

Eau Claire Public Market Feasibility Study



Eau Claire City Council
September 12, 2016

Market Ventures Inc.

Agenda

1. Project overview & goals
2. Market research findings and conclusions
3. Site analysis
4. Recommended development strategy
 - Development strategies
 - Block 7 development & design concept
 - Downtown Market District concept
5. Conclusion

Project Overview & Goals

- Project overview
 - Assess feasibility of year-round, indoor public market in downtown Eau Claire, building on the success of the Eau Claire Downtown Farmers' Market and other local food system elements
 - Study led by Market Ventures, Inc., national economic development consulting firm that specializes in public markets and local food strategies
 - Project guided by 18 member Steering Committee of public and private sector leaders
- Goals
 - Support the northwest Wisconsin food system
 - Provide entrepreneurial opportunities and jobs
 - Help revitalize downtown and adjacent neighborhoods
 - Contribute to community wellness
 - Become a community asset that attracts and retains talented people



Steering Committee

Name & Title	Organization
Eric Larsen, City Councilor	City of Eau Claire
Andrew Werthmann, City Councilor	City of Eau Claire
Scott Rogers, Gvt Affairs & Workforce Director	Eau Claire Chamber of Commerce
Deidra Barrickman, Manager	Eau Claire Downtown Farmers' Market
Tom Kemp, Member	Eau Claire Redevelopment Authority
Trish Cummings, Owner	Forage
Peter Farrow, President	Group Health Cooperative of Eau Claire
Pa Thao, Director	Hmong Association
Guy Logan, Chef	Houligans Steak & Seafood Pub
Julia Johnson, Project Coordinator	JAMF Software
Rachel Hart-Brinson, President	Just Local Food Coop
Miriam Gehler, Administrator	Marshfield Clinic
Blythe Rinaldi, VP Operations	Mayo Clinic Health System
Erin La Faive, Horticulture Educator	UW Extension
Nancy Coffey, Nutrition Coordinator	UW Extension, Eau Claire County
Carlos Garcia-Ruiz, Professor	UWEC
Linda John, Executive Director	Visit Eau Claire
Tom Quinn, Executive Director	Wisconsin Farm Union

Market Research

- Research methods – qualitative and quantitative
 - 35 one-on-one interviews, public meetings
 - Community internet survey – 3,602 completed, representing 9,000 household members
 - Trade area demographic and sales potential analysis
 - Vendor focus groups, site visits/observations
- Demand research highlights
 - 20% of survey respondents do not feel existing food stores meet their needs
 - Demographic analysis suggests limited demand for indoor, year-round market because of small and stable population, low incomes, “cheap” mentality
 - Strong enthusiasm for a year-round market, especially among young adults
 - Residents and tourists represent about \$3.6 million demand
- Supply research highlights
 - Farmers and food producers looking for inexpensive, short term opportunities; few looking for full-time retail opportunities
 - Limited supply of existing specialty food stores; will be difficult to tenant a market hall with all product categories
 - Just Local Food Coop wants to expand downtown



Market Research

- Competition
 - Strong competition from supermarkets, although no high-end grocers in area
 - Other nearby communities creating farmers' markets and building market sheds, challenging Downtown Farmers' Market as premier farmers' market in region
- Dynamic environment
 - Initial site (Cannery district) likely to become private brewery/restaurant/event space
 - Video store site on Madison & Oxford Street not for sale
 - Block 7 presents best opportunity for mixed-use development
- Limited public and philanthropic funding, leadership



Indoor Market Site Options



Site Rating

SITE	A	B	C	D	E	F	G	H	I	J
Criteria	Indianhead Foods	Family Video	Stella Blue's Parking Lot	Block 7	Garage Liner Building	RR Lot	Banbury Place Bldg 17	Transit Center	Woods/Motors Lot	Boys & Girls Club
Adequate size	Dark Green	Dark Green	Red	Dark Green	Light Green	Light Green	Dark Green	Red	Dark Green	Light Green
Proximity to Phoenix Park	Light Green	Light Green	Dark Green	Dark Green	Light Green	Light Green	Red	Red	Red	Red
Parking	Dark Green	Light Green	Red	Dark Green	Light Green	Light Green	Red	Red	Dark Green	Red
Landmark structure	Light Green	Light Green	Light Green	Light Green	Light Green	Light Green	Light Green	Light Green	Light Green	Dark Green
Visibility & accessibility	Light Green	Dark Green	Dark Green	Light Green	Light Green	Light Green	Light Green	Dark Green	Dark Green	Light Green
Revitalization impact on downtown	Light Green	Light Green	Light Green	Light Green	Light Green	Light Green	Light Green	Light Green	Light Green	Light Green
Supportive context of other related businesses	Light Green	Light Green	Light Green	Light Green	Light Green	Light Green	Light Green	Red	Red	Red
Availability	Red	Red	Red	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green	Dark Green
Cost	Light Green	Red	Light Green	Light Green	Light Green	Light Green	Light Green	Light Green	Light Green	Light Green
Score	4	5	3	12	7	7	5	1	7	3

Scoring: Dark green = +2, Light green = +1, Yellow = 0, Red = -1; criteria not weighted

Public Market Development Strategies

- Development principles
 - Capitalize on existing food and event-related assets, particularly maximizing use and success of farmers' market pavilion in Phoenix Park
 - Complement and be in close proximity to Downtown Farmers' Market
 - Target incremental projects that expand public market experience over time, leading to year-round indoor market activity
 - Focus on private sector investments and modest public or philanthropic investments
- Strategies
 - Encourage private developer to create year-round, indoor market anchored by specialty grocer as part of mixed-use project on Block 7
 - Establish Downtown Market District centered around farmers' market pavilion



Block 7 Concept/Development Program

- Mixed-use building with first floor food retail, multiple upper levels housing
- Commercial anchor: independent grocery with broad range of fresh and natural foods, ideally focused on locally grown and produced products
- Independent retailers that complement grocery, such as:
 - Bakery
 - Butcher
 - Coffee roaster
 - Florist
 - Prepared foods
- Indoor and outdoor public space and seating areas
- Education and event space/
winter farmers' market
- Parking (at grade and underground)



Block 7 Design Concept

Element	~SF
Grocery mezzanine	9,375 1,000
Café	5,985
Retail 1	1,800
Retail 2	900
Retail 3	900
Retail 4	1,200
Retail 5	900
Retail 6	600
Retail 7	1,520
Seating/Event	3,600
Footprint	35,000
Surf. parking	89 spaces



Downtown Market District

- A “market district” is a branding and management concept, with indoor and outdoor (public space) components
- Brand promises
 - “Market experience” every day
 - Local food businesses and entertainment, cultural experience
 - Proposed area not branded – called North Barstow area, Phoenix Park neighborhood
- Management and oversight are needed to develop and sustain the market district
 - Marketing/events
 - Coordinate with and support existing assets
 - Business recruitment
 - Strategic planning



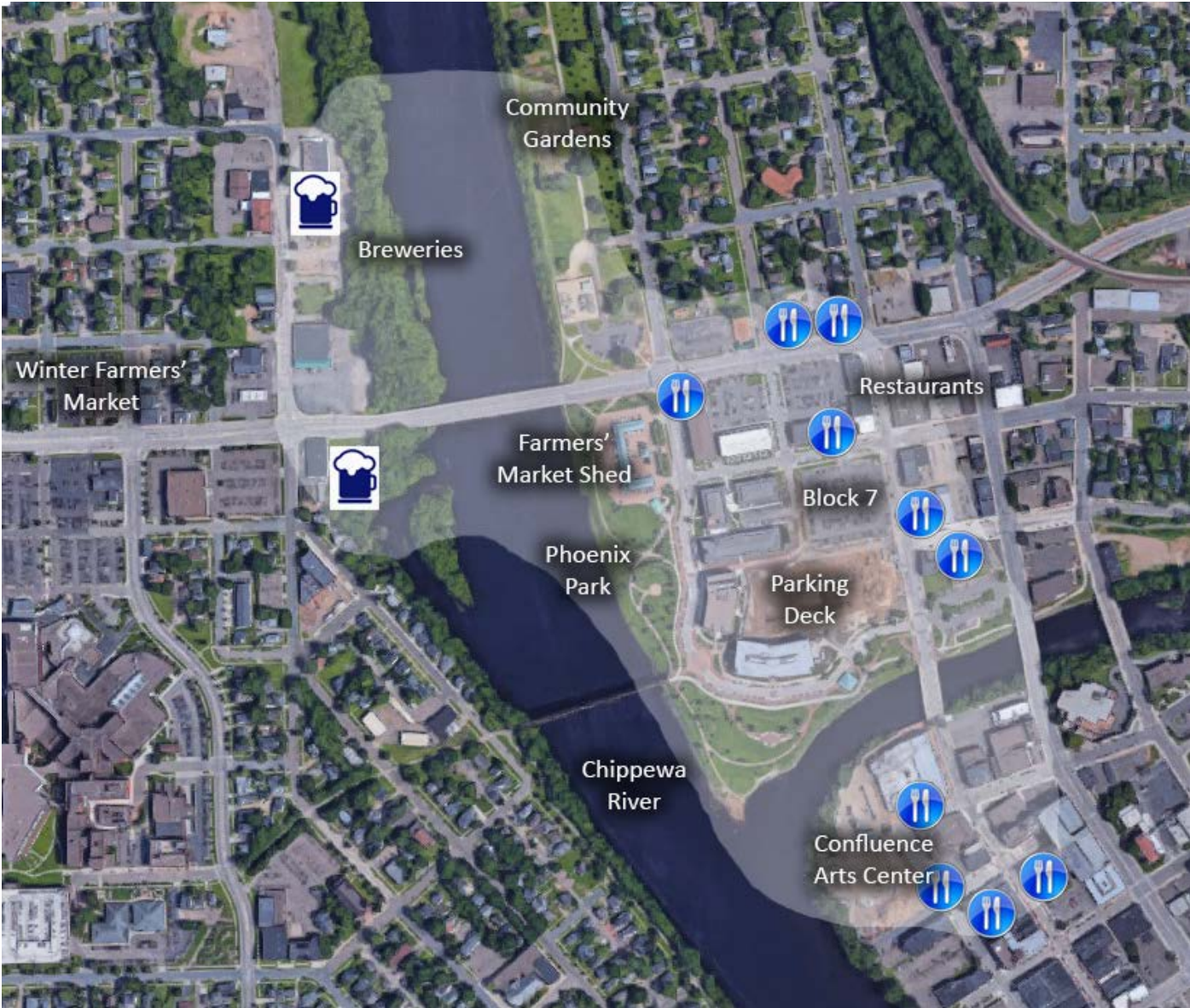
Byward Market
District, Ottawa

Downtown Market District Elements

- Existing elements
 - Phoenix Park, farmers' market pavilion, Downtown Farmers' Market
 - Restaurants, Confluence Arts Center (including programmed plaza), breweries, community gardens
- Key addition: daily fresh food sales
 - Specialty grocer such as Just Local Food Coop
 - Independent food/ag businesses (bakeries, coffee, butcher, florist, prepared foods)
- Potential elements
 - New outdoor markets: Vintage Market, Makers Market (Sundays)
 - Expand indoor winter market (make every Saturday)
 - Food education and event facilities and consistent programming
 - District-wide food festivals that feature local food history and unique agricultural assets (e.g., horseradish)
 - Additional restaurants, food trucks and performance venues
- Banbury Place continues to incubate start-ups

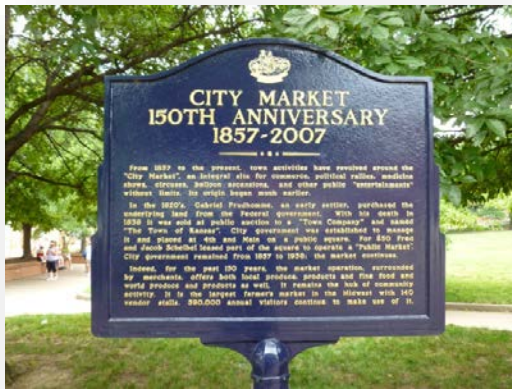


Potential Downtown Market District Area



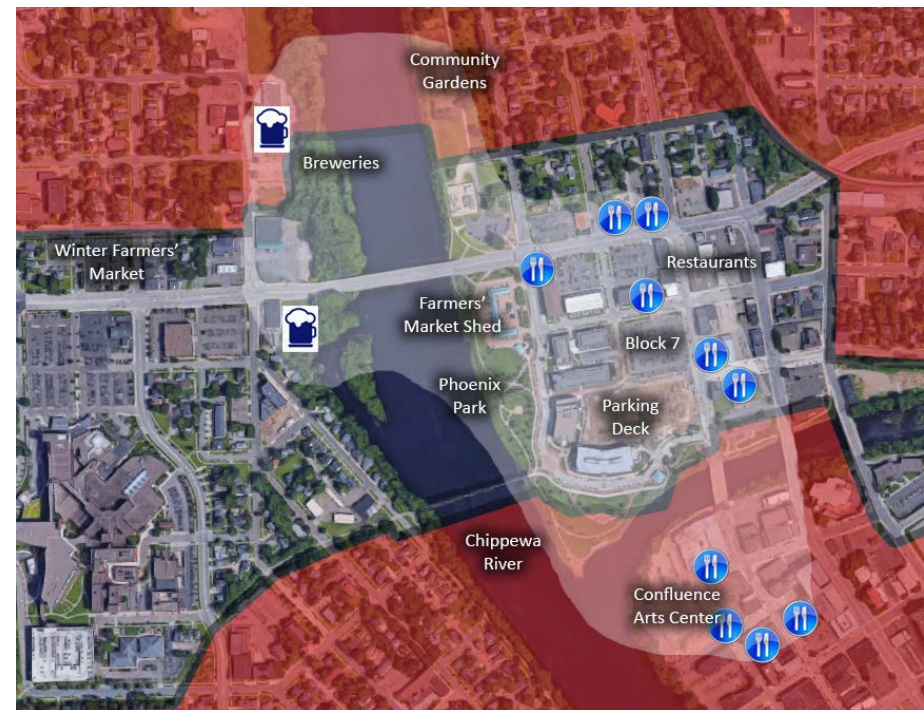
Market District Design Elements

- Locations
 - Streets and bridges
 - Phoenix Park and trail
- Elements
 - Banners
 - Murals/public art
 - Signage/interpretive elements



Ownership and Operations: Market District

- No owner - district designated by city
- Sponsoring entity needed to oversee district management and branding
 - Programming/events
 - Marketing
 - Business recruitment
 - Maintenance: “Clean & green”
 - Strategic planning and partnerships
- Potential oversight entities
 - North Barstow/Medical BID
 - Downtown Eau Claire, Inc.
 - Create new organization
- Management staffing
 - Market District Manager (p/t)
 - Marketing and Events Manager (p/t)
 - Maintenance worker
 - Volunteers
- Annual budget: ~\$182,000



Ownership & Operations: Indoor Market

- Owner & developer
 - Private developer selected by RDA to purchase RDA land and create mixed-use facility
 - Developer agrees to create indoor market-grocery concept on ground level
 - City pursues economic development funding to support project financing
- Sponsor options
 - Building owner
 - Specialty grocery operator
 - Market district organization (nonprofit sponsor)
- Management
 - Indoor market too small to afford dedicated, on-site market management
 - Property management services provided by building owner or grocer
 - Market District staff provide marketing and event management, coordinated with grocer



Conclusion

- Proposed year-round indoor market meets the project goals while being appropriately scaled for Eau Claire, offers improved home for winter farmers' market, and provides facilities for programming with wellness partners
- Private sector-led development, with modest public investment leveraging substantial private investment
- Downtown Market District builds on existing assets, including city investment in market pavilion, and can expand over time
- District can be implemented when daily food sales are in place; requires modest annual investment for staff and programming



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