

Downtown Eau Claire, Inc. presents



IDEA
LOUNGE
a laidback discussion series

***Public* Markets**

Contact

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Public Market Feasibility Study

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Eau Claire Public Market Feasibility Study



Eau Claire Public Market Development Considerations



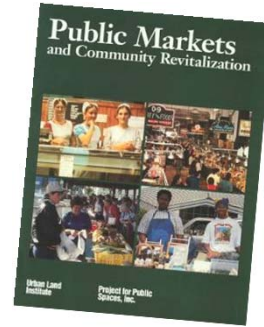
Market Ventures, Inc.

March 3, 2016

Market Ventures, Inc.

Consulting / Development / Operations

- National consultants on public markets and food-based economic development projects
- Lead Author, *Public Markets and Community Revitalization*
- Conduct public market feasibility studies and research throughout the United States



By Ward Market, Ottawa



Rochester Public Market



Boise Public Market

10,000 feet



National experience/big picture understanding of public markets, local food systems, downtown revitalization, urban development

Eau Claire Public Market Feasibility Study



Market Ventures, Inc. Project Experience

- Kenosha Indoor Market Feasibility Study
- Grand Rapids Downtown Market (opened May 2013)
- Western North Carolina State Farmers' Market Master Plan
- Essex Street Market Relocation Plan, New York City
- Hartford Regional Market Master Plan
- Lexington Market Master Plan, Baltimore
- Atlantic City Public Market Feasibility Assessment
- Rochester Public Market Renovation & Expansion Plan
- Boise Public Market Feasibility Study
- Grand Traverse Regional Market/Food Hub Feasibility Study
- Fort Collins Community Marketplace Feasibility Study
- Salt Lake City Public Market District Plan
- NYC Wholesale Farmers' Market Feasibility Study & Development Plan
- SchoolFood Plus Initiative (NYC) Program Evaluation
- Milwaukee Public Market Feasibility Study & Concept Plan (opened 2005)
- Reading Terminal Market Merchandising Plan



- Developer/Operator: Bronx Sunday Market, Portland Public Market
- President, Farm to Market, Inc.
- Co-owner, Maine's Pantry



Hugh A. Boyd, FAIA, Senior Associate

Public market and food industry design

- Fellow, American Institute of Architects
- Architect of the Year, New Jersey AIA
- Extensive experience with public market start-ups and renovations



Capitol Market, Charleston WV



Grand Central Market, NYC



Milwaukee Public Market



Portland Public Market
Portland, ME



Ardmore Farmers' Market
Ardmore, PA



Findlay Market
Cincinnati, OH



What makes a public market successful?

1. A great site

- Easily accessible to the entire region (physically and psychologically)
- Visible from highways or major thoroughfares
- Easy circulation
- Lots of free at-grade parking
- Pedestrian access/proximity to downtown
- Supportive context, particularly other food businesses and other amenities
- Ease and cost of acquisition



Milwaukee Public Market



Granville Island Public Market, Vancouver

What makes a public market successful?

2. Environment

- A place people want to be
- Landmark structure
- A comfortable public space that welcomes all elements of the community
- Well designed stalls and infrastructure that support small food retailers



West Side Market, Cleveland

What makes a public market successful?

3. Engaged professional management

- Property management
- Leasing
- Marketing
- Business assistance
- Community engagement



What makes a public market successful?

- ### 4. Consumers who care about local, quality food; a “culture” of public market shopping



Typical Public Market Consumer Behavior

- Supermarkets strive to obtain a large percentage of the expenditures for food within a small geographic area
- Public markets realize a small percentage of these expenditures from a much larger area
- Customers drive 20 to 30 minutes to shop at a large, successful downtown public market, despite convenience of nearby supermarkets
- Tourists seek out public markets because they offer a window into the culture of the region (but site must be accessible to tourists)
- Customers represent wide range of income levels, ages, ethnicities, but highest spending customers are typically women, aged 35-54, well educated, with household income above \$75,000



What makes a public market successful?

5. Great vendors with unique products and services who carve out their niche regardless of competition
 - Product innovation
 - Service innovation



Local Foods Have Arrived

Should offer unprecedented opportunities for public markets



Whole Foods Market

- “Our history and reputation are intimately linked to our support of local farmers.”
- “We are permanently committed to buying from local producers.”
- “We are greatly increasing our efforts in this regard by further empowering our individual store and regional buyers to seek out locally grown produce.”
 - <http://www.wholefoodsmarket.com/products/locally-grown/>
- Sales: \$14.2 billion FY14, growth through new stores
- 399 stores end of FY14



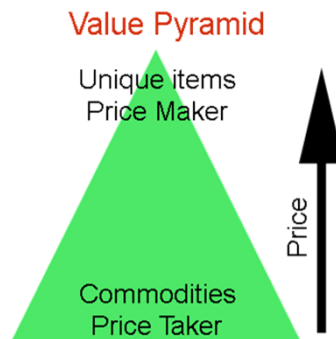
Wal-Mart Commitment to Local Food

- Our goal is “to support farmers and their communities, through a combination of sourcing more directly from them and providing training in agricultural practices.”
- “No other retailer has the ability to make more of a difference than Walmart. Grocery is more than half of Walmart’s business.”
 - *Comments by Mike Duke, President and CEO, Wal-Mart Stores, Inc., October 2010*
- By the end of 2015, WalMart will sell \$1 billion globally in food sourced directly from small, medium and local farmers
- In the U.S., Walmart will **double** its sale of locally sourced produce and increase its purchase of select U.S. crops.
 - *Walmart Sustainable Agriculture: Fact Sheet, walmartstores.com*



Pricing Challenges

- Due to their small scale and operating inefficiencies, public market vendors are generally not low priced retailers
- You can't beat WalMart on price
- As WalMart and other supermarkets focus on local foods, “local” products are becoming more like commodities
- Unique products are not priced by the market
- Public market vendors need to sell unique items and out-innovate their competitors



Product Innovation

- Need to continually create or source new products
- What no one else can offer: products made by the vendor
- Customers looking for “food with a story,” deeper connection
- Vendors must stay ahead of their competition through product innovation



Product Innovation



Service Innovation

- Must constantly develop new ways to sell products, provide services, create extra value
- Theater, create a show
- Develop trust
- A customer requires customized solutions
- Vendors must know their customers and figure out new ways to serve them



Public markets must become centers of innovation

- Local is no longer enough
- Great displays are important but not adequate
- Superb customer service is imperative but more is needed
- Vendors need to create their own products and sell outside of market (wholesale, mail order)



Implications for Public Market Development and Operations

- Physical spaces large enough and designed for production
- Recruitment of food producers
- Assistance with marketing, training
- Distribution facilities
- Keep rents low by creating markets as part of mixed use developments (spread cost of management and operations)
- Link public markets with education and wellness organizations & programs



Milwaukee Public Market

- Feasibility Study 1999, Market Ventures, Inc.
- Historic Third Ward – non profit developer
- Located adjacent to downtown core
- \$11 million development budget



Eau Claire Public Market Feasibility Study



Eau Claire Public Market Feasibility Study



Eau Claire Public Market Feasibility Study



Eau Claire Public Market Feasibility Study





Grand Rapids Downtown Market

Cutting-edge new public market development

Problem

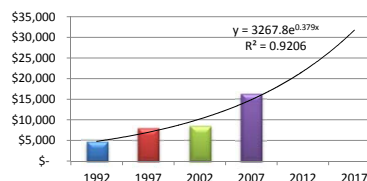
- How create an economically self-sustaining new year-round public market in a mid-size Midwestern city?
- Where locate the market for maximum revitalization impact and highest probability of success?
- Who should develop and run the facility?

Approach

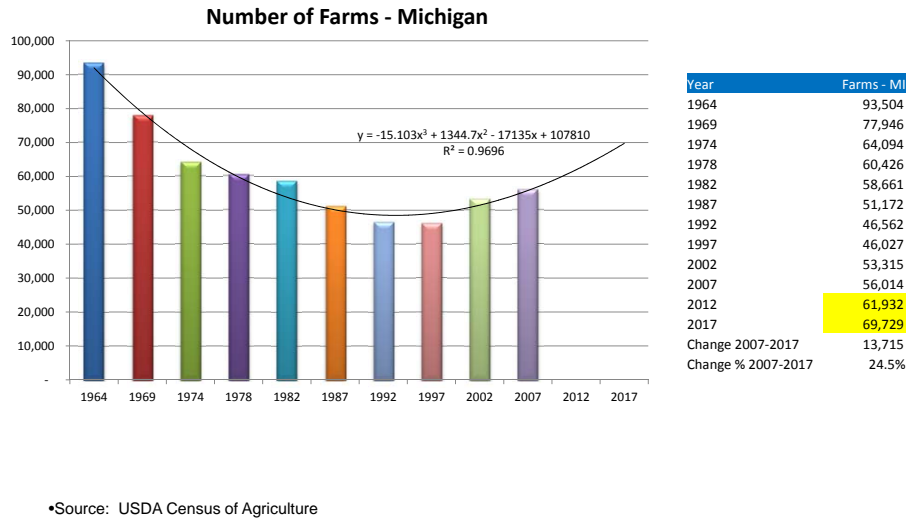
- Conduct extensive market research (100+ interviews, focus groups of farmers and consumers, analysis of demographics and agricultural data)
- Comprehensive site evaluation process – examined potential sites throughout downtown for size, access, adjacencies, availability, topography
- Build from both local and national experience
- Educate downtown leaders and philanthropists on project's potential to impact downtown and region
- Explore partnerships with leaders in food and agriculture, education, and health sectors
- Financial and economic impact analysis



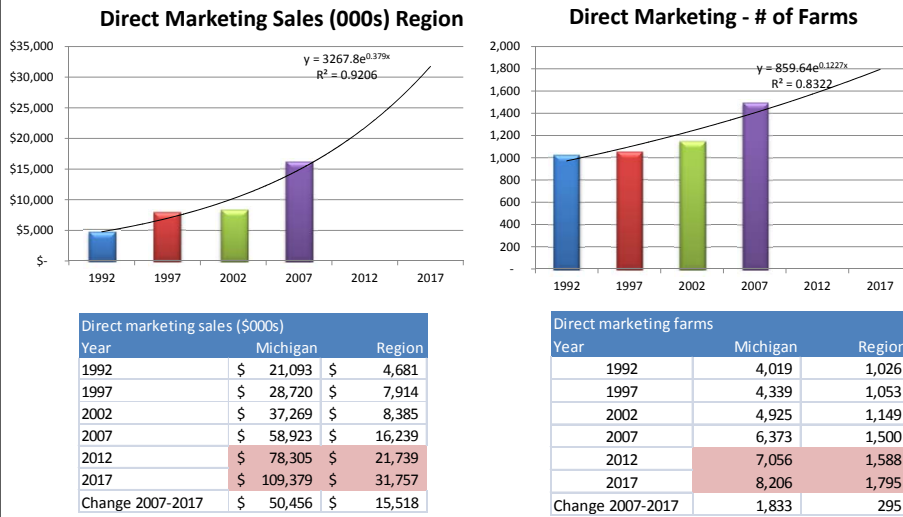
Direct Marketing Sales (000s)
West Michigan Region



Key Agricultural Data Findings



Key Agricultural Data Findings



Site Selection

Site criteria

- Visibility from highway
- Accessibility by car, bus and foot
- Surface parking
- Context/supportive adjacent uses
- Size/mixed use opportunity (4 acre minimum)
- Availability and cost
- Reuse of historic buildings
- Potential to influence downtown revitalization

Site identification

- Over 20 sites identified and examined

Preferred sites

- Sonneveldt (Ionia and Wealthy)
- Fulton/Market (Charlie's Crab)
- North Monroe (along river)
- Bridge Street near I-131



Recommended Site

- Sonneveldt site
 - Location: Ionia to I-131, Wealthy to Logan
 - Size: 3.45 acres
 - Ownership: DDA



Development Program Principles

- “Center of local food excitement”
- Complexity of uses, with multiple income streams
- Large enough to be regional and tourist magnet but not too large that exceeds potential demand or supply
- Able to be phased
- Production focus – products made by the vendors



Mission

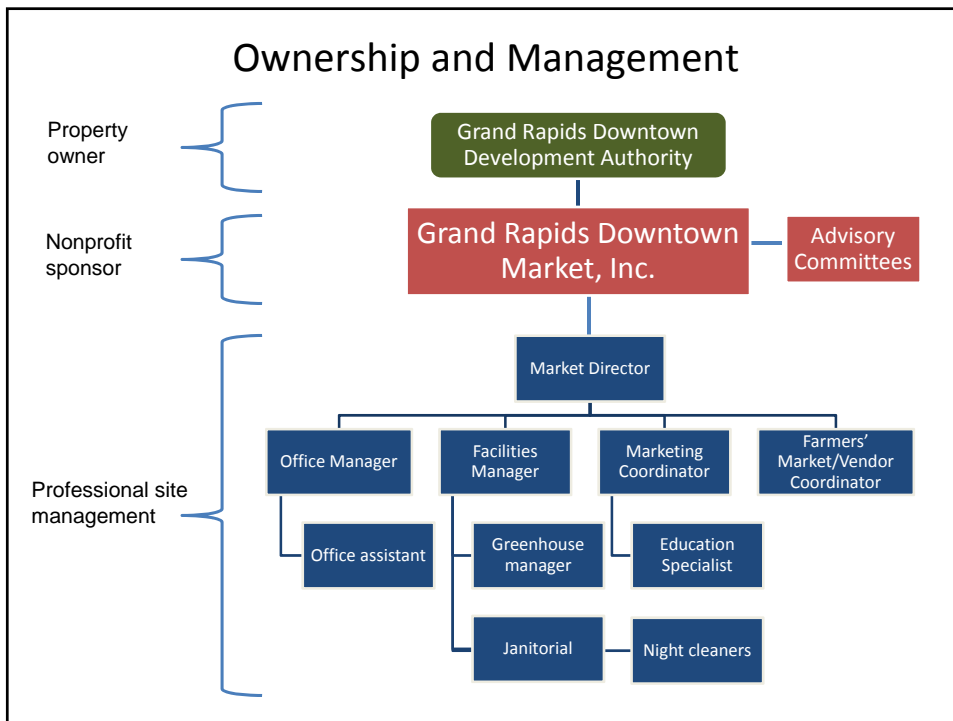
- The mission of the Grand Rapids Downtown Market is to create a dynamic downtown hub for the West Michigan food system by providing:
 - a place for local farmers and food producers to connect with diverse customers,
 - opportunities for independent entrepreneurs, and
 - education about farming, food, nutrition, and healthy lifestyles.



Development Program (feasibility study)

Program Element	Square feet
Permanent market retail	26,766
Outdoor farmers' market shed	9,700
Crafts/art studios	9,310
Complementary retail	10,930
Restaurants/wine bar	13,925
Food aggregation and distribution	2,770
Kitchen incubator/food processing	3,910
Education, meeting rooms, community space	6,000
Events, performance, public space	3,750
Rooftop greenhouse	23,915
Wine cave/root cellar	5,000
Housing	19,410
Office	11,680
Basement storage	10,000

Ownership and Management

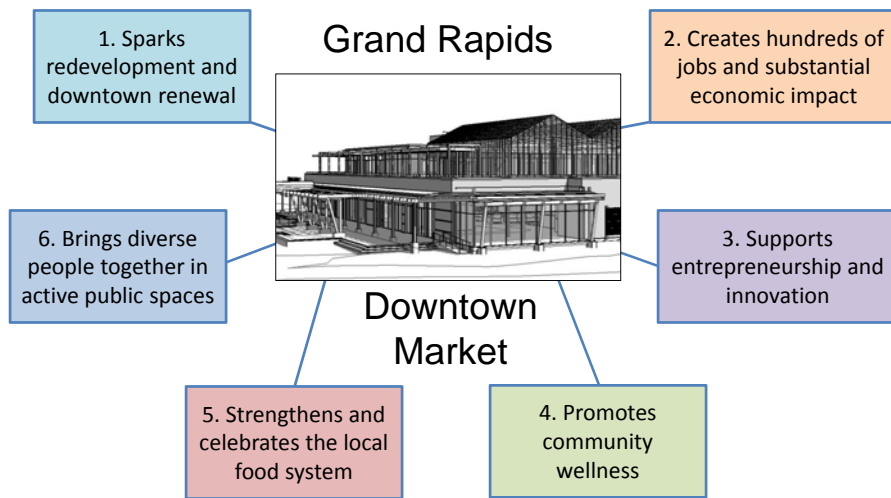


Sustainability

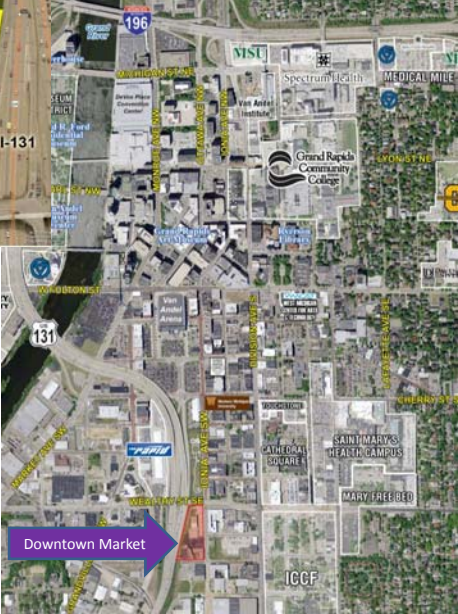

- LEED Gold rating
- Construction materials
 - Reuse of materials from historic warehouses
 - High R factor insulation
 - Green materials
- Energy
 - Geothermal heating and cooling
 - Greenhouses with heat capture; green roofs
 - Green walls
 - Clustered refrigeration compressors
 - High efficiency appliances
- Waste handling
 - Composting and recycling
 - Biodigester
- Water
 - Submetered water
 - Low water fixtures
- Lighting
 - Natural lighting
 - High efficiency LED lighting
- Transportation
 - Access to public transportation
 - Convenient for walking
 - Bicycle racks and promotions



Benefits to Grand Rapids and the region



1. Sparks redevelopment



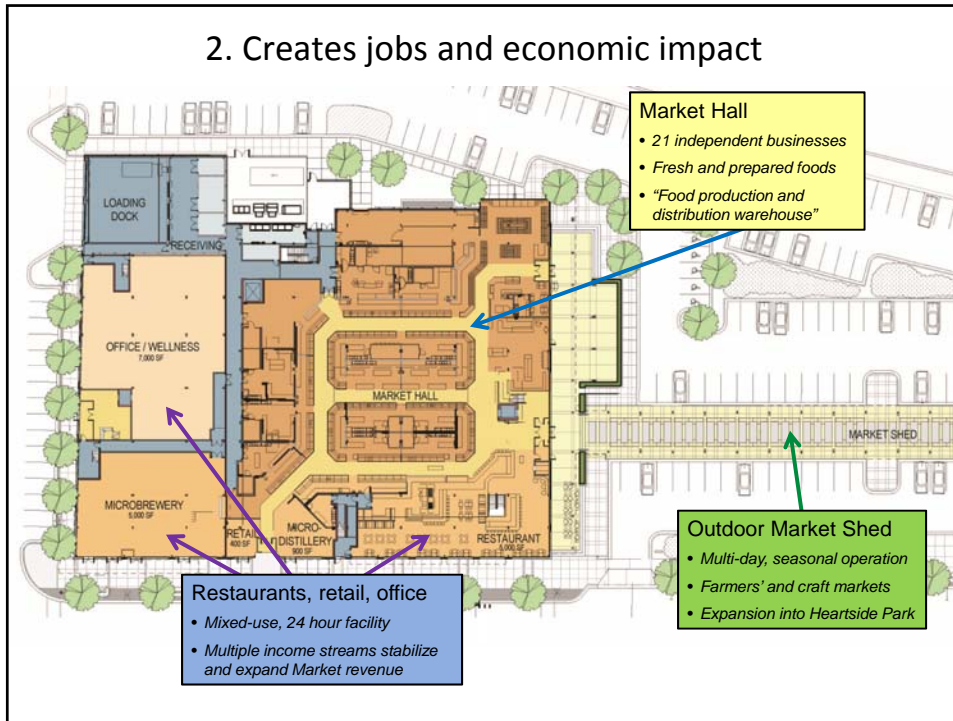
- Redefines southern edge of downtown
- Expands walkability of downtown
- Site visible from I-131 with easy highway access
- Downtown streetscape extended

1. Sparks redevelopment

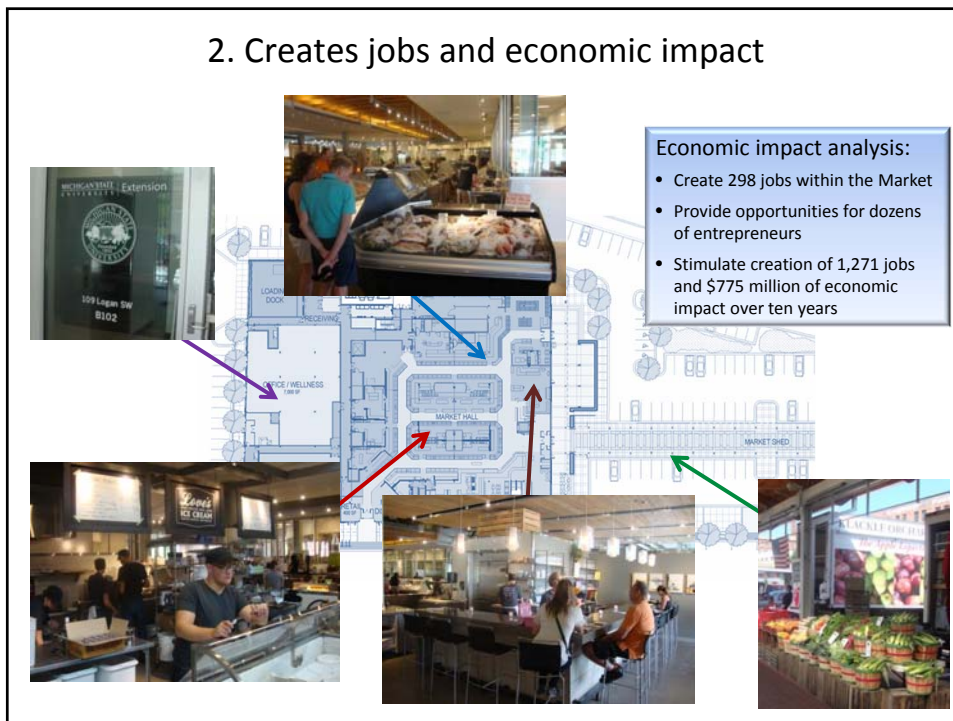


- Adjacent large vacant warehouses: Baker Building and Klingman Building
- Redeveloped into 170 units of mixed-income housing with ground floor retail
- Market has attracted 250,000 people per year

2. Creates jobs and economic impact



2. Creates jobs and economic impact



2. Creates jobs and economic impact

Results (as of 8/2015):

- 333 jobs
- 30 new businesses launched
- >100 entrepreneurs have used shared commercial kitchen
- 60 farmers and 45 craft vendors
- Year 3 estimated vendor sales: \$7.8 m; actual Year 2 sales \$8.3 m

3. Supports entrepreneurship and innovation

- Vendor stalls designed for production
- Shared commercial kitchen
 - Kitchen incubator program
 - Supports catering, special events
 - Surplus production space for vendors
- MSU Coop Extension, Product Center
- Grand Valley State U. Office of Sustainability



4. Promotes community wellness

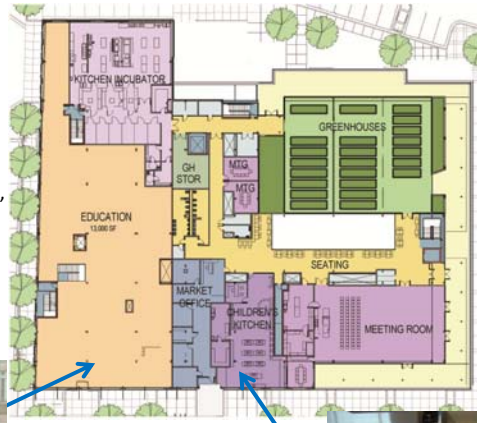
Three-pronged approach to combating obesity and diet related diseases

- Access (physical and financial)
- Education (greenhouses, Kids' Kitchen, demo kitchen)
- Excitement (video, social media, fun!)

Kent County School District

- Culinary and health programs

Gold LEED



4. Promotes community wellness

- Hands-on teaching kitchen with multiple cooking areas
- Dining area to model the benefits of eating together with fresh healthy foods
- Adjustable height cooking surfaces
- Make healthy food desirable and fun



5. Strengthens & celebrates the local food system

- Greenhouses for training gardeners and farmers
- Demo kitchen/ special event room for 250
- Kids' Teaching Kitchen
- Outdoor farmers' market

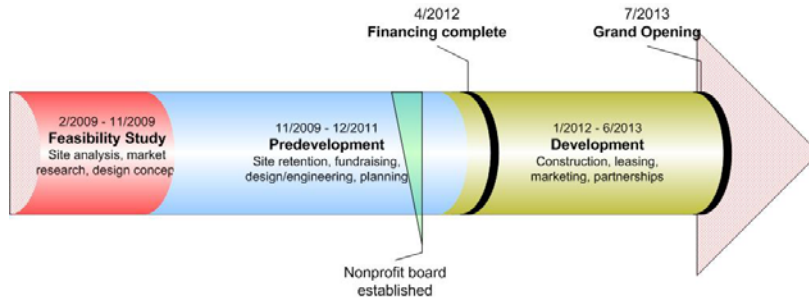
6. Brings diverse people together

- Downtown location accessible to entire community; adjacent to three low income neighborhoods
- Designed for sociability
- Room for 200 parking spaces
- Near current and future public transportation
- Adjacent to Heartside Park – opportunity for large scale programming, fitness, farmers' market expansion



Budget and Timeline

- Development budget: \$28 million, including operating reserve
- Private investment of \$13 million intended to leverage \$15 million in public funding (tax credits, federal grants, DDA contribution)
- Did not attract New Market Tax Credits so private sector increased support, took on debt secured by foundations



Outdoor Market Ribbon Cutting and Opening Day May 4, 2013



Grand Rapids Downtown Market



Winner! 2015 Rudy Bruner Award for Urban Excellence and 2016 APA Excellence in Economic Development Planning Award

The New York Times

TRAVEL

52 Places to Go in 2016

It's a big world out there, so we've narrowed it down for you. From ancient temples to crystalline waters, here are our top destinations to visit this year.

JAN. 7, 2016



A zen garden at the Frederik Meijer Gardens & Sculpture Park. Kevin Miyazaki for The New York Times

Grand Rapids Michigan

A furniture-making city champions urban renewal and art.



“The 138,000-square-foot food hall Grand Rapids Downtown Market, built using repurposed materials from the dilapidated buildings it replaced, earned LEED-gold certification in 2014 and enticed a branch of Detroit’s famed Slow’s Bar-B-Q to open last summer alongside bakers and other food-focused start-ups.”

The early 20th-century furniture companies Herman Miller and Steelcase established a creative community in central Michigan’s Grand Rapids, one now flourishing thanks to a confluence of urban revival and arts funding.

The 138,000-square-foot food hall Grand Rapids Downtown Market, built using repurposed materials from the dilapidated buildings it replaced, earned LEED-gold certification in 2014, and enticed a branch of Detroit-famed Slow’s Bar-B-Q to open last summer alongside bakers and other food-focused start-ups. For three weeks each fall, the city’s contemporary art competition ArtPrize attracts more than 1,500 works and awards \$500,000 in prizes. Artists from Auguste Rodin to Ai Weiwei stake the 158-acre Frederik Meijer Gardens & Sculpture Park, which recently added a Japanese garden with works by Anish Kapoor and Jenny Holzer. Don’t leave thirsty; over 40 craft breweries line the city’s ale trail.

— Diane Gusec

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What to do in Grand Rapids? Our reader suggestions on Facebook.

Eau Claire Public Market Development Considerations



Market Ventures, Inc.
www.marketventuresinc.com
(207) 321-2016

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Feasibility Study

The City of Eau Claire and community partners will be conducting a public market feasibility study in 2016. The study's main goal is to determine if a year-round enclosed public market facility which increases the production and consumption of local food is possible. The study will examine if a site location in the Cannery Redevelopment District is also possible and what may be the right mix of tenants and activities to make it financially viable.

The City is grateful for financial support from the USDA, Group Health Cooperative of Eau Claire, Marshfield Clinic, and Mayo Clinic Health System - NW WI Region, with whom we could have not undertaken such a study.

This website will be updated as the process unfolds, but if you would like newsletter updates via the project distribution list, please email Associate Planner [naed.naeel](mailto:naed.naeel@cityofeauclaire.com) or call him at 715-839-4914.

[IDEA Lounge AD for March 3rd, 7 p.m. meeting](#)
[Project Newsletter No. 1](#)
[Study Press Release](#)

THANKS FOR COMING!

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