north addition deliveries must come through the rear hall access doors.
- Market house deliveries may not be made through the center tower (except for tower merchants).
- Deliveries may not be made from the main aisle or cross aisles of the market house. All market house deliveries must be made to the rear of each stand. accessed from Race Street.



NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKETS CASE STUDIES

Origin of Customers

The majority of customers are local residents. Although the market does draw some tourists, there is no marketing initiative toward attracting that market. The market primarily serves as a destination for grocery-shopping and lunch for local residents and employees.

Special Events

The market has a series of cultural events titled “Music in the Market”. This series consists of a small event each month. The events range from garden festivals to flower design competitions to cooking demonstrations. The events are small in scale and any equipment, such as stages, sound systems, etc. are provided by the performers themselves. The facility does not collect any revenues from these events.

Operating Characteristics

The market house is built on land donated to the City of Cincinnati by the estate of General James Findlay and Jane Irwin Findlay in the 19th century. Until recently, the market was owned and managed by the city. Since 2004, the market has been operated and managed by the Corporation for Findlay Market, a private tax exempt non-profit contractor with the city. The Corporation is charged with day to day opera-

tions, general maintenance, marketing, promotion, tenant coordination, leasing, tenant recruitment, and customer service. Although the City of Cincinnati continues to provide operating funds, it is envisioned that, under the direction of the Corporation for Findlay Market, the market will eventually support itself. The chart on the following page contains operation figures for Findlay Market including various cost and revenue sources.

Vendor rents, particularly from indoor stalls, make up the majority of market revenues. Average indoor rent is \$20 per square foot with occupancy for 2007 expected to be 75 percent. Growers and cottage producers who qualify for the farmers market typically rent space by the season and at present sell only on Saturdays. Space in the outdoor market on the streets surrounding the market house can be rented on a daily basis for as little as \$8.00 per day. In terms of operating costs, personnel costs are the largest. The market employs ten full-time staff, including: five to six in operations, one in leasing, one in marketing, a market director and one in charge of managing the outdoor market. The next largest expenses are facility maintenance and utilities. Although the tenants pay for individual gas and elec-

tricity, these fees do not even cover half of the utility load for the building. There is no formal commitment to provide security by the city, however, two officers are assigned to the district and often roam through the market. During the peak season uniformed market staff patrol the parking lots.

Lessons Learned

The market management identified several issues to consider when planning a new market hall. Most of the listed issues below are design-oriented considerations.

- Findlay Market has no central receiving dock, which has proved very problematic in terms of delivery logistics of the market.
- In regards to tenant space, the ideal set up would be to have an extremely flexible design with both small and large tenant spaces.
- Little thought was put into energy efficiency. The design of the building includes glass roll-up walls, which, although aesthetically pleasing, are not energy efficient.
- Originally, lighting was comprised of thousands of halogen lamps, constituting enormous costs related to bulb replacement. Light

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKETS CASE STUDIES

ing has since been converted to track fluorescent lights.

- Findlay Market's manager recommended looking at the design of the North Market in Columbus, Ohio in regards to the dock design and utility configuration. North Market provides utilities through the ground in "pools", therefore, tenants can arrange themselves around these "pools" and all access the same utility source. The market manager feels this utility configuration is the most efficient.

City Market- Kansas City, Missouri

Since its inception in 1857, the City Market has been one of the largest and most enduring public farmers' markets in the Midwest, linking growers and small businesses with the Kansas City community. Six months of activities are planned to commemorate the City Market's 150th Anniversary.

History and Background

The City Market has been approximately in the same location since it was established in 1857, when it was a site for market commerce horse trading, po-

litical rallies, revival meetings, medicine shows and circuses. In the 1930s, with the creation of a civic center including City Hall and the Jackson County Courthouse, City Market was renovated. New buildings were constructed through the job creation initiatives of the Great Depression.



In the late 1980's and 1990's, \$14.5 million in public and private funds were invested in the City Market, and additional funds were dedicated to revitalize the greater River Market district. The City Market buildings were renovated in 1986 and 1990, developing 100,000 square feet of restaurants, retail and museum space. Improvements included conversion of several top floor spaces in the west and north buildings into apartments and the addition of the Arabia Steamboat Museum in the City Market's east building. Other infrastructure improvements included new curbing,

antique pedestrian and interior lighting, streetscaping and over 800 free parking spaces.

The City Market received a Great Markets/Great Cities Award of Distinction from the Project for Public Spaces in 2002. The market is celebrating its 150th anniversary this year, and will host a number of special events to commemorate.

Site and Physical Issues

City Market is located in the River Market district of Downtown Kansas City, and includes approximately 80,000 square feet of indoor leasable space. The building is a historical building constructed of brick and concrete with a series of Farmer Pavilions and covered walkways. Outdoor leasable space in the farmers market canopy includes space for approximately 170 vendors, or approximately 17,000 square feet. Figure IV-11 is a diagram of the layout of the City Market.

Indoor vendor stalls are defined by concrete walls and range in size up to 4,000 square feet for large restaurants. Average sizes are in the 650 to 750 square foot range. Most spaces also include 180 square feet of extra space for storage or a small office.

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKET'S CASE STUDIES

Figure IV-11: LAYOUT OF CITY MARKET



The market provides free parking through several public lots and on street parking. Tenants can park for free in areas designated as tenant parking. If there is bad weather outdoor tenants will either move to the covered pavilions or close for the day. There is no farmers market in the winter really. The facility does not have a designated storm shelter.

Non-leasable space in the market includes restrooms a museum and other small public amenities. Overall these public amenities do not take up much space. The market management feels

that the amenities are not glamorous but adequate none the less. The city provides security but other than that there is no designated first aid station or security office.

The City Market is open seven days a week year around with Wednesday, Saturday and Sunday the most popular days for both vendors and customers. The operational schedule for the farmers market varies by season. From March to October, hours are: Wednesday 8:00 a.m. to 2:00 p.m., Saturday 6:00 a.m. to 4:00 p.m, Sunday 8:00 a.m. to 4:00 p.m. In the winter Season, market hours are: Saturday 7:00 a.m. to 3:30 p.m, Sunday 8:00 a.m. to 3:30 p.m. Special events sometimes require early closing.

Vendors

Tenancing

There are 170 vendors in the market square and 40 year round in line tenants. The Market has always attracted stylish retailers. In the past several years the City and the leasing staff have tried to bring the mix of tenants up to a level showcasing cuisine from around the world as well as gifts and unique items. The City of Kansas City only

allows local tenants into the Market to make it a more unique environment. Table IV-6 includes a breakdown of occupied store vendors by category.

Figure IV-6: VENDOR MIX

Type of Vendor	Count	Count as a Percentage
Prepared Food	12	36%
Other/Gifts	11	33%
Produce	3	9%
Market	3	9%
Apparel	3	9%
Meat & Cheese	1	3%
Total	33	100%

Vendors are prioritized in the following order:

1. Farmer 100% Grower
2. Farmer with Locally Grown Supplement
3. Artist/Crafter
4. Artist/Crafter Commercial
5. Retail Food and Food Related
6. Resale Goods
7. Concession
8. Entertainment

Indoor vendor rents range from \$10 to \$25 per square foot annually, with average rent hovering around \$18 per square foot. Occupancy rates have been averaging around 85 percent.

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKETS CASE STUDIES

Farmers market stalls can pay a daily fee on the weekend ranging from \$12 to \$80 depending on day of the weekend, type of vendor and whether or not the vendor has a contract with the market. Or they can pay an annual fee ranging from \$100 - \$500 depending on day and vendor type.

Services and Utilities

The landlord pays for all heat, gas, electricity, and utilities used in the premises and the tenant pays for all water, sewer, heat, gas, electricity, and utilities used in their individual spaces. The market does not provide any set-up equipment or supplies. It is the responsibility of the vendor to provide tables, chairs, change, cash registers or cash boxes, signage, extension cords and covering, tape, decoration, display equipment, tent, tent weights and proper licenses necessary to do business. There is no common grease interceptor for food vendors.

Tenant Guidelines

Tenants must abide by the following signage guidelines:

- Tenant shall be required to have a sign on the exterior (as per signage criteria) of the Premises, consistent with the architectural

guidelines set forth by landlord as to its location, design, content, installation, and maintenance.

- The sign shall be installed by a sign company approved by landlord. All costs associated with the selection, installation, and maintenance of the sign shall be paid by Tenant.
- Tenant may not install more than three exterior signs at the Premises unless Landlord's prior written authorization has been obtained.
- Signs must be up within 30 days of opening.
- To help with the cost the City will buy the sign for the tenant and charge no interest for a year.
- No lit signs are allowed.

Tenants must abide by the following delivery and unloading restrictions:

- Approved vendors without an Annual Stall Contract are not allowed to occupy any area inside the Market until they have paid and received a stall assignment for that day.
- If a vendor's assigned space does not include a parking spot, then vendor is allowed to unload inside the Market, then imme

diately upon unloading move his/her vehicle to a City Market parking lot for the remainder of the day.

- At no time should vehicles be parked in the fire lane, on the curb, brick area, block any drive lane, entrance or exit in The City Market. Parking in these areas will result in the vendor receiving a probationary warning and/or suspension.
- Vehicles will be towed at the discretion of the Market Master at the vendor's expense.
- All employees of weekend vendors should park in the lot on the corner of 3rd and Grand Street, not in empty stall spaces or behind vendors' vehicles.
- All vendors must be checked-in no later than 7:30 a.m. on Saturday. No vehicle will be allowed to drive in the Market Square between 7:30 a.m. – 3:00 p.m.
- All vendors must be checked-in no later than 9:00 a.m. on Sunday. No vehicle will be allowed to drive in the Market Square between 9:00 a.m. – 2:00 p.m.
- Vendors selling large quantities of product to customers must arrange with customer to have

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKETS CASE STUDIES

products picked up prior to 7:30 a.m. on Saturday and 9:00 a.m. on Sunday.

- If this is not possible, vendors may assist their customers to allow pick-up in designated pick-up zones located in the west lot or the 3rd Street Market exit. Also, vendors may have customers pick up large quantities after 3:00 p.m. Saturday or 2:00 p.m. on Sunday.

Origin of customers

The majority of customers are local residents. The market is, however, marketed towards tourists and as this year is the 150th anniversary, the market expects to attract more visitors. Many ethnicities are represented at the market, the largest ethnic groups being Asian and Italian.

Special Events

The Market hosts local charitable events, receptions and concerts in the Market Square. It can accommodate up to 10,000 people in the



Market Square. Some recent concerts have included The Killers and Incubus. The City Market does not provide any equipment for the performers (e.g. stage, sound system). They do, however, provide one dressing room and will bring in extra portable toilets for the event. Special events bring in revenues of approximately \$50,000 to \$60,000 annually.

Operating Characteristics

The market is owned by the City of Kansas City, MO. Copaken White Blitt (CWB) is responsible for management, leasing and accounting of this property. The market is barely able to break even on an annual basis. In terms of revenue, the largest income comes from market rents (\$650,000 - \$750,000). The farmers market brings in significantly less (\$150,000 - \$200,000). Special events bring in approximately \$50,000 to \$60,000 annually and advertising is a very small share of revenue, close to \$30,000 this year. In general the market has struggled to obtain advertising income. This year is by far the most successful, mainly because it is the market's 150th anniversary. In terms of costs, personnel cost makes up the highest bill; the market employs six full-time CWB employees. Addition

ally the market employs two in-house maintenance staff. Facility maintenance makes up the next largest category of costs. The city has subsidized both garbage and security for the market. The building is old and requires significant improvements. The city recently gave \$500,000 to update the pavilions and will be giving an additional \$1 million to update the building.

Lessons Learned

Management for the City Market stressed several issues with regard to market operations. The first is that it is very difficult to be profitable when leasing is limited to local non-chain tenants. The City Market leases primarily to local farmers and mom and pop type tenants that do not have the ability to pay the rents necessary to make a market profitable. The other issue is figuring out a way to maintain tenant morale during the off-season. The City Market has found that it is very difficult to collect rent on time during the non-peak seasons because tenants are not bringing in as much money. The market has implemented a flexible rent schedule for some tenants that allows them to pay higher rents in the peak season to offset lower rents during the off-season.

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKETS CASE STUDIES

Soulard Market- St. Louis, Missouri

The Soulard Farmer's Market is the last of once numerous public markets in St. Louis. Due to its central location, character, and public policy, the market has remained viable until today. Named for Julia Cerre Soulard, who donated the land specifically for use as a marketplace in 1838, Soulard is the oldest farmers market west of the Mississippi. History and Background

The first structure was built on the site in 1843 by a private joint venture of farmers and vendors, who sold shares to build a one-story red brick building on the eastern of the two half blocks. During the Civil War years the local military commander declared martial law throughout the city and Soulard Market was used as a military encampment.

In the mid 1920's the city proposed an \$87 million bond issue for public improvements throughout the city, which included many proposals was for a new, cleaner, modern Soulard Market building. The 1840's building and later shed pavilions were all razed to make way for the deluxe new facility, and construction began in 1928. The new structure's two-block-long exterior design was based

on the 1419 Brunelleschi Foundling Hospital in Florence, Italy. The estimated total cost was \$267,000. The new building was designed to bring all the vendors under one roof for the first time, to improve sanitation and cleanliness. A central two-story section built over Eighth Street boasted an upstairs gymnasium/all-purpose hall. It was flanked by 4 one-block-long wings, two on each side. The impressive new facility was dedicated May 8-9, 1929, in gala festivities attended by 20,000.



Following the war, the surrounding neighborhoods gradually emptied out as households moved away from the central city. In 1947 the City of St. Louis responded with a redevelopment plan which called for the demolition of the entire area around Soulard Market. The market was to be spared from this wholesale razing, and in 1952 the path of the new Interregional Highway was also routed to avoid nearby large businesses and the market. The Market held its own even as the surrounding area descended into slum conditions. Despite the enveloping decay, the customers kept coming, many arriving by car from other neighborhoods and from the suburban county.

In the 1970's the neighborhood had reached its nadir, and began a long comeback. During this time, a number of programs and improvements were put into place, including tax incentives for historic preservation, a Mardi Gras festival, a new neighborhood playground, and a new public plaza in front of the main Market entrance. More recently, the neighborhood has seen some residential development in the form of lofts and condominiums, adding to the revitalization of the area.

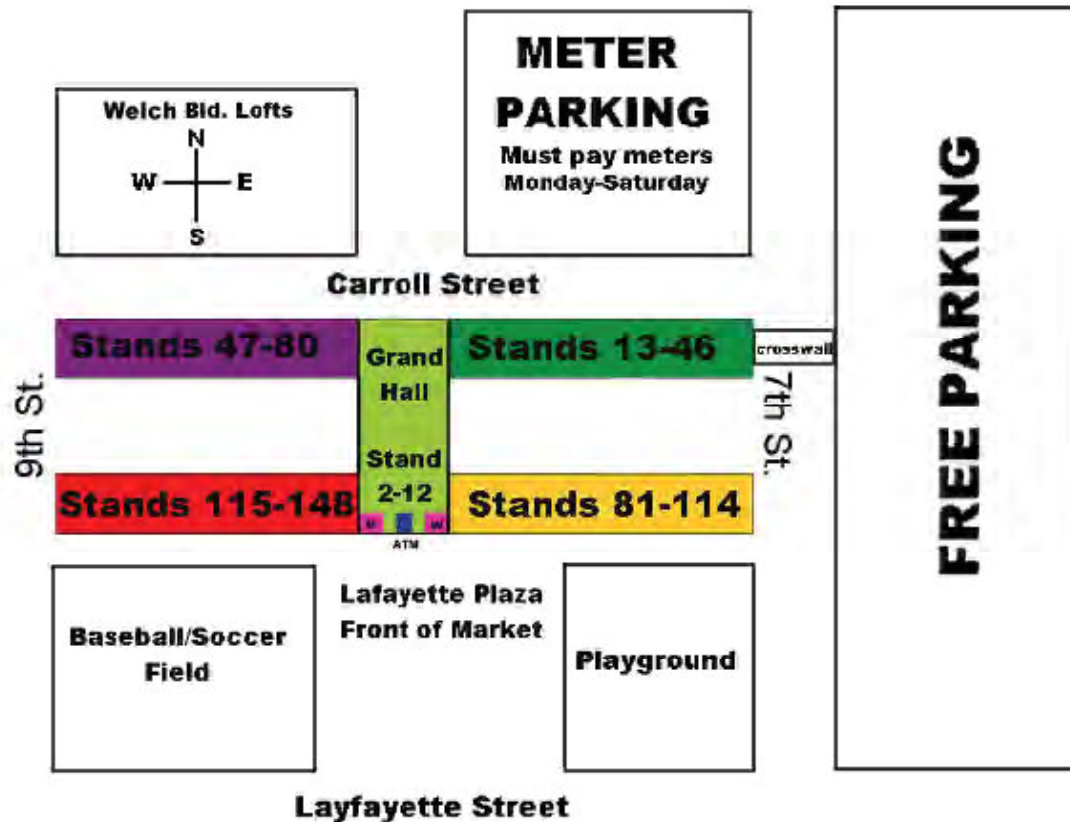
NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKET'S CASE STUDIES

Figure IV-12: LAYOUT OF SOULARD MARKET

In 1999, the City developed a Strategic Plan for the Market to address some of the market's renovation needs. The Market received a number of grants for various improvements to the facility including work on the \$260,000 first phase of the electrical renovation project. However, ERA is not aware of any other improvements that have been implemented since the completion of the plan. Today, the Soulard Market is open year-round, Wednesday through Sunday, 7:30 AM until 5:00 PM.

Site and Physical Issues

Soulard is conveniently located five minutes from downtown, right off of Interstate 70 and minutes away from major employers such as Anheuser-Busch and Ralston Purina. It is in one of the city's oldest residential neighborhoods containing some of the most well-preserved historic buildings in the City. The European architecture is heavily influenced by the 19th century immigrants that settled there, featuring red brick rowhouses, built close to the sidewalks. The market includes both indoor and outdoor market space. The H-shaped market consists of the "Grand Hall" building along with outdoor corridors of stalls. Figure IV-12 shows the layout of Soulard Market.



The Grand Hall is an enclosed space containing about 11 businesses, as well as the management office, customer restrooms and an ATM. The average stall size in the indoor hall is 400 square feet. The sheds adjacent to the hall contain another 137 smaller open-air and enclosed stalls, measuring about 100 square feet each. As shown in the diagram above, the market contains both free and metered parking for customers.

Vendors

Soulard has a varied mix of tenants. It is estimated that the market is about 80 percent occupied. The majority of outdoor vendors are produce and farm related, with a smaller number of apparel and specialty items. Indoor stalls include prepared food items, meats, and specialty retail. The table below shows a breakdown of tenants by type.

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKET'S CASE STUDIES

Table IV-7: TENANT MIX

Type of Product	Number of Stalls	Percentage by Count
Produce	19	25%
Farmer/Grower	15	19%
Misc	14	18%
Meat, Fish, Eggs, Cheese	8	10%
Flowers and Plants	5	6%
Apparel	5	6%
Snacks, Meals	5	6%
Bakery	4	5%
Spices, Grains	2	3%
Total	77	100%

Rent for indoor stalls is about \$257.50 per month, or \$7.75 annually per square foot. Outdoor stalls rent for \$287.50 a month, or \$34.50 per square foot annually.

Origin of Customers

Most of the visitors to the market are local residents. The market does not serve as a tourist destination though some St. Louis tourists may choose to come. Overall, approximately 95 percent of customers are local residents. The market vendors represent close to twenty ethnic groups that are constantly changing. St. Louis has a large immigrant population which helps to fuel this phenomenon.

Special Events

The Market does not host significant special or cultural events. Street musi-

cians are often present on Saturdays, but do not provide any additional revenue for market operations.



Operating Characteristics

The Souard Market is owned and operated by the City of St. Louis Public Utilities division. The past year Souard Market had its most successful summer in recent history with sell-out Saturday vendors and double digit increases in customers. Public bathrooms have been totally renovated and a new elevator has been installed to the second level. Table IV-8 includes operating information related to Souard Market.

As is shown in the table to the right, the market does not break even; revenue is slightly less than the total operational costs. The market is highly subsidized by the city of St. Louis, with security and other municipal services provided at

no cost. Market revenue is comprised primarily of vendor rents, as the market does not host significant entertainment events, nor has a large advertising income. Actual breakdown of revenues, however, was not known by the market manager.

Table IV-8: OPERATING CHARACTERISTICS

	FY04	FY05	FY06
Performance Measurements			
Number of Customer Visits	495,000	512,000	520,000
Lease 11 Store Spaces Occupancy	100%	100%	100%
Lease 136 Market Stds Occupancy	92%	95%	96%
Market Revenue	\$208,786	\$213,000	\$224,400
General Fund			
Budget by Expenditure Category			
Personal Services	\$153,979	\$160,960	\$168,802
Materials and Supplies	\$4,778	\$4,800	\$7,150
Equipment, Lease & Assets	\$0	\$0	\$80
Contractual and Other Services	\$84,429	\$75,270	\$71,725
Total General Fund	\$243,186	\$241,030	\$247,757
Number of Full Time Positions			
General Fund	4	4	4
Other	0	0	0
Total	4	4	4

Lessons Learned

The market manager at Souard Market had several insights into issues that are important to the success of a public market. Her number one observation is that without a centralized cash register it is virtually impossible to keep track of sales. Many of the tenants do not come from business backgrounds so they do not know the best methods for maximizing sales. Additionally, they often misrepresent their sales when reporting back to the market.

NOMAR INTERNATIONAL PUBLIC MARKET PUBLIC MARKETS CASE STUDIES

Another comment is that with a 200 year old historical building it is very difficult to keep facility costs down. The market could never survive without the public subsidies it receives. She stressed the need for clear and concise rules and regulations. In fact, she is currently in the process of updating the rules and regulations which is why ERA was unable to obtain a copy and include that information.

The market manager also believes that it is best to try to remove political players from the management of the market. She believes the best option is to assist a non-profit in managing the market; therefore, the day to day political and bureaucratic inefficiencies can be avoided.

Summary of Case Studies

The following table summarizes the characteristics of the public markets profiled in this section:

Table IV-9: SUMMARY OF PUBLIC MARKETS

Name	Location	Leasable Space (SF)	Stalls	Type
Soulard Farmers Market	St. Louis, MO	35,000	148	Indoor/Open-air covered
Findlay Market	Cincinnati, OH	22,000	106	Indoor/Open-air covered
City Market	Kansas City, MO	97,000	210	Indoor/Open-air covered
River Market	Little Rock, AR	25,000	166	Indoor/Open-air covered

The tenanting mix at each of these markets varies depending on the demographics of their customer base, as shown in Table IV-10. Soulard Market and Findlay Market are targeted towards a more local consumer base and feature a higher share of produce stalls, while City Market and River Market tend to attract more visitors and offer a larger percentage of prepared food stalls.

Table IV-10: SUMMARY OF PUBLIC MARKETS

	Soulard	City Market	Findlay	River Market
Prepared foods, restaurants, cafes	14%	36%	31%	47%
Produce, Meats, Cheese, etc.	54%	12%	50%	40%
Apparel/Other/Specialty	32%	42%	19%	13%

In interviews with market managers, the following issues were identified as very important for the successful operations of a public market facility:

- Qualified and motivated staff.
- Well-designed policy manual for vendors addressing regulations and operations of the facility.
- Streamlined management structure, minimizing bureaucracy.
- Flexible and energy-efficient design.
- Incorporation of common area maintenance fee to help offset cost of utilities and services for tenants.
- Planning for future market expansion.