

bae urban economics

Farmers Market and Pavilion Analysis

Prepared for the City of Vacaville

April 10, 2020



This page intentionally left blank.

bae urban economics

April 10, 2020

Tyra Hays, Senior Planner
Advanced Planning Division
City of Vacaville
650 Merchant Street
Vacaville, CA 95688

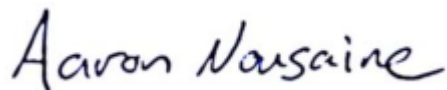
Dear Tyra:

We are pleased to present the Downtown Farmers Market analysis which was developed in support of the Downtown Priority Development Area Specific Plan for the City of Vacaville.

In keeping with the direction received from City staff on February 27th, the report provides a summary of the ways in which the City could best support and promote the viability and expansion of the Vacaville Farmers Market, including a high level analysis of the potential costs and benefits associated with development of a permanent farmers market structure.

As always, please do not hesitate to contact me directly if you have any questions or concerns regarding this document, our research, or key recommendations. I may be reached by phone in our Davis office at (530) 750-2195 or by email at aaronnousaine@bae1.com.

Sincerely,



Aaron Nousaine, MCRP
Associate Principal

San Francisco

2600 10th St., Suite 300
Berkeley, CA 94710
510.547.9380

Sacramento

803 2nd St., Suite A
Davis, CA 95616
530.750.2195

Los Angeles

448 South Hill St., Suite 701
Los Angeles, CA 90013
213.471.2666

Washington DC

700 Pennsylvania Ave. SE, 2nd Floor
Washington, DC 20003
202.588.8945

New York City

234 5th Ave.
New York, NY 10001
212.683.4486

This page intentionally left blank.

Table of Contents

INTRODUCTION.....	1
DOWNTOWN FARMER’S MARKET OVERVIEW	2
History of the Downtown Market.....	2
California Market Match Program.....	2
Current Status of the Downtown Market.....	3
OPPORTUNITIES TO SUPPORT THE MARKET.....	5
Improved Wayfinding and Signage.....	5
Expanded and Coordinated Events Programming	5
Facilitate a Cooperative Dialogue with Downtown Businesses.....	6
Implement the Downtown Specific Plan and Retail Strategy	6
Increase Parking Capacity and Availability	8
BENEFITS AND COSTS OF A FARMERS MARKET STRUCTURE	10
Benefits of a Permanent Farmers Market Structure	10
Costs of a Permanent Farmers Market Structure	13
Estimated Costs for Similar Structures.....	16
Potential Funding for a Farmers Market Structure	19

List of Tables

Table 1: Estimated Cost for a Farmers Market Structure and Associated Improvements, UC Davis Design Team, 2017	15
Table 2: Farmers Market Structure Cost Comparison.....	16

INTRODUCTION

Under the existing scope of work for the City of Vacaville Downtown Priority Development Area Specific Plan, the City requested that BAE conduct research to develop a rough estimate of the cost to construct a permanent farmers market pavilion structure in Downtown Vacaville. In addition, BAE is scoped to conduct additional research on potential sources of funding for the project, including public and/or charitable sources that aim to support local food production and access. Lastly, the scope of work directs BAE to also qualitatively evaluate the potential benefits to the City of Vacaville and the Downtown area from the establishment of a permanent farmers market structure in the Downtown, focusing on economic impacts.

During the kickoff conference call conducted on February 27th, the consultant team (ESA and BAE) discussed potential deviation from the established scope of work with City staff. BAE received direction to focus less on the cost and funding analysis for the market pavilion, and to add in some discussion relating to other actions that the City can take to support the long-term viability and expansion of the existing Downtown Vacaville Farmers Market.

In keeping with the direction received on February 27th, the following report begins with a brief description of the existing farmers market that operates in Downtown Vacaville, followed by a summary of the ways in which the City could best support and promote the viability and expansion of the Farmers Market based on interviews with Nolan Adams, Market Manager for the Pacific Coast Farmers Market Association (PCFMA) and Brook Fox, Executive Director of the Downtown Vacaville Business Improvement District (DVBID). This report then summarizes the estimated cost of a permanent farmers market structure and associated improvements, including cost estimates provided by the City, which BAE then evaluated within the context of costs for construction of market pavilions in other communities. Lastly, this report concludes with a brief discussion of potential funding sources that could be used to provide resources for development of a permanent farmers market structure.

DOWNTOWN FARMER'S MARKET OVERVIEW

The Pacific Coast Farmers Market Association (PCFMA) operates the Vacaville Farmers Market in Downtown Vacaville. The PCFMA has been running farmers markets throughout the San Francisco Bay Area and beyond for more than 35 years and currently operates 46 markets in various communities throughout Alameda, Contra Costa, San Francisco, San Mateo, Santa Clara, and Solano Counties. The PCFMA uses a standardized management model for all of the farmers markets that they operate, which offers certain efficiencies and a consistency in management style that provides much needed predictability for vendors, many of whom sell at multiple markets.

History of the Downtown Market

According to Nolan Adams, Market Manager, the PCFMA took over operation of the Downtown Vacaville Farmers Market approximately seven years ago, though a market has been in operation in the Downtown for closer to ten or 15 years. When the PCFMA took over management of the Vacaville Downtown Market, the market was held on Main Street near the Town Square. Mr. Adams indicates that at the outset, there weren't very many events in the Downtown and that the market was primarily coordinated to align with the influx of people visiting Downtown restaurants on the weekends for brunch. The market operates seasonally, from 8:00 a.m. to noon on Saturdays. The market also added a beer garden and other attractions. The Farmers Market moved to its current location in Andrews Park two years ago. Relocation of the Farmers Market seemed to result in an increase in foot traffic in the Downtown and visitation to the Farmers Market

California Market Match Program

All PCFMA markets, including the Vacaville Farmers Market, are part of the California Market Match Consortium, which ensures that each market is involved in the Women, Infants, and Children (WIC) Farmers Market Nutrition

Program (FMNP) and the CalFresh Supplemental Nutrition Assistance Program (SNAP) Electronic Benefit Transfer (EBT) programs. Market Match also ensures that every dollar spent by WIC and CalFresh participants is matched with an additional dollar of local spending power (up to a \$10 maximum) if spent on fresh fruits and vegetables. Mr. Adams indicates that this



Vacaville Farmers Market – Main Street (2013)

Source: Yelp.com.

is a critical program that increases consumer spending power in a way that benefits consumers as well as vendors.

Current Status of the Downtown Market

During the farmers market season, which typically extends from May to October, the Downtown Farmers Market averages between ten and 13 unique vendors, though the exact number fluctuates from week to week.¹ This represents a medium sized market for the PCFMA. Different vendors generally take up different amounts of space, ranging from one tent up to four tents. As a result, the perceived size of the market can fluctuate significantly, which can give some consumers an impression of instability. Due to the past success of the Downtown Vacaville Farmers Market, the PCFMA had planned to open the market in April for the 2020 season, though that was prior to the Corona Virus pandemic and related regional and statewide shelter-in-place orders. It is not clear at this time whether the market will open as planned.



Vacaville Farmers Market – Andrews Park (2019)

Source: Pacific Coast Farmers Market Association (PCFMA).

Mr. Adams indicates that the variation in vendor count and customer volume is closely tied to the Downtown events calendar, with lower vendor counts and customer totals corresponding with days when no complementary events are scheduled. He further indicates that the events that provide the greatest boost in Farmers Market attendance include Fiesta Days, Kidfest, the Chili Cookoff, and the Summer Concert Series. He notes that these are also summertime events, which also align well with the availability of a diversity of high-quality produce and the warmer weather, which makes attendance at outdoor events more desirable. He further elaborates that any event that draws families is beneficial. These events often draw more people to the Downtown

The PCFMA does an observed head count at each farmers market, every week. Based on the data that they collected, Mr. Adams indicates that the average number of shoppers that visit the Downtown Vacaville Farmers Market can range from 850 to 1,200 customers per day, which represents a sustainable level of consumer demand for a medium sized market.

¹ By comparison, the twice-weekly Davis Farmers Market can attract up to around 60 vendors.

and expose more people to the Farmers Market. Also, the diversity of the events calendar attracts a broader diversity of people, which is beneficial for marketing.

The PCFMA has not conducted a consumer spending survey in at least five years, and has never done one specifically for the Downtown Vacaville Farmers Market. However, based on the results of the last survey conducted by the PCFMA, Mr. Adams estimates that visitors to the Downtown Vacaville Farmers Market likely spend around \$40 per person, which aligns with the market's status as a medium-sized operation based on the number of vendors and customers. He further indicates that consumer spending at some of the larger PCFMA markets can range from \$60 to \$70 per person, per visit. However, Mr. Adams indicates that \$40 per person is a sustainable level of consumer demand. He indicates that as the market expands, they aim to increase consumer spending in line with the higher-end estimates. Doing so will require expanding the base of local consumers, which will allow the market to expand the number and variety of vendors, and so on in a virtuous cycle.



Vacaville

FARMERS' MARKET

Vacaville Farmers Market – Marketing Materials

Source: Pacific Coast Farmers Market Association (PCFMA).

OPPORTUNITIES TO SUPPORT THE MARKET

While the initial scope of work for this assignment centered on better understanding the costs and benefits of creating a permanent farmers market structure, a brief conversation with Mr. Adams indicates that there are likely other higher priority actions that the City can take to support the viability and potential expansion of the existing Vacaville Farmers Market.²

Improved Wayfinding and Signage

Like most types of retail, consumer spending at the Farmers Market is driven by foot traffic and consumer visibility. As documented in the *Downtown Vacaville Retail Strategy*, one of the key challenges faced by Downtown businesses is a lack of visibility to the Vacaville consumer base. Where the Nut Tree and The Outlets have good freeway visibility and access via main arterial streets, the Downtown is largely hidden from sight. With very limited visibility from major arterials, multiple community members indicate that it is easy to forget that the Downtown even exists as a retail option due to a lack of visibility. Due to these challenges, the *Retail Strategy* recommends making improved wayfinding a high priority. Mr. Adams reinforced the need for better wayfinding and signage, hoping that the Farmers Market can be included as an important local amenity/destination in the City’s revamped wayfinding program.



Wayfinding Example – Portland, Oregon

Source: Portland Tribune.

Expanded and Coordinated Events Programming

As noted above, the visitor counts at the Farmers Market fluctuate considerably based on what complementary activities are occurring concurrent with the market. Therefore, refinement and expansion of the events calendar will be beneficial to the Farmers Market, assuming that those events are coordinated to be complementary to the market’s operation. Again, as Mr. Adams noted, complementary events not only bring more people to the Farmers Market, they bring different people, which helps to expand the market’s reach within the community. Brooke Fox indicates that the community could do better at cross promoting events in the Downtown. For example, the DVBID has planned to coordinate the second annual Health and Wellness Fair with the Saturday Farmers Market due to natural synergies and a desire to increase attendance at both events. In addition, the Retail Strategy recommends that the City approach the events calendar as an extension of the Downtown brand and leverage it as a core component of the Downtown marketing strategy. The City should consider the Farmers

² The recommendations identified in this section are listed in no particular order.

Market to be an integral part of the Downtown brand and events calendar and should coordinate complementary events accordingly. Brooke Fox also recommends expanding the number of prepared food vendors, which would be a good complement for events scheduled to coincide with the Farmers Market and would hence the market's destination appeal.

Facilitate a Cooperative Dialogue with Downtown Businesses

Mr. Adams indicates that another key challenge faced by the Farmers Market is a perceived lack of acceptance among some of the existing Downtown business community. He notes that some businesses view the Downtown Farmers Market as competition and not as a

...there are likely other higher priority actions that the City can take to support the viability and potential expansion of the existing Downtown Farmers Market.

complementary asset that can help to drive weekend foot traffic in the Downtown. He recommends that the City and the Downtown Vacaville Business Improvement District (DVBID) take a more proactive role in facilitating an open dialogue among Downtown businesses and the Farmers Market and its vendors regarding how best to coordinate efforts in a mutually supportive way. He highlights that the Farmers Market essentially functions just like any other Downtown business. Brooke Fox with the DVBID echoed

Mr. Adams comments and identified a variety of ways that the DVBID could potentially better coordinate Downtown business activity with the Farmers Market to benefit all involved. She highlighted efforts to recruit Downtown businesses to open booths at the Farmers Market and has offered businesses free space at the Farmers Market in order to do so. She also highlighted a need to have a Downtown business guide and coupon book to help draw Farmers Market customers into the Downtown area. She also identified efforts to recruit businesses for demonstrations and other attractions at the Farmers Market, such as yoga or cooking classes. She indicates that relocation of the Farmers Market to Main Street near the Town Square could improve the economic relationship between the Farmers Market and Downtown businesses, though the current mix of businesses in the Downtown does not maximize potential synergies (too much office and not enough retail). Mr. Adams also expressed a desire to ensure that the Farmers Market is representative of the Downtown Vacaville business community. In turn, the Farmers Market should work to highlight local businesses in the same way that the Downtown Marketing Strategy does, such that they can contribute to the creation of an identifiable Downtown Vacaville brand.

One of the best things that the City can do to support the Farmers Market is implement the Downtown Specific Plan.

Implement the Downtown Specific Plan and Retail Strategy

The Downtown Vacaville Farmers Market faces many of the same challenges as any other Downtown Vacaville retail business. As such, Mr. Adams recommends that the City focus its energy on implementing the *Downtown Priority Development Area Specific Plan* (document currently underway), the *Downtown Vacaville Retail Strategy* (submitted in October 2019), and

the Downtown Connectivity and Streetscape Design Plan (submitted in February 2020). Doing so will inherently address many of the key barriers that are preventing the Vacaville Downtown from becoming the vibrant commercial destination that it aspires to be. For example, Brooke Fox with the DVBID highlights the incorporation of more new housing into the Downtown area as a key long-term strategy for improving the viability of the Farmers Market. Doing so will put more residents within walking distance of the market, reinforcing its position as part of the weekly events schedule.



Expanded Town Square – Conceptual Design Study

Source: Jacobs.

By addressing things like the lack of maintenance of the existing streetscape improvements, installing additional pedestrian and bicycle transportation improvements, increasing visibility through an updated wayfinding strategy, etc., the City will help to improve the economic vibrancy of the whole district which, as a matter of course, will increase the amount of foot traffic in the district on farmers market days. By simply raising the profile of the Downtown as a commercial district, the Farmers Market will become more visible to Vacaville consumers.

While all of the actions identified in the Specific Plan and the Retail Strategy will likely benefit the Farmers Market, the ones that Mr. Adams specifically highlighted as likely providing the most direct benefit include the following:

- Wayfinding and signage improvements (including those that help consumers locate parking);
- Streetscape improvements along Main Street;
- Expansion of the Town Square;
- Outdoor seating, dining, and parklets; and
- Improved parking management and/or more parking.



Existing Parking Resources – East Main Street

Source: UC Davis?

Increase Parking Capacity and Availability

As discussed in more detail below, the existing vision for a permanent farmers market structure involves development of a pavilion along the north side of East Main Street. One concern is that such a plan would reduce the amount of parking that is available to consumers in close proximity to the Farmers Market. While creation of a pavilion on East Main Street would provide benefits to Farmers Market vendors, as discussed below, the loss of accessible parking could discourage consumers who are already reluctant to shop downtown due to concerns over convenient parking availability.³

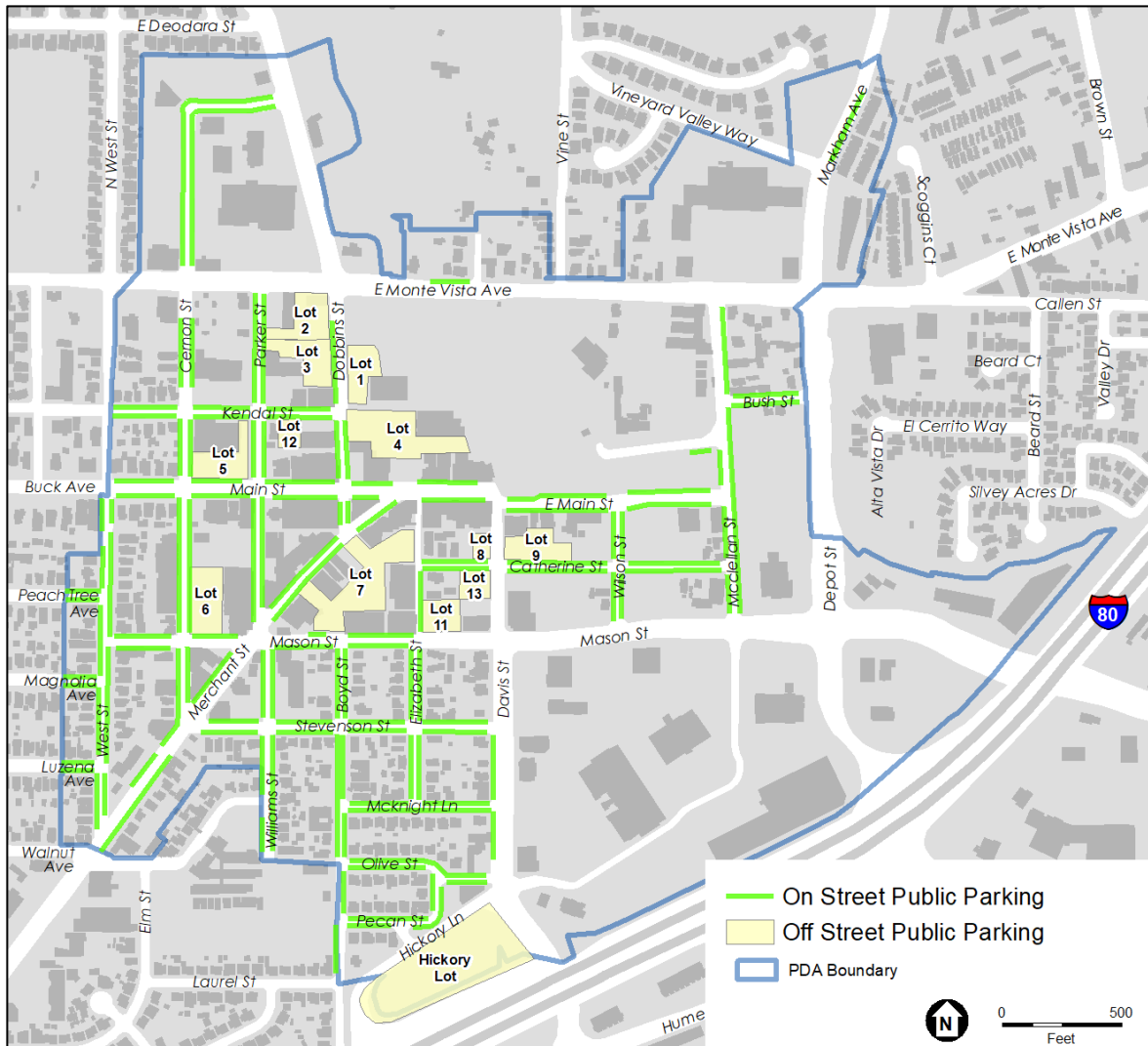
If the Farmers Market is to remain in its current location, Mr. Adams recommends that the City consider the creation of new parking resources in proximity to Andrews Park, and/or the pursuit of an agreement with the nearby school to better utilize their existing parking in a shared parking arrangement that would explicitly allow Farmers Market patrons to use the school parking during the market hours on Saturdays.⁴ While Mr. Adams identified the existing vacant lot located at the east end of School Street between McClellan Street and Depot Street, south of Bush Street, as a good site for additional parking, that site has already been identified for potential near-term commercial and residential development.

Another option may be to eventually relocate the Farmers Market back to Main Street near the Town Square. If the City is successful at installing the desired streetscape improvements and expanding the Town Square, moving the Farmers Market to Main Street would better leverage those improvements and provide a key critical mass of commercial activity which may further the City's economic development goals for the Downtown. This move would also put the Farmers Market in closer proximity to significant existing parking resources and would

³ As noted in the Downtown Vacaville Retail Strategy and other reports related to the Downtown Priority Development Area Specific Plan, many Vacaville consumers are reluctant to shop in areas where they cannot find parking in immediate proximity to their destination.

⁴ Mr. Adams notes that some farmers market patrons already utilize parking resources at the school, though that has caused conflicts at times due to a lack of direct coordination.

leverage efforts currently under way to better utilize existing parking facilities within the greater Downtown area through a mixture of better wayfinding and shared usage.⁵



Existing Parking Facilities in Priority Development Area

Source: DKS.

⁵ As part of the Downtown Specific Plan Process, the consultant team is currently conducting a parking study to analyze and provide recommendations for increased and/or better utilized parking capacity.

BENEFITS AND COSTS OF A FARMERS MARKET STRUCTURE

The creation of permanent farmers market structures can have a number of important benefits for a community, as well as for the farmers market operator and vendors. However, construction of permanent farmers market structures also comes at a significant cost.

Benefits of a Permanent Farmers Market Structure

The following subsection provides a brief qualitative summary of the benefits associated with creation of a permanent farmers market structure. While the scope of work indicates that the analysis will focus on potential economic impacts, very little information is publicly available that discusses the direct or indirect economic impacts of this type of project. Where possible, this section discusses the economic benefits, though it also includes other non-economic benefits which are, nonetheless, important for promoting downtown commercial revitalization.

Creating a Focal Point for the Community

One of the benefits of creating a permanent farmers market structure is the message that it sends to the community regarding a City's commitment to the farmers market operation. It tells consumers that the City sees intrinsic value in the operation and that the market has a place in the community's social fabric. It also contributes significantly to the creation of a sense of place, which is at the core of the Downtown brand. For example, the farmers market pavilion in Davis does not just function to provide shelter from the weather (e.g., sun, rain, etc.), but also carves out an easily identifiable space at the center of the city where community members can come together for special events.⁶ These intangible benefits are particularly difficult to quantify, though they are central to creating an identifiable Downtown brand.



Nut Tree Plaza – A District Focal Point

Source: TripAdvisor.com.

⁶ Designing the farmers market structure as a multi-use space helps to facilitate the creation of a community focal point. Certain design features, such as restrooms, electrical wiring, and Wi-Fi connectivity can also make the structure more flexible. In some cases, farmers market structures are also paired with other complementary facilities, like enclosed meeting space and kitchen facilities, which can further enhance the appeal of the space as an events venue. Depending on the types of alternative events that the community is interested in hosting, creating a flexible space can also open up new funding opportunities such as other types of grants and philanthropic donations.

Providing Convenience and Accessibility

The other key benefit of creating a permanent farmers market structure is that it can provide convenience and accessibility for both consumers and vendors. We will again use the Davis Farmers Market pavilion as an example due to its similarities to the existing vision for the Vacaville Farmers Market pavilion. The Davis Farmers Market pavilion features a covered area with an aisle down the middle. The pavilion has existing public nose-in parking spaces along its eastern edge. This allows vendors to pull their vehicles up to, or even into, the pavilion. They can then simply open their vehicle's doors and begin selling product. When a farmer's market needs to take over an existing street, vendors often do not have the ability to keep their vehicles on site, but have to unload (sometimes a fair distance away from the actual market site) and set up their stall, then relocate their vehicles. They then have to reverse the process when the market is over.

Having a permanent pavilion, if it is designed well, can help to reduce the level of effort for the vendors. This is an important incentive and can help to attract more, high quality, vendors who have a wide array of other markets to choose from.



Davis Farmers Market Pavilion with Central Aisle

Source: The California Aggie.

In addition, from the consumer perspective, the creation of a permanent farmers market pavilion can help to ensure the ready availability of a number of important amenities. For example, at the Davis Farmers Market, there is a permanent storage building that houses an automatic teller machine (ATM).⁷ This means that consumers don't need to walk the two blocks that it would otherwise take to get cash from the nearest ATM if they prefer to use cash or if the vendor(s) they'd prefer to shop with are not equipped for electronic transactions. The location of the pavilion in the Central Park also ensures that there is ample public seating and areas where consumers can sit down to eat the produce that they just purchased from the market. The location in the park also facilitates coordination between the Davis Farmers Market and various events, such as public concerts. The availability of multiple children's play areas also creates an incentive for families to visit the Farmers Market on a regular basis, as they can combine a meal, grocery shopping, and a visit to the playground all into one trip.

⁷ The availability of the storage building also offers an important benefit to the farmers market operator, as they can leave equipment on site and don't have to transport it to the market site each week.

Cumulative Impacts on Economic Viability

While little research is readily available that clearly quantifies the direct and indirect economic impacts associated with creating a permanent farmers market structure, economic theory and professional experience indicate that the qualitative benefits described above can have clear and tangible impacts on downtown revitalization and commercial vibrancy, as well as for the success of local agricultural producers engaged in direct to consumer marketing.⁸



Vacaville Downtown Business and Pedestrians

Source: BAE Urban Economics.

Creation of a community focal point, if coordinated with other placemaking efforts, can help to create a sense of identity in the downtown district and can improve the district's brand recognition. Such improvements can make downtown districts more desirable places to shop, recognizing that they offer a broader diversity of amenities and a more clearly defined experience compared to more traditional shopping centers. As a result, downtown districts with successful placemaking initiatives have commonly experienced increased foot traffic, which typically translates into increased sales. Over time, many communities have leveraged placemaking improvements into a virtuous cycle of economic revitalization, wherein the improvements generate more foot traffic, which allows stores to improve their offerings and this in turn draws in new retailers, which creates the critical mass that increases foot traffic. However, for a farmer's market structure to provide these benefits, it needs to be coordinated with a broader placemaking and revitalization strategy.

In addition to broad placemaking, the creation of a farmer's market pavilion can help the farmers market operator to recruit more and better vendors. For the reasons described above, vendors are likely to attend markets that provide them access to the best consumer markets, while simultaneously balancing the level of effort necessary to do so, in addition to timing and scheduling concerns. As the market begins to successfully recruit more and better vendors, the value to the consumer increases, which in turn increases visitor counts and provides an additional incentive for vendors to choose Vacaville over other regional alternatives.

⁸ Hardesty, S., Christensen, L. (2016). Economic Impact of Local Food Marketing by Yolo County Producers in the Sacramento Region. Davis, California: University of California at Davis. Available at: <http://sfp.ucdavis.edu/files/243491.pdf>

Costs of a Permanent Farmers Market Structure

The following subsection summarizes the components of the permanent Farmers Market structure as previously envisioned by the City of Vacaville. The cost estimates provided are as developed by a student research team from UC Davis. To help put the cost estimates developed by the student team into perspective, BAE conducted some limited research regarding the cost to develop farmers market structures in other communities.

Estimated Cost to City of Vacaville

In 2017, the City of Vacaville worked with a small student team from UC Davis to develop a concept for a permanent farmers market venue in Downtown Vacaville. The concept involved development of an open pavilion along the north side of East Main Street. The pavilion would at least partially cover the existing nose-in surface parking, which would be used during market times, but would be available for public parking during the rest of the week. The team provided three alternative designs, all of which include a pavilion, as well as complementary landscaping. The landscaping generally includes public seating and eating areas, public art, and other improvements. The estimated total cost for the 8,675 square foot structure, as detailed in

Table 1, was \$351,915 in nominal 2017 dollars. Also, please note that this includes a 30 percent contingency factor.



Vacaville Farmers Market Pavilion – Design Concept #1

Source: UC Davis Design Team; City of Vacaville.



Vacaville Farmers Market Pavilion – Design Concept #2

Source: UC Davis Design Team; City of Vacaville.



Vacaville Farmers Market Pavilion – Design Concept #3

Source: UC Davis Design Team; City of Vacaville.

Table 1: Estimated Cost for a Farmers Market Structure and Associated Improvements, UC Davis Design Team, 2017

Area	Items	Description	Quantity	Itemized Cost (\$)	Total Cost (\$)
				Estimated	Estimated
Solar Carport	Solar Carport	347 ft. x 25 ft. = 8675 sq. ft.	1	\$150,000.00	\$150,000.00
Landscape Area	Design/Layout	Landscape Architecture/Engineering	1	\$8,000.00	\$8,000.00
Landscape Area	Landscaping and Irrigation	Basic Naturalistic Garden Landscaping (no trees) - (\$12 per sq. ft.) X (6000 sq. ft.) *Total Estimate Cost - includes materials and installation	6000	\$12.00	\$72,000.00
Landscape Area	Fence for Creek Barrier	Commercial Wrought Iron Fence 48"H x96"W Panels with 2" x 2" x 4' Posts with Welded Flange (\$24 per linear foot)x(455 total fence length) = 455 panels with post	455	\$24.00	\$10,920.00
Seating	Large Modular Concrete Benches	"Twig Bench" 76.0"W 18.0"H 93.0"L	6	\$2,700.00	\$16,200.00
Seating	Picnic Tables	Rectangular Steel Picnic Table Diamond Pattern Model 238-V4 - 48"L x 70"W x 30"H	4	\$660.00	\$2,640.00
Public Art	Public Art Display Area	Concrete pad at corner of McClellan and E Main for Public Art Display (1200 sq. ft.)X (\$9.12 per sq. ft.)	1200	\$9.12	\$10,944.00
Project Management		TBD			\$0.00
					\$0.00
	Subtotal				\$270,704.00
	Unexpected Costs (add 30% estimated)				\$81,211.20
	Total				\$351,915.20

Source: City of Vacaville; UC Davis, 2017.

Estimated Costs for Similar Structures

To assess the reliability of the cost estimates provided by the UC Davis design team, BAE conducted limited research regarding the costs associated with development of other permanent farmers market structures. More specifically, BAE reviewed a 2014 report published by Smith College that summarizes case study research regarding the structure of eight public farmers markets across the country, including two with existing or planned pavilions in Durham, North Carolina, and Columbia, Missouri.⁹ In addition, BAE uncovered more recent information regarding the estimated costs associated with development of farmers market structures in Healdsburg, California, and Ann Arbor, Michigan. While these communities differ from Vacaville in many ways, the costs associated with building a farmers market structure should be fairly similar, with the exception that some of the comparison communities created not just a farmers market pavilion, but also other ancillary facilities, like demonstration kitchens and meeting space. To the extent possible, the cost estimates discussed below include only the farmers market pavilion structure itself. To facilitate comparison, Table 2 summarizes the total estimated cost of each structure, as well as its size in square feet, and the average cost per square foot. Based on this limited research, the estimated cost for developing a farmers market structure of a similar size to that envisioned by the UC Davis design team could potentially range from a low of around \$650,000 to as much as \$3.2 million,¹⁰ though the true cost will vary based on a wide variety of market forces and design considerations.

Table 2: Farmers Market Structure Cost Comparison

Community Name	Year Built	Estimated Total Cost (a)	Covered Square Feet	Average Cost Per Square Foot	Estimated Size of Vacaville Market (b)	Estimated Cost Based on Comparables (c)
Durham, North Carolina	2007	\$900,000	12,000	\$75	8,675	\$651,000
Columbia, Missouri	2019	\$1,300,000	14,700	\$88		\$767,000
Healdsburg, California	2020	\$4,170,724	11,300	\$369		\$3,202,000
Ann Arbor, Michigan	2016	\$850,000	4,000	\$213		\$1,843,000

Notes:

(a) To the extent practicable, BAE identified the cost associated with construction of the farmers market pavilion structure only, excluding other associated improvements. For example, in Columbia, Missouri, the cost estimate includes the cost of the structure itself, including electrical and water/sewer connections, but excludes costs associated with development of additional educational space.

(b) Based on the estimate provided by the UC Davis design team in 2017.

(c) Based on the estimated size of the Vacaville Farmers Market structure as reported by the UC Davis design team in 2017, multiplied by the average per square foot costs for development of farmers market structures in each comparison community as identified through case study research.

Source: BAE, 2020.

⁹ Barbour, E., Hunter, A., Jones, J., Whiting, J., and Wetzel, P. (2014). An Exploration of Permanent Farmer's Market Structures. Northampton, Massachusetts: Smith College. Available at:

<http://www.northamptonma.gov/DocumentCenter/View/3001/Permanent-Farmers-Markets-FINAL-COPY?bidId=>

¹⁰ These estimates are based on an assumed building size of 8,675 square feet. BAE then applied the estimated per square foot development cost associated with each of the four comparable farmers market structures discussed below, which range from a low of \$75 per square foot in Durham, North Carolina, to a high of \$369 per square foot in Healdsburg, California.

The 2014 Smith College report included case study research regarding two farmers markets that have permanent pavilion structures, including Durham, North Carolina, and Columbia, Missouri.

Durham, North Carolina

According to the report, the farmers market pavilion in Durham was built in 2007 at a total cost of nearly one million dollars, including approximately \$700,000 for the structure itself and around \$200,000 in additional cost for bathroom facilities, site work, power, and lighting. At roughly 12,000 square feet in size, development of the structure cost approximately \$75 per building square foot in 2007 dollars.



Durham, North Carolina, Farmers Market Pavilion

Source: North Carolina Health News.

Columbia, Missouri

The Smith College report also discusses the farmers market in Columbia, Missouri, but indicates that the community had not at that time secured adequate funding to cover construction of the pavilion. However, additional research indicates that the Columbia Farmers Market pavilion formally opened on July 6, 2019 in the Clary-Shy Community Park. The two-phase project will have a total cost of approximately \$7.5 million. The first



Columbia, Missouri, Agriculture Park Market Pavilion

Source: City of Columbia, Missouri.

phase was completed at a total cost of \$3.75 million and included the main farmers' market pavilion, as well as a one-room schoolhouse, a produce wash station, a storage barn, a playground, a greenhouse, a concrete walking trail, and a small planting area.¹¹ The second phase will expand the pavilion to include a total of 98 vendor stalls and will add a 10,000 square foot teaching kitchen and resource center. According to the City of Columbia Department of Parks and Recreation Capital Improvement Program (CIP), construction of the farmers' market structure alone cost an estimated \$1.2 to \$1.4 million and included 42 vendor stalls.¹² BAE estimates that the phase I pavilion is approximately 14,700 square feet in size, which translates into an approximate cost per square foot of around \$88 in nominal 2019 dollars.

In addition to the two farmers' markets with pavilion structures identified in the 2014 Smith College study, BAE also conducted limited research into two other farmers market structures built in Healdsburg, California, and Ann Arbor, Michigan.

Healdsburg, California

The City of Healdsburg in Sonoma County approved plans to develop a 5,200 square foot covered farmers market pavilion and 6,200 square foot multipurpose covered parking area, with catering kitchen, loading and unloading dock, and public restrooms on March 4, 2020.¹³ The project is planned in three phases. The first phase will



Healdsburg, California, Proposed Farmers Market Facility

Source: City of Healdsburg, California.

¹¹ Haselhorst, S. (May 19, 2019). *Rainfall postpones new ag park opening, but weekday markets start soon*. *The Missourian*. Available at: https://www.columbiamissourian.com/news/local/rainfall-postpones-new-ag-park-opening-but-weekday-markets-start/article_3cc5ee96-7716-11e9-ac19-8b16710daf7.html

¹² Simon Oswald Architecture. (2016). *Clary-Shy Park: Farmers Market Shelter and Urban Agriculture Park Site Master Plan*. Columbia, Missouri: City of Columbia Department of Parks and Recreation. Available at: <https://www.como.gov/parksandrec/wp-content/uploads/sites/25/2017/09/16004-ClaryShyPlans.pdf>

¹³ Minkiewicz, K. (March 4, 2020). *Council Oks farmers market pavilion plan*. *The Healdsburg Tribune*. Available at: http://www.sonomawest.com/the_healdsburg_tribune/news/council-oks-farmers-market-pavilion-plan/article_93dc60ea-5e5e-11ea-af42-d3b858a6d334.html

include construction of the parking lot and associated amenities (e.g., utilities) at a total cost of \$1.15 million. The second phase will include creation of an open-air event space, as well as assorted demolition and construction activities, at a total cost of \$1.98 million. The third and final phase will include demolition, renovation, and buildout of the pavilion building at a total cost of \$2.19 million. Assuming that the pavilion structure is developed during the second and third phases, the estimated cost to build a total of 11,300 square feet of covered space is approximately \$369 per square foot, excluding acquisition costs. It is not immediately clear why the cost for the Healdsburg project is so much greater than for the other comparable projects discussed above. The project does involve an element of historic preservation that may contribute to the high cost. It is notable that upon approval the City had already received a commitment for up to \$7 million from the Foley Family Foundation.

Ann Arbor, Michigan

The Ann Arbor City Council approved development of a new farmers' market structure in August 2016. The project involved adding approximately 4,000 square feet of additional covered and enclosed market space to the various open farmers market canopies that already existed at the site. The project was estimated to cost approximately \$850,000,¹⁴ or around \$213 per building square foot.



Ann Arbor, Michigan, Farmers Market Pavilion

Source: Kerrytown District Association.

Potential Funding for a Farmers Market Structure

Based on BAE's research regarding the four farmers markets identified above, the potential funding sources for these types of projects vary widely. The following are brief descriptions of some of the more common funding sources for these types of projects.

¹⁴ Stanton, R. (August 6, 2016). *City Council approves new Ann Arbor Farmers Market building*. [Michigan Live](https://www.mlive.com/news/ann-arbor/2016/08/market_building_approved.html). Available at: https://www.mlive.com/news/ann-arbor/2016/08/market_building_approved.html

Philanthropic Donations

The most common funding sources for the development of farmers market structures, based on BAE's limited research, are philanthropic donations and community fundraising campaigns. In the case of the Healdsburg Farmers Market structure, the project was able to secure the necessary approvals in no large part because it already had a more than adequate commitment of private philanthropic funds to ensure timely completion of the project and delivery of the new facility. In other cases, such as in Columbia, Missouri, successful development of farmers market structures relied on long-term and concerted fundraising campaigns that consolidated both large and small donations in order to aggregate sufficient funds to ensure completion. In many cases, philanthropic donations are leveraged alongside other sources of funding, such as local, state, and federal grant funding, as well as vendor and user fees, among other sources of funds and potential revenue streams. In the case of the Columbia agricultural park, stakeholders created a new non-profit organization to coordinate the fundraising effort and recruited large regional companies and endowments for donations.

Naming Rights and Advertising

In the case of Columbia, Missouri, one of the key attributes of the funding strategy was the sale of naming rights to large financial donors, such as MU Health Care which has naming rights to the pavilion itself. While this approach is typically closely tied to a reliance on philanthropic donations, it can in some ways be considered separate, in that it involves a clear transaction. In these instances, the organizers of the farmers market typically approach large scale businesses with close ties to the local agricultural community to solicit a large donation. In the case of Vacaville, this could include Mariani Nut Company or Thistle, which has a large distribution center in Vacaville, among other potential funding partners, such as Genentech, Kaiser Permanente, Northbay Healthcare, Travis Federal Credit Union, Be Fit Financial, etc. In exchange, the business receives naming rights to the structure and in some cases is granted the privilege of placing their own signage, logos, etc. on the structure itself and in promotional materials pertaining to the farmers market organization. By providing these privileges, the farmers market organizers can in some cases solicit much larger donations than they could feasibly secure using a more broad-based donation drive.

Vendor and Usage Fees

In most cases, the fees paid to the farmers market organization are typically used to offset the organization costs associated with hosting the market. They are also typically used to reimburse the organization and/or owner of the facility for operating costs and maintenance. In some cases, where the farmers market structure is owned by an organization with sufficient capacity, such as a local government or non-profit group, the property owner may be able to take out debt that can be paid back at least in part by vendor and user fees. However, this approach only works in cases where the farmers market vendors are willing to accept the additional cost imposed on them in order to support the debt service. In addition to vendor fees, many farmers market facilities are often used for other community events in addition to the farmers market operation. In most cases, the event organizers pay a nominal fee for use

of the facility. Again, the fee imposed on the event organizer is typically meant to cover maintenance on the facility but may be leveraged, in some cases, to cover debt service.

Local Funding Contributions

BAE's research indicates that local government contributions to farmers market operations typically come in the form of up-front support for development of the permanent structure. In some cases, this takes the form of a land donation. In others it includes a cash donation or issuance of a government backed bond for construction. Some communities have also done things like provide a one-time allocation of federal Community Development Block Grant (CDBG) entitlement dollars, while others have leveraged future CDBG allocations as the repayment source for Section 108 loans from the federal Department of Housing and Urban Development (HUD) to cover construction of the pavilion along with other improvements. However, in most cases, funding contributions from local governments appear to account for only a small portion of the total funding necessary to ensure timely development of permanent farmers market structures.

Regional, State, and Federal Grants

Governmental grant funding for farmers market development and expansion is quite limited. The following are the two most common federal funding sources, though in some cases state and regional government agencies may also offer unique resources.

USDA Farmers Market Promotion Program (FMPP)

This federal program under the U.S. Department of Agriculture (USDA) allocates \$13.5 million to “support the development, coordination, and expansion of direct-to-consumer markets to increase access to and availability of locally and regionally produced agricultural products.”¹⁵ Funding is allocated in two different categories, including capacity building and training and technical assistance. Capacity building grants can range from \$50,000 to \$250,000. Allocations require a 25 percent local match. Applications are reviewed by the Agricultural Marketing Service (AMS) and are competitively awarded. To be competitive, applicants must demonstrate the extent to which the project “helps develop, coordinate, and expand direct to consumer market opportunities and an agricultural local and regional food system infrastructure.”¹⁶ While construction costs are not an allowable use of funds, this program might be able assist with funding for planning and feasibility assessment for a structure as part of a broader marketing program for the Downtown Farmers Market.

¹⁵ U.S. Department of Agriculture. (March 26, 2020). Farmers Market Program: Fiscal Year 2020 Request for Applications. Available at: https://www.ams.usda.gov/sites/default/files/media/2020_FMPP_RFA.pdf

¹⁶ *Ibid.*

USDA Local Food Promotion Program (LFPP)

As a sister program to the FMPP, the Local Food Promotion Program (LFPP) allocates roughly the same amount of funding as the FMPP, but has different eligibility criteria and allowable uses of funds. Where the FMPP is primarily used for planning and feasibility research, funds awarded through the LFPP can also be used towards implementation. Implementation projects include those that “establish a new food business or...improve or expand an existing food business that supports locally and regionally produced agricultural products and food systems infrastructure.”¹⁷ One caution is that it is not clear how competitive development of a farmers market structure would be for limited grant funding. The examples provided in the funding application for implementation projects primarily include activities that expand the local and regional food system, such as the creation of a new local food aggregation facility that opens up new channels for wholesale marketing of local produce. Nonetheless, the funding application identifies local government agencies and “regional farmers’ market authorities” as entities eligible to apply for grant funds, which may describe the City of Vacaville and the PCFMA, respectively.

EDA Public Works and Economic Adjustment Assistance Program

The Department of Commerce Economic Development Administration (EDA) administers the Public Works and Economic Adjustment Assistance Program. The EDA’s mission is to support development in economically distressed areas by fostering job creation and private investment. The Public Works and Economic Adjustment Assistance Program provides investment in support of construction, non-construction, planning, technical assistance, and revolving loan fund the Public Works and Economic Adjustment Assistance (EAA) programs. Grants made under these programs are designed to leverage existing regional assets and support the implementation of economic development strategies that advance new ideas and creative approaches to fostering economic prosperity in distressed communities. Applications are open to local governments as well as non-profit groups, with funding requests ranging from \$100,000 to \$3.0 million. To be eligible, the project must be located within a qualified Opportunity Zone as determined by State and Federal authorities. Currently, Downtown Vacaville is not located within a qualified Opportunity Zone Census Tract.

Proposed State of California Green Loan Fund

Under the proposed budget submitted to the California State Legislature by Governor Gavin Newsom in January, the State of California could potentially create a new \$1.0 billion Green Loan Fund as a four-year program to facilitate innovation in environmental sustainability and climate adaptation. If enacted as part of the final

¹⁷ U.S. Department of Agriculture, Agricultural Marketing Service. (March 9, 2020). Local Food Program: Fiscal Year 2020 Request for Applications, Version 2. Available at: https://www.ams.usda.gov/sites/default/files/media/2020_LFPP_RFA.pdf

State budget upon adoption in the summer of 2020, the program would provide low- or no-interest loans to small businesses, non-profits, and local government agencies to implement innovative programs that directly address the causes and impacts of climate change. The fund would be particularly focused on projects that improve the environmental sustainability of local and regional infrastructure, land use, and transportation. While it is unclear at this point exactly how the program would function, as well as whether the program will be adopted into law, particularly recognizing the significant anticipated economic impacts of the ongoing global Corona Virus pandemic, the program has the potential to provide significant resources to local governments for implementation of innovative projects.