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FARMERS' MARKETS AS A  
CATALYST FOR URBAN REVITALIZATION

A "Plan B" paper in fulfillment  
of U.P. 898

Professor Keith M. Honey, Advisor

Robert W. Varney  
School of Urban Planning  
and Landscape Architecture  
Michigan State University  
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## Introduction

Farmers' markets have been an integral part of America's economic, social, and cultural environment since our colonial days. It seemed almost every town, large and small, had a building or outdoor space where farmers could sell their goods at specific days and hours. Often the community's vitality was judged by the amount of activity at the marketplace. The market was almost always located in the center of town, and many markets were housed in two-story brick buildings with the court house above and the market below.

Markets reached their peak in the late 19th and early 20th century. Most large cities had a large central market and several satellite markets in the neighborhoods which met the needs of each ethnic community. Baltimore had 10 markets at one point.

Suddenly these markets began to decline. Technological improvements in transportation and refrigeration, increased land prices, increased food and health regulations, suburbanization, and the rise of convenient supermarkets all played a part in this decline.

But now the market is making a comeback. Although theoretically it is still an inefficient system of marketing due to economics of scale and an unproductive source of revenue for downtown land (low rents), the market now seems to be injecting life into cold, sterile downtowns. Few individuals

or organizations realize just how many benefits result from an urban farmers' market. This paper is an attempt to identify and analyze these benefits and to show that working toward maximizing these benefits can result in urban revitalization.

Much of my data for this paper was collected from information in the files of the farmers' market project here at Michigan State University. I supplemented this with independent bibliographic research, field and mail surveys, and telephone interviews.

Potentially they can fulfill a great variety of urban needs: a more efficient use of urban land, creation of a "street atmosphere", the attraction of people to the downtown, greater choices, lower prices, and higher quality goods for the urban poor, higher farm incomes, and increased employment, education, and recreation.

It is my contention that, unlike many other community development projects, farmers' markets meet several goals of redevelopment agencies and other organizations.

### Benefits of Farmers' Markets

#### 1. A More Efficient Use of Land

There presently is a great deal of vacant, unutilized or underutilized space in our nation's cities.<sup>1</sup> When markets are located in a city's central business districts they can utilize

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<sup>1</sup>Bennett Harrison, Urban Economic Development (Washington, D.C., The Urban Institute, 1974), pp. 121-125.



urban spaces in a more efficient manner.

Many markets use public or private parking lots on days and hours when they are not in demand (i.e. early morning before the business opens, or late in the afternoon or on Saturday when the business is closed.) Cincinnati actually blocks off two city streets. Saginaw puts up a tent in a downtown park. Other spaces include wide sidewalks, church and school yards (church land is under-utilized 6 out of 7 days and school yards are unused over the summer), parks, and vacant warehouses, or railroad depots. The City of Ypsilanti, for example, plans to put a farmers' market in an old vacant railroad warehouse and has committed \$30,000 of Community Development Block Grant money to pave a parking area between the warehouse and a line of local stores and shops.

In all of these cases, the choice of a site was based on a combination of land rent, location, site size, climate, number of months the market will be open, and access by farmers and consumers. Once the market is in operation, access seems to be a major problem, especially parking. Failure to give this factor adequate attention can severely limit the success of the market. Besides parking, mass transit and proximity to residences should be considered. For example, in an effort to discourage automobile use, the organizers of Greenmarkets, a series of farmers' markets in New York City, selected sites

which were accessible by foot and public transportation and thereby, they felt, minimizing air and noise pollution and vehicular congestion attributable to the markets. The charts on the following pages indicate that most market patrons walked to the Union Square and 59th Street markets.

### Multiple Use

Many market structures can accommodate many community activities in addition farmers' markets. By increasing the structure's use one is increasing the benefits of that structure which in turn increases the level of support.

Meridian Township's 70' x 40' recreation pavilion is an excellent example of multi-use. While a farmers' market is one of the major uses of this structure, the building was planned so it could accommodate picnics, ice skating, art displays, a teenage center, a community center, dances, fund-raising events, barbeques, concerts, drama, auctions, flea market, senior citizen activities, flower shows, scout activities, and ethnic festivals.

With so many potential uses, the pavilion was supported by this long list of groups:

- Haslett Community Church
- Haslett Youth Recreation Association
- Okemos Barn Theatre
- League of Women Voters
- Haslett Music Boosters
- American Legion Post - Haslett
- Okemos Community Child Study Club
- Haslett Schools
- Girl Scouts
- Friends of Historic Meridian
- Friends of the Haslett Library

Union Square  
Greenmarket Consumer Survey

Date	# Sampled	Mode of Arrivals (%)						How People Heard About Greenmarket (%)				
		Walk	Bike	Subway	Bus	Taxi	Auto	PB	WOM	NP	TV-Radio	Flier
Sept 4	48	82	4	2	6	--	6	24	19	55	3	19
Sept 18	35	80	11	3	--	--	6	17	25	28	6	23
Sept 25	53	78	4	7	4	--	7	55	17	56	--	11
Oct 2	83	84	2	4	5	--	5	23	16	47	3	11
Nov 6	32	84	6	--	3	--	6	34	31	51	3	--
Nov 16	33	82	3	9	--	--	6	55	18	26	6	15

PB Passed By  
WOM Word of Mouth  
NP Newspaper



59th Street GREENMARKET  
Consumer Survey

Date	# Sampled	Walk	Bike	Mode of Arrival (%)				How people heard about GREENMARKET			
				Subway	Bus	Tram	Taxi	Auto	PB	WOM	NP
July 17	185	75	.5	4	11	2	2	7	34	7	52
									3		4
July 24	122	52	3	8	25	2	1	9	15	15	54
									13		5
July 31	476	48	3	11	26	1	2	8	16	14	29
									40		1

PB Passed By  
WOM Word of Mouth  
NP Newspaper

Okemos Womens' Club  
O.A.R.S.  
Haslett Lions' Club  
Meridian Garden Club  
Haslett-Okemos Jaycees  
V.F.W. Post #4098  
Okemos Business Association  
Community Circle Players  
Okemos Garden Club  
Boy Scouts  
Haslett Womens' Club  
Okemos Senior Citizens  
Haslett Senior Citizens

With many markets operating only one or two days per week, broadening the structure's use is a wise decision. In this way the building benefits more groups and individuals, generates additional income, and maximizes support for funding. Hopefully more communities will use this strategy.

## 2. Street Atmosphere

A key benefit which is unmeasurable but should not be overlooked is the vitality which a market generates. When the market is open, the area is alive with people shopping, strolling, and talking. The atmosphere is friendly and cheerful. The fruits and vegetables add color to an otherwise drab downtown of brick, concrete, and pavement. Shopping at the market is often more of a family project than doing the weekly food shopping at the supermarket.<sup>2</sup> Occasionally bands are hired to play at the market, which creates a carnival atmosphere. Quantifying this benefit is probably impossible but its relative importance should be given substantial weight.<sup>3</sup>

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<sup>2</sup>See Lansing Survey results.

<sup>3</sup>See Jane Jacobs, The Death and Life of Great American Cities (New York: Vintage Books, 1961).

### 3. Increasing Farm Incomes

With steadily rising taxes and continued pressure for development around urban centers, the preservation of prime farmland is a serious problem. Urban farmers' markets serve as an outlet to small and part-time farmers in the region, making farming more profitable and supplementing rural incomes. Profits go directly to the farmer, eliminating the middleman.

In addition, this income stays in the local economy, so other local enterprises benefit as well.

With the energy crisis becoming more problematic, the increase in regional self-sufficiency which the market promotes may in the future become even more significant.



#### 4. Attraction of People to the Downtown

The attraction of people to a farmers' market and thus to the downtown when it is located there is probably the most significant benefit from a bureaucratic point of view. More and more cities, chambers of commerce, and Merchants' Associations are realizing this potential and have actively worked to establish farmers' markets in close proximity to downtown businesses. Ypsilanti, Alpena and Mt. Clemens, Michigan are good examples. Members of Depot Town, an organization of residents and business persons who are trying to restore and revitalize an old neighborhood in Ypsilanti, are actively supporting and working to develop a farmers' market in a nearby warehouse. They feel that the market will draw a significant number of people to their neighborhood. It is hoped that these people will "discover" the shops and stores in their neighborhood, thus increasing sales and eventually the value of their property.

Other cities which have realized this attraction power include Wilkes-Barre, Pa., Batavia, N.Y., New York City, Plattsburgh, N.Y., Jamestown, N.Y., Raleigh, N.C., Lansing, Mi., Harrisburg, Pa., and Lancaster, Pa.

In many cases city officials make these statements with no data or evidence to back them up. Therefore I have gathered some important data which indicates that farmers' markets are perceived as people-generators by several cities and in some cases can increase sales in the area.

First, I looked at who is sponsoring farmers' markets and what the interest of the organization is. From data in a study of 32 New York State farmers' markets by Pease and Eiler of Cornell, I compiled the following table:<sup>4</sup>

<u>Sponsor</u>	<u># of markets</u>
Community Action Agency	3
Cooperative Extension Service	1
Chamber of Commerce/Merchants' Assn.	12*
Private individual	3
Growers' Cooperative	3
Town/city	6
Historical Association	1
Market authority	3

\*These data imply that local Chambers of Commerce, downtown associations, and mall merchants view the market as an attraction and a form of promotion for the downtown shopping area.

Secondly, I looked at the location of farmers' markets. In the same study it was found that seventeen of thirty-two markets are in downtown shopping areas, even in cities of over one half million population. An additional four are located at suburban malls. Thus two-thirds of the markets in New York State are in close proximity to retail stores. This indicates a strong relationship between farmers' markets and surrounding businesses.

Thirdly, I looked at traffic counts of automobiles entering the market. This, of rouse, does not count walk-ins, bicyclists, or people who used mass transit, so it understates

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<sup>4</sup>Richard Pease and Doyle Eiler, Farmers' Market Return (Ithaca, New York: Dept. of Agricultural Economics, Cornell University, April, 1976.

the number of customers. The following account was a report from the Raleigh, N.C. market (which is fairly large),

"The retail business has been booming. By official count an average of over 2,500 vehicles entered the market on Friday from 5 a.m. to 5 p.m. and over 3,600 on Saturday from 5 a.m. to 6 p.m. with a high of 1,300 during a 2-hour period."

Many other cities have also reported high traffic volumes.

A 1971 Lansing Planning Department study indicated that many patrons of their market were making single-purpose trips. Unfortunately this market is located on the fringe rather than in the core of the CBD and therefore is an automobile-oriented market.

<u>Trip purpose</u>	<u>%</u>
Single purpose	72%
Multi purpose	28%
CBD oriented	8%

They concluded that "since 72% of the total respondents made a single purpose trip to the City Market, it is an obvious major attraction. The per cent also shows that the potential exists to draw more interests toward a multi-purpose trip. More specifically, the downtown could receive this potential increased patronage. Also, the fact that approximately 30% of all multi-purpose trips were to the downtown is indicative of a potential drawing power in relation to the downtown area."<sup>4</sup>

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<sup>5</sup>Lansing Planning Department, Patron Survey, November, 1971, p. 3.



Fifthly, I examined evidence of sales increases in surrounding businesses. There were reports of sales increases in Wilkes-Barre, Pa. and the State of Montana, but there was no explanation of how these results were determined. I contacted Larry Alexander of the Downtown Idea Exchange in New York City about this matter and he said that to the best of his knowledge there has been no research at all on this spinoff effect. He included the markets' effect on property values, increases in sales for surrounding businesses, and the stimulation of downtown revitalization in general.

After a great deal of searching and calling, I can identify only 4 studies related to the economic spinoff effect of farmers' markets. The first was the Plattsburgh, N.Y., study which I discussed previously. It showed that .73% of the market customers shopped at other downtown stores.

A similar survey was conducted in Syracuse, N.Y., which has an open-air, 56-stall market in its downtown. A survey of market patrons showed that 47% of those interviewed did not work downtown and 75% of those people had either shopped in a downtown store before coming to the market or intended to do so after visiting the market.

A Batavia, N.Y., survey by Bonnie Cohen of the Chamber of Commerce did not provide any useful information. Only one of seven businesses noticed an increase in sales on market days. Unfortunately, only seven out of 35 businesses responded to the survey, and I do not know the type of businesses that

responded and their location relative to the market.

Thanks to Barry Benepe, Director of Greenmarket, I was able to examine data from a survey of businesses surrounding the open-air farmers' market at 59th Street and Second Avenue on the east side of Manhattan. The market is located on a small city-owned lot between a relatively high density, middle and upper income residential community and a busy shopping district. In 1976 two surveys of local businesses near the market were conducted. I have summarized the results in the following table.

RESPONSE TO GREENMARKET FROM LOCAL BUSINESSES

	<u>July 31, 1976</u>	<u>Nov. 13, 1976</u>
1. Number of businesses surveyed	27	33
2. a. Had heard of Greenmarket	90%	85%
b. Had not heard of Greenmarket	10%	15%
3. a. Approved of the market	60%	85%
b. Disapproved of the market	20%	6%
c. No opinion	20%	9%
4. a. Reported economic benefit	25%	40%
b. Reported economic harm	4%	3%
c. No effect	71%	57%
5. a. Wanted it back next year	--	79%
b. Did not want it back	--	6%
c. No opinion	--	15%

Several points should be noted. First, for some unknown reason only 12 businesses were included in both surveys. This seems rather odd to me, especially since the second survey is much more favorable to the market.

Secondly, there were no questions as to why the businesses disapproved of the market.

Thirdly, there was no question regarding the amount of economic benefit.

Fourthly, responses were not analyzed relative to location or type of business.

Finally, the survey did not ask for suggestions as to how the market might be improved (different location, hours, days, etc.).

Thus, while the Greenmarket studies give us a rough idea of the attitudes of local businesses, they leave out valuable information.

Since the previous studies offered so little detailed information concerning the spinoff effect of farmers' markets in downtown areas, I decided to complete three case studies. With the assistance of Scott Ramsey, a student intern, I surveyed merchants in 3 Michigan communities to determine their attitudes about farmers markets. The following pages summarize our findings.

# SUMMARY OF RESPONSES

(In Percent)

<u>Question</u>			<u>Brighton</u>	<u>Saginaw</u>	<u>Jackson</u>	<u>Avg.</u>
1.	Know about the market	a) Yes	100%	91%	97%	96%
		b) No	0	9	3	4
2.	Approve of the market	a) Yes	85	93	94	91
		b) No	9	2	0	4
		c) No Opinion	6	5	6	5
3.	Active support in planning stage	a) Yes	30	27	35	30
		b) No	70	73	65	70
4.	Increased sales	a) Yes	12	24	26	21
		b) No	49	34	39	40
		c) Not Sure	39	42	35	39
5.	Increased property value	a) Yes	0	20	6	10
		b) No	55	41	62	51
		c) No Opinion	45	39	32	39
6.	Adverse effect	a) Yes	30	5	0	11
		b) No	55	73	90	72
		c) Not Sure	15	22	10	17
7.	Change days of week	a) Yes	18	12	22	17
		b) No	61	56	56	58
		c) No Opinion	21	32	22	25
8.	Present location desireable	a) Yes	66	81	56	69
		b) No	29	12	29	20
		c) No Opinion	5	7	15	9
9.	Owner/manager patronizes market	a) Yes	73	85	87	82
		b) No	27	15	13	18
10.	Employees patronize market	a) Yes	85	85	87	86
		b) No	15	15	13	14
11.	Continue market next year	a) Yes	85	95	94	92
		b) No	3	0	0	1
		c) No Opinion	12	5	6	7
13.	Subsidy if needed	a) Yes	12	44	10	24
		b) No	55	37	56	48
		c) No Opinion	33	19	34	28

## SUMMARY AND CONCLUSION

A percentage summary of responses to the survey, plus a weighted average of the total sample, are portrayed on the following page for the reader's perusal. Some observations and generalizations on these statistics, however, are necessary at this time, and are as follows:

### 1. MERCHANTS OVERWHELMINGLY LIKE DOWNTOWN MARKETS

The survey confirmed beyond a shadow of a doubt that businesses supported the market in their respective communities. Consider the following:

- 91% of the businesses questioned approved of the market
- nearly 85% of the merchants said both they and their employees patronize the market
- 91% of those surveyed wanted the market to continue for another year
- a substantial number of businesses wanted the market to expand its operating schedule to two, three, and even five days a week.
- 74% of the businesses surveyed in Saginaw would favor a subsidy for the market if it were not breaking even.

The figures strongly indicate that farmers' markets in the downtown areas we surveyed are very popular with the nearby business community.

### 2. THE FARMERS' MARKET DOES INCREASE SALES

Twenty-one percent of the businesses reported increases in their sales which could be partially attributed to the farmers' market. Although most of these businesses could not quantify this increase, some were able to and estimates of their sales increases ranged from 1% to 40%.

It's interesting to note that 39% of the businesses surveyed were not sure one way or the other about their sales increases. This leads us to speculate that some of these "not sures" may have in fact experienced a rise in sales volume due to the farmers' market, but were either unwilling or unable to verify it. Some merchants feel that while the market does not noticeably increase sales on market days, it

makes the residents more familiar with and conscious of downtown businesses. Thus the economic spinoff may be distributed over the course of time, even when the market is not operating. We suggest, nevertheless, that market sponsors get merchants to study their sales receipts to try to discern the effect of the market on their businesses.

### SALES POTENTIAL

Even for those businesses who reported no sales increase attributable to the market, there is little denying that a farmers' market does attract potential customers. It is up to these businesses to devise ways to capture this clientele. In fact, one business we surveyed advertised a number of "market-day special" sales items, and we feel that this type of promotion would work reasonably well.

### WHICH BUSINESSES ARE MOST AFFECTED?

More specifically, we also wanted to find out what types of businesses benefitted most from the market. The kinds of stores that turned up repeatedly on the sales increase list included clothing, jewelry, arts/crafts, furniture, and sporting goods stores. If a generalization can be made here, it is that these stores are all "occasional purchase" outlets in a middle-to-high price range that usually require browsing around. Perhaps a connection could be made with the farmers' market shopping because it is often a husband-and-wife affair that also requires some browsing. Since we are not marketing experts, all these observations must be considered speculative in nature.

### LOCATIONAL CONSIDERATION

It should be noted that the businesses adversely affected in Brighton were those relying on a high turnover. These included a barber shop, a beauty salon, a bar and a dry cleaners. These merchants felt that they lost business on market days because spaces normally reserved for their customers were often taken up by market patrons. In Jackson and Saginaw adverse sales effects were reported by flower shops who competed with vendors on market days. We encourage these businesses to set up a stall on market days to sell their plants and flowers.

In addition, we found that those businesses located closest to the market tended to be the most affected by it. In Jackson, for example, seven of the eight businesses reporting sales increases as a result of the market were located less than a half block from the site. In Brighton, however, those businesses most adversely affected by the market were those in close proximity to the site whose parking had been used by market patrons.

3. MERCHANTS NEED TO GET INVOLVED IN THE PLANNING AND SET-UP OF THE MARKET

Our survey experience indicates the business community should be well represented and involved in the planning of the market in order to minimize or eliminate altogether any possible adverse effects. In Jackson and Saginaw, this appeared to be the case. Jackson in particular experienced a high degree of involvement from businesses in the planning phase of the market, especially from those merchants adjacent to the site. In Brighton, on the other hand, we have no evidence that any of the merchants we surveyed sat on the committee that planned the market (although a few merchants felt that they were being represented). The problem that developed in Brighton, of course, was the parking shortage along businesses adjacent or close to the market site. We feel that this problem could have been averted or at least minimized if these businesses had been included in the market's planning stage.

4. THE FARMERS' MARKET IS A GOOD PROMOTION FOR THE DOWNTOWN

In each of the three communities we surveyed, the farmers' market was seen as one of the better promotions for the downtown area. In Brighton, merchants praised the market for its ability to attract additional traffic into the main street area, thus increasing sales potential for many businesses. Although the market in Saginaw was a very small-scale affair (20 to 25 vendors) a city councilman told us it attracted 85,000 additional people into the downtown. And despite the small size of the market in Jackson (which probably didn't "pull" people into the downtown as well as markets in Brighton and Saginaw), it was more than adequate in serving the need of the people who work, shop, and live in the area. Perhaps the best way to put it is that a farmers' market can be a tremendous promotion for the downtown at a relatively low cost.

But the market deserves more credit than just being a promotion to induce economic spin-off effects. It also has the potential to inject some color, recreation, and life into an otherwise drab environment. The market is not only a place to shop for goods and produce, but also a place to congregate and interact with other people in what might be termed a "social theater." This aspect of the market, we feel, is as important as any economic considerations, and at least one or two businesses in each city we surveyed emphasized this

## 5. Education

Educational benefits are somewhat minor but worth mentioning. Many residents of the inner city have little contact with agriculture. My friend's mother, who is a home economics teacher at a Massachusetts high school, told me that one of her students was shocked to see what a potato looked like. "That's what a potato looks like?" he said. "I thought they came like they do in the box!"

Another form of education is the communication between the people at the market. News is shared. I once heard a farmer tell a lady how much rhubarb she would have to buy to make a pie. This would not occur at a supermarket. In addition, a blackboard or newsletter at the market can carry new recipes and preservation tips.

Farmers' markets can serve as a link between urban and rural citizens because they are put in contact with one another. The alienated urbanite, for example, can learn about issues from a farmers' perspective. [This is an important point, considering the problems of farmland preservation and the energy crisis.]

Formal education is also possible at farmers' markets. They can provide a setting and resources which can significantly facilitate providing both consumer education for the poor shopper and marketing education for the poor producer.

## 6. Choice, Price, and Quality

There is plenty of data around to support the statement that consumers perceive the choice, price and quality of goods



at the market to be superior to supermarkets or grocery stores. Several Community Action Agencies support farmers' markets because they provide high quality, low cost produce to our urban poor.

## 7. Recreation

Farmers' markets appear to be a form of recreation for many people, especially the elderly. The following appeared in a letter I received from the Jamestown, N.Y., market master:

"The buyers' survey profiled the market as dealing with a majority who were "over 50", regular shoppers, and who lived in the city. There are two senior citizen high rises near the market and many of our daily customers came from them. As the summer wore on, we became an important part of their lives as they found friendly talkative growers willing to give them personal attention."

Markets could also be perceived as a form of recreation for families.

## 8. The Market As An Urban Symbol And Experience

Perhaps the most significant benefit of a urban farmers' market is it's symbolism. Pamela Marshall De Weese of Wayne State University included this in her study of the social structure and functions of Detroit's Eastern Market. Two of her quotes are worth repeating. First, a New York Times article with the title, "Once Blighted Area is Thriving" goes on to explain:

"An ancient farmers' market in the core of Detroit, gripped by a fever in what only a year ago was a decaying area, probably doomed to the bulldozer, has been turned into the brightest, most vigorous development in the city." (3-3-72)<sup>6</sup>

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<sup>6</sup> Pamela Marshall DeWeese, The Detroit Eastern Farmers' Market: Its Social Structure and Functions (Wayne State University, November 1975, p. 17).

Detroit City officials consider the Eastern market as concrete evidence of revitalization. Mayor Gribbs of Detroit praised the market in this way (Free Press, 11-6-71)

Buildings have become old, ugly, and worn, neighbors have closed their doors to each other.... apathy has overcome attempts for community betterment. But things are turning around at the Eastern Market..... a new face and a new spirit are taking form... an invigorating rebirth in the core city.... the ideal formula for city growth.<sup>6</sup>

The urban experience at a farmers' market is favorable. People perceive markets as a friendly and safe place. It also offers diversity with a mingling of people of different ethnic and economic backgrounds.

A farmers' market project can also be important in a participatory sense. First, an attempt to organize a farmers' market can improve the quality and processes of involvement in community-wide decision-making, particularly for the benefit of limited resource persons. The project in most cases is relatively simple, which means that persons can participate in planning and implementation without threat of failure.

Secondly, a market project can help bring various agencies together to work toward a common goal. Success may encourage these agencies to work together more often in the future.

#### Maximizing Benefits

The way to maximize benefits resulting from urban farmers' market is extremely simple -- to maximize participation by the various interest groups who might have an "interest" in the

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<sup>7</sup> Ibid.

market. The following is a chart of the most common interest groups and their goals.

	<u>AGENCY</u>	<u>GOALS</u>
1.	CAA	- increase self-sufficiency - help the poor
2.	Chamber of Commerce, Merchant Assns. & individual merchants	- increase sales
3.	Cooperative Extension Service	- consumer education - support of agriculture
4.	Consumers	- high-quality, low-cost food - entertainment - social interaction
5.	Historical Groups	- historic preservation, adaptive re-use
6.	Vendors	- sell goods
7.	City/County Govt.	- all of the above

A properly organized farmers' market can help meet all of the above goals if each interest group is recognized and is encouraged to participate in the process of market formation.

Almost all of the problems concerning farmers' markets can be traced back to a lack of involvement. For example, a CAA in Providence, Rhode Island complained to me that the city market is not accessible to low income people who have transportation problems. If a CAA member had been invited to sit on the

market committee, the concerns of the CAA would have been understood, with the possibility of corrective action. If the market were located on a major bus line or located adjacent to a low-income neighborhood, this problem would be solved and the market would receive support and assistance from that agency.

### Conclusion

Many downtowns are deserted. They have no life. The renewal of interest in urban farmers' markets could be a very enriching experience for the American city. Potentially it can fulfill a great variety of urban needs: an unstructured social environment, a more efficient use of space, high-quality, low-cost foods, the attraction of huge crowds, increased education and recreation, and a symbol of hope for the community.

These needs can best be met through a concerted effort whereby all interests participate in the organization and operation of the market. Political, financial, and technical assistance will then be maximized and mistakes can be minimized.

Considering the energy situation, we can expect an increased concern for regional self-sufficiency. Urban farmers' markets is one way to increase self-sufficiency, so I feel that markets have a future in our society.

As markets continue to pop up and grow in the future, I expect that people will pay even more attention to the potential benefits that farmers' markets can bring to city residents.

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## APPENDIX



## FUNDING ALTERNATIVES

The source and amount of funds for a farmers' market project usually have a significant bearing on the eventual success of the market. Therefore, I have conducted research on funding alternatives for farmers' markets and have included examples as often as possible.

## City Capital Improvements Program (CIP)

Most communities have a Comprehensive Development Plan to guide decisions concerning the future physical growth of the city. To totally realize the objectives of this plan, the city must spend public funds over a period of years. The technique of scheduling these funds as they become available is referred to as a "Capital Improvements Program." The scheduling of funds is based on a series of priorities according to the need, desire, or importance of such improvements and the city's present and anticipated financial standing.

Public Improvements may be financed by a general operating budget, municipal bonds, federal revenue sharing, contractual arrangements, special assessments, state and federal programs, and private donations. This section will focus on the first three methods, while the others will be covered in other sections of this chapter.

The general operating budget is based upon anticipated revenues for a particular fiscal year from property taxes, fines, contracts, and other sources. Federal revenue sharing funds are often included within the general operating budget. The money is then allocated to the necessary expenditures for city government, local improvements, and bond payments with the remainder devoted to capital improvements. Obviously the availability of general funds will vary from year to year, but they remain the major form of CIP financing.

The Lansing, Michigan Municipal Market is an example of this type of finance. In 1975 the city used \$400,000 in city federal revenue sharing funds to renovate its market.

Bonding is another major method used to finance CIP projects. There are two types of bonds: general obligation bonds and revenue bonds.

General obligation bonds are often used to finance projects which do not generate revenue (firehouse, park, etc.) and must be paid from city funds, often resulting in a property tax increase.

Revenue bonds are used for projects which are self-liquidating in that the bond will be paid solely by the income generated by the facility. A farmers' market or parking lot could be financed in this manner.

Each city with a Capital Improvements Program requires that a process be followed which leads to an eventual ordering of priorities. It is important that the sponsors of a farmers' market follow this process and campaign to have the market recognized as a strong need and desire of the community.

## Economic Development Administration (EDA)

The Economic Development Administration is an agency of the U.S. Department of Commerce. EDA was established to carry out the provisions of the Public Works and Economic Development Act of 1965, as amended (Public Law 89-136), which authorizes the Federal Government to participate with states and local communities to stimulate industrial growth and to create new job opportunities.

Assistance is provided in the forms of public works grants and loans, loans and loan guarantees to private firms, and technical assistance grants. Historically the EDA has concentrated on problems in rural areas, but it has recently intensified its efforts in urban economic development. Chances are that this trend will continue, with emphasis in areas suffering from substantial unemployment.

EDA has several programs which may aid in the development or enhancement of farmers' markets: Public Works, Business Development, Economic Development Planning, and Technical Assistance. The following is a brief description of these programs.

### 1. Public Works (Title I)

This is EDA's major funding program. It provides grants and loans for projects designed to generate jobs and stimulate economic growth. The major constraints are: a) the project must be identified in the county's overall economic development program (therefore, your first step might be to have it included); b) the county must have a high unemployment rate.

Potentially eligible projects include those which are designed to help businesses make use of existing inner-city buildings and to revitalize central business districts. For example, Seattle used a \$1,593,880 Public Works grant to help fund the rehabilitation of its Pike Place Market (obligated 7/26/77) and Philadelphia received a \$663,000 Public Works grant to improve its wholesale food distribution center (obligated 1/6/77). It also appears that a parking structure which could accommodate a farmers' market and serve an adjacent commercial area may be eligible if the downtown has a severe parking problem.

The key to securing Title I funds is your ability in convincing EDA that the market is an important component of your economic development plan, and it will probably have to be presented as a package with other development, with the total project creating permanent jobs.

Title I funds are the main source of EDA funding which could be used to construct or rehabilitate a market. However, one should be aware of the following programs.

### 2. Business Development

In another effort to create jobs, EDA offers a Business Loan Program. Once again the projects must be consistent with an area's Overall Economic Development Program. EDA will finance up to 65% of the fixed-asset requirements for establishing or expanding businesses. In addition to direct fixed-asset loans, EDA may provide guarantees for fixed-asset loans, direct working - capital loans, and guarantees for working - capital loans. Applicants may be public or private organizations.

3. Economic Development Planning

EDA is authorized to award grants for comprehensive economic development planning under Section 302(a) of the Public Works and Economic Development Act. Most planning grant funds are used for planning staff salaries. The planning staffs work with community business leaders to help identify and overcome impediments to business retention and expansion. They then recommend priorities for capital improvements and new construction projects over a certain time period.

It is crucial to ensure that your market is represented and included in this process. The market will then be identified as a component of your community's economic development strategy, and it will have a better chance for EDA funding. Furthermore, the staff supported by this program can lay some of the groundwork for the construction or rehabilitation of the market. This opportunity should not be overlooked.

4. Technical Assistance

Projects funded by the Technical Assistance Program include services, grants, and feasibility studies to coordinate human or other resources vital for economic development. A farmers' market could benefit from technical assistance to local government and quasi-public bodies such as economic development corporations (EDC's).

5. Local Public Works Capital Development and Investment Program

Meridian Township in Michigan received EDA funding under this program to construct an \$88,824 recreation pavillion (\$70,500 from EDA and \$18,324 township general funds). It is 70' X 40' and has toilet facilities. A farmers' market is one of the major uses of this structure. Unfortunately funds for this program no longer exist, but one should be aware of this program reappear in the future.

## Farmers Home Administration

1. The FmHA offers a Community Program in which they will offer loans to communities that want to install community facilities necessary for community development. The loans have a 5% interest rate and can be spread over a maximum of 40 years. The town's population must be under 10,000.
2. The FmHA also offers a Guaranteed Business and Industrial Loan Program in which they will guarantee up to 90% of the loss of principal and interest on a loan made through a conventional lender. Although the focus is on the private sector, non-profit organizations are eligible. Market facilities are definitely acceptable. The community's population must be under 50,000 persons and those under 25,000 receive priority.

## National Endowment for the Arts

Under the Architectural and Environmental Arts Program, the National Endowment for the Arts awards grants of up to 50% (usually \$10,000-\$50,000) to finance planning studies which attempt to promote alternative solutions to community design problems. Each year there is a theme (City Edges in 1973, City Options in 1974, City Scale in 1975). For example, a plan for a historic district containing a market may be partially financed by a NEA grant.

## Historic Preservation Funds

1. The National Trust for Historic Preservation
  - a. The National Trust has a Consultant Service Grant Program, which awards small matching grants to member organizations for up to 50% of the consultation costs aimed at preservation problems. The largest grant made to date was for \$9,000, but there have been over 100 grants since 1969.
  - b. A second National Trust Program is the National Historic Preservation Fund, which provides low-interest loans (usually 3%-4%) to member organizations establishing local revolving funds. Its purpose is to provide seed money to help develop local funds.
2. Federal Assistance - (Dept. of the Interior)

Both Federal and State historic preservation funds are distributed by the State Historic Preservation Officer. They are 50-50 matching funds, and the local share can come from C. D. funds.

  - a. Survey and planning projects - for studies of economic feasibility, planning activities, etc.
  - b. Acquisition and development projects - must be National Register properties. The city of Lancaster, Pa. received a \$400,000 historic preservation grant to renovate its Central Market. It is located in Lancaster's historic Penn Square area. Renovations were completed in 1976, and that year the project won the HUD Design Award. Residents claim that this market is the oldest con-

tinuously publicly-operated farmers' market in the United States.

- c. Tax Reform Act of 1976 (federal legislation) - there is a small section (2124) on historic preservation in this act. It provides a federal income tax break for the rehabilitation of a facility through accelerated depreciation or amortization over five years (rapid amortization). To be eligible, the project must involve a National Register building or district or be regulated by a local preservation statute (with a design review provision).

### 3. State Assistance

The State of Michigan offers acquisition and development funds only (no survey and planning grants). The maximum amount awarded is \$60,000. Not all states offer this, however. Seattle received a \$44,300 historic preservation grant from the State of Washington for its Pike Place Market Urban Renewal Project in 1977.

### Comprehensive Employment and Training Act of 1973 (CETA)

There is a possibility of using federally-funded CETA employees to help reduce market costs. Maintenance and secretarial jobs are good possibilities. Using CETA workers for construction of a facility might be shakey, because it might take jobs away from labor unions. However, rehabilitation is usually acceptable. Your city should contact its prime sponsor to see where they are dishing out the funds (the city itself, the school district, urban league, etc.); then make a pitch to that organization for CETA workers. Jobs which involve training will, of course, receive the highest priority. A recreation building in Genessee County, Michigan, was built almost entirely with CETA funds.

### Housing and Urban Development (HUD)

1. Community Development Block Grants (CDBG) - Title I of the 1974 Housing and Development Act. (P.L. 93-383), as amended by Title I, Housing and Development Act of 1977 (P.L. 95-128). HUD offers block grants to communities for a wide range of activities. The categorical programs of Urban Renewal, Model Cities, Neighborhood Development Grants, Public Facilities Loans, Rehabilitation Loans, Open Space, Urban Beautification, and Historic Preservation Grants have been replaced by this one huge flexible program. Local elected officials have responsibility for establishing priorities and allocating the funds.

There are two basic types of CDBG funds: entitlement funds and discretionary funds. Metropolitan cities (over 50,000) and qualified urban counties (over 200,000) are guaranteed an entitlement amount based on a formula considering population, poverty, overcrowded housing, age of housing stock, and growth lag.

Discretionary funds are awarded to smaller communities on a competitive basis. 80% of CDBG monies are earmarked for entitlement grants and the remaining 20% for discretionary grants.

Use of CDBG funds for markets is definitely acceptable. Ypsilanti, Michigan is currently using CDBG money to construct a paved parking area which can be used for local business parking as well as an outdoor market (and parking for an indoor market should they develop one).

The city of Harrisburg, Pennsylvania bought its Board Street Market from the Harrisburg, Redevelopment Authority by deducting \$300,000 from its entitlement. The market was recently renovated with one million dollars in Urban Renewal money by the HRA.

Seattle, Washington used \$5,846,954 in CDBG funds for its Pike Place Market Urban Renewal Project.

2. Urban Development Action Grants (UDAG) - Section 119, Housing and Community Development Act of 1977 (P.L. 95-128), as amended. HUD offers an Urban Development Action Grant (UDAG) Program which seeks unique opportunities where qualifying communities can use Federal funds to stimulate new or increased private development. These funds can supplement CDBG grants. About \$400 million per year has been authorized for this three-year program, \$100 million set aside for small communities. The key point in the UDAG program is that it requires commitments that the private sector will participate financially in the project.
3. Neighborhood Improvement Grants  
This is a new HUD program offered through its Office of Neighborhood Development. This program is expected to receive \$15 million in 1979 and 1980 each to distribute to neighborhood groups seeking to revitalize their neighborhoods. Since the funding figure is quite low and the number of neighborhood groups high, a lot of competition can be expected. I have been assured that farmers' markets would qualify as an eligible activity.

### Community Action Agencies (CAA's)

The major objective of CAA's is helping the poor. The agency is a tax-exempt, non-profit corporation with a board of directors of no less than 15 members representing public elected officials, citizen representatives, and the private sector. Each CAA covers a designated area of one or more counties.

CAA funding is tied but not restricted to the Community Services Administration (CSA). The CSA provides a steady amount of funds for administration and local initiatives (community center, food stamp program, etc.). It also offers additional assistance to CAA's on a competitive basis. In addition, a CAA may apply for funds from other agencies (Labor, HEW, HUD, etc.). For example, a Community Action Agency covering 4 counties in Southern Ohio has a \$3.4 million budget with only 7% of the funds coming from the CSA.

Thus one should not overlook Community Action Agencies as a source of funding and support for farmers' markets.

### Small Business Administration (SBA)

Each stall in a farmers' market could be classified as a small business, and vendors may want to apply for a SBA loan or loan guarantee. The process goes like this:

1. apply for conventional loan at bank
2. if turned down, apply for a SBA 90% guaranteed loan through the bank
3. if turned down by 2 banks, apply for a direct (8½% interest) loan through the SBA



Economic Development Corporations Act of 1974. This allows Michigan counties and municipalities to form a non-profit Economic Development Corporation (EDC) to obtain land and construct industrial plants or commercial buildings and lease or sell the facility at lower cost because construction financing is obtained from the sale of tax exempt revenue bonds. These bonds are exempt from all federal, state, and local income tax. The EDC has the power of eminent domain. Revenue bonds issued by the EDC are payable only from revenues of the individual project that was financed. The municipality is not responsible for the debts of the EDC.

Each municipality may establish one economic development corporation. If EDC's are organized for both a county and a city or township within the county, the corporations will maintain their separate areas of jurisdictions but may, of course, cooperate in developing projects. The steps to be followed in creating an EDC are:

1. A group of three or more persons submits a written application, including proposed articles of incorporation, to the governing body of the municipality.
2. The governing body gives public notice of the application, inviting competing applications.
3. The governing body holds a public hearing on the application and any competing applications if received. Notice of the time and place of the hearing is published in a local newspaper of general circulation.

4. The governing body approves one or none of the applications for permission to incorporate.
5. After the governing body approves an application by resolution and the resolution is in effect, the applicants must incorporate the EDC as a public corporation.
6. The chief executive officer of the municipality, or the chairperson of the county board of commissioners, with the advice and consent of the governing body, appoints the board of directors.

Presently there are 153 known EDC's in Michigan. It is estimated that approximately 150 projects have been financed over the past five years, with a total of \$231,650,000 of revenue bond financing and total project costs of over \$245,000,000. Over 5,700 new jobs have been created as a result of EDC revenue bond financing.

Of the 150 total projects, 46 were industrial projects amounting to \$60.9 million and the creation of 2,014 jobs. The other 104 projects were commercial representing \$170,750,000 of bond financing and creating almost 2,700 jobs.

It is expected that 40-50 new EDC's will be created during 1979. EDC's can be established in counties, cities, and townships and villages. The breakdown is as follows:

Number of cities	77
Number of counties	34
Number of townships & villages	42

Downtown Development Authority Act of 1975 (P.A. 197). This is a tool for use in Michigan by municipal officials and businessmen of a city, village, or township for revitalization and economic development of the downtown district of a community.

An authority is controlled by a board consisting of the mayor or city manager of a municipality plus eight members appointed by the mayor or city manager and confirmed by the governing body. At least five of the members have to be persons having an interest in property located in the district and if more than 100 persons reside within the district, at least one of the members must be a resident of the district. Members serve for staggered 4-year terms.

DDA's may acquire buildings, streets, plazas, and utilities -- in short, just about anything as long as the project will contribute to the economic development of the downtown district.

#### Taxation Powers

DDA's can use two types of taxation. They are:

1. A special ad valorem tax where the DDA can assess a tax not exceeding two mills on all taxable property in the district. (The limit is 1 mill for cities over 1 million population). The taxes are simply added onto the normal property tax and are collected by the city. However, the tax may be used for "operations" of the DDA only. This means that the funds can only be used for the planning of improvements for the downtown.

2. Tax increment financing is another method of collecting revenue. When there is an increase in assessed valuation as a result of a development project, the increase in revenue is earmarked and is given to the authority.

### Bonding Powers

DDA's can issue two types of bonds. They are:

1. Tax Increment Bonds

A DDA can issue bonds in anticipation of the collection of tax increment revenues to finance a development plan. Since tax increment revenues are only estimated, there is a high chance of error. For this reason, a municipality must pledge its full faith and credit as security.

(Remember that EDC's are not backed by the municipality.)

2. Revenue Bonds

DDA's can issue revenue bonds for improvements such as housing facilities, recreational facilities, parking lots and structures, convention halls, auditoriums, and other buildings for public use. These bonds also must be backed-up by the municipality.

Once a plan has been developed and the methods of finance have been proposed, the municipality must hold public hearings with regard to approval of the plan. Once it is adopted, the DDA may proceed with implementation. It should also be noted that DDA's do not have the power of eminent domain. However, a municipality may condemn property for DDA use and then turn it over to the authority.

## Community Action Agencies

Community Action Agencies are tax-exempt, non-profit corporations with a primary objective of helping the poor. Each CAA has a board of directors of no less than 15 members consisting of public elected officials, citizen representatives, and private interests. Each CAA covers a designated area of one or more counties.

CAA funding is tied but not restricted to the Community Services Administration. The CSA provides a steady amount of funds for administration and local initiatives (community center, food stamp program, etc.). It also offers additional assistance to CAA's on a competitive basis. In addition, a CAA may apply for funds from other agencies (Labor Dept., HEW, HUD, etc.). For example, a Community Action Agency covering 4 counties in southern Ohio has a \$3.4 million budget with only 7% of its funds coming from the CSA.

Since some farmers' markets seem to meet the goals of Community Action Agencies, I decided to try to determine how many and to what extent CAA's are involved in farmers' markets.

Mr. Robert Czapiewski, Director of the Community Food and Nutrition Program of the CSA, sent me a set of address labels for all of the agencies for whom he provides funding. In January 1979 I designed a short exploratory-type questionnaire and sent it to approximately 1000 agencies. The questions were:

- 1) Do you sponsor a farmers' market?
- 2) Do you or have you provided funds? If yes, how much and for what are/were the funds spent?
- 3) Are/were you involved in another way? If yes, how were you involved?
- 4) How do farmers' markets fit into the overall goals of your agency?

A sample questionnaire is included in the appendix.

Four hundred and fifty agencies returned the questionnaires for a res-

ponse rate of 45 percent. Results of the closed-ended questions are summarized on the following pages. Note that 13.8% of the agencies indicated that they sponsor or plan to sponsor markets. In addition, 12.7% have provided funds and one third of the CAA's were involved in other ways.

In the appendix you will find examples of individual CAA assistance in the organization and operation of farmers' markets. The following list is a summary extracted from that information.

#### CAA Assistance

- 1) Act as general organizers - recruit volunteers, bring in other agencies, citizen participation
- 2) feasibility studies
- 3) Write market proposals
- 4) Identify potential funding sources
- 5) Recruit potential vendors
- 6) Provide staff to work on the project
  - a) permanent staff members
  - b) VISTA volunteers
  - c) CETA employees
- 7) Help identify a site
- 8) Obtain permits and licenses
- 9) Graphics support, signage
- 10) Advertising - preparation and covering the cost
- 11) Rent space for the market
- 12) Pay cost of a market structure
- 13) Provide market equipment - tables, etc.
- 14) Provide office space and furniture
- 15) Purchase insurance
- 16) Pay travel costs

- 17) Allow use of telephone
- 18) Duplicating services
- 19) Pay utility bills
- 20) Provide paper, envelopes, and other office supplies
- 21) Pay market master's salary
- 22) Negotiate for food stamp approval
- 23) Entertainment and promotions
- 24) CAA member serves on market committee

Thus, Community Action Agencies have been providing a great deal of support to farmers' markets and should not be overlooked.

According to Community Action Agencies the benefits of farmers' markets include:

Benefits of Markets According to CAA's

- 1) Encourage small-scale, local, home-grown produce
- 2) Promote economic development - supplements and increases incomes of the poor
- 3) Source of produce for food co-ops
- 4) Source of high-quality, low-cost food for the poor - farmers' markets improve poor's accessibility to high quality, low-cost food since there are so few supermarkets in the central city.
- 5) An outlet for surplus production by participants of garden projects
- 6) Help the poor become more self-sufficient
- 7) Develops a sense of community and builds self-image of low-income vendors
- 8) An alternative to the supermarket
- 9) Expand opportunities for people producing crafts
- 10) Increase a community's or region's self-sufficiency
- 11) Provide a place to conduct workshops on gardening, canning, etc.
- 12) Nutritional and consumer education

- 13) Provide a "learning lab" where volunteers can participate in planning and implementation of the project without threat of failure.
- 14) Eliminate the middleman
- 15) Encourage personal development in the areas of
  - 1) Management
  - 2) Nutrition
  - 3) Food preservation
- 16) Encourage the self-development of low-income individuals in such areas as self-understanding, problem-solving, and leadership
- 17) When located next to a Community Cannery, the market conveniently provides low-cost produce to the participants

Markets which are aimed at providing some of these benefits have a good chance of receiving CAA support, and conversely, early CAA involvement will ensure that many of these benefits are realized.



CAA Involvement in Farmers' Markets  
Summary of Survey Responses  
May 1979

State	Sponsor A Market (B)			Provide(d) Funds (C)		Other In- volvement (D)		Number of Responses
	Yes	No	Plan to	Yes	No	Yes	No	
Alabama	1	6	1	2	6	6	2	8
Alaska	0	2	0	0	2	0	2	2
Arizona	0	5	0	0	5	0	5	5
Arkansas	3	17	1	4	17	7	14	21
California	2	18	0	2	18	5	15	20
Colorado	0	8	0	0	8	3	5	8
Connecticut	1	3	0	1	3	1	3	4
Florida	0	13	0	1	12	2	11	13
Georgia	1	10	0	1	10	2	9	11
Hawaii	2	3	0	1	4	2	3	5
Idaho	0	7	0	0	7	1	6	7
Illinois	1	8	0	1	8	2	7	9
Indiana	0	9	0	0	9	1	8	9
Iowa	1	10	0	3	8	3	8	11
Kansas	0	7	0	0	7	3	4	7
Kentucky	1	10	0	1	10	0	11	11
Louisiana	4	10	0	7	7	9	5	14
Maine	2	4	2	2	6	7	1	8
Maryland	0	8	0	0	8	1	7	8
Massachusetts	1	11	2	3	11	6	8	14
Michigan	1	9	0	0	10	2	8	10
Minnesota	2	12	0	3	11	4	10	14
Mississippi	2	6	0	2	6	2	6	8
Missouri	2	5	1	2	6	6	2	8
Nebraska	1	3	0	1	3	3	1	4
Nevada	0	4	0	0	4	1	3	4
New Hampshire	0	5	2	0	7	3	4	7
New Jersey	0	9	0	0	9	4	5	9
New Mexico	1	6	0	1	6	2	5	7
New York	4	11	0	2	13	10	5	15
North Carolina	3	20	1	4	20	11	13	24
Ohio	0	11	1	0	12	1	11	12

State	Sponsor A Market (B)			Provide(d) Funds (C)		Other In- volvement (D)		Number of Responses
	Yes	No	Plan to	Yes	No	Yes	No	
Oklahoma	0	12	0	0	12	1	11	12
Oregon	0	8	0	0	8	4	4	8
Pennsylvania	1	15	0	1	15	4	12	16
Rhode Island	0	1	0	0	1	1	0	1
South Carolina	0	5	1	0	6	2	4	6
South Dakota	0	2	0	0	2	0	2	2
Tennessee	0	10	1	1	10	4	7	11
Texas	0	23	2	0	25	7	18	25
Utah	0	3	0	0	3	0	3	3
Vermont	1	3	0	3	1	4	0	4
Virginia	1	6	0	0	7	1	6	7
Washington	4	15	0	7	12	9	10	19
West Virginia	2	8	2	1	11	1	11	12
Wisconsin	0	6	0	0	6	0	6	6
Wyoming	0	1	0	0	1	0	1	1
Totals								
47*	45	388	17	57	393	148	302	450

Percent of total number of responses	10%	86.2%	3.8%	12.7%	87.3%	32.9%	67.1%	100%
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\*There were no responses from Delaware, Montana, and North Dakota

# MICHIGAN STATE UNIVERSITY

SCHOOL OF URBAN PLANNING AND LANDSCAPE ARCHITECTURE

EAST LANSING • MICHIGAN • 48824

January 18, 1979

Dear Sir/Madam:

I am presently conducting a research project concerning the enhancement of farmers' markets in urban areas. This project will produce a guidebook which will be of assistance to large and small communities that want to enhance or develop a farmers' market.

Your name and address were given to me by Mr. Robert Czapiewski, Director of the Community Food and Nutrition Program of the Community Services Administration. We would like to learn how many and to what extent Community Action Agencies are involved in farmers' markets. Please take a few minutes to answer the following questions:

- A. Agency name and address \_\_\_\_\_  
\_\_\_\_\_
- B. Do you sponsor a farmers' market? \_\_\_\_ Yes \_\_\_\_ No
- C. Do you or have you provided funds? \_\_\_\_ Yes \_\_\_\_ No If so, how much and for what are/were the funds spent? \_\_\_\_\_  
\_\_\_\_\_
- D. Are/were you involved in another way? \_\_\_\_ Yes \_\_\_\_ No If so, how were you involved? \_\_\_\_\_  
\_\_\_\_\_
- E. How do farmers' markets fit into the overall goals of your agency? \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Any information you can provide will be greatly appreciated. Thank you and I hope to hear from you soon.

Sincerely,

*Robert W. Varney*

Robert W. Varney  
Urban Markets Project - (517) 353-5075  
Room 212 UP & LA Bldg.  
Michigan State University  
East Lansing, MI 48824

### EXAMPLES OF CAA INVOLVEMENT IN FARMERS' MARKETS

- The CAA of Calhoun, Cleburne and Cherokee Counties Inc. in Anniston, Alabama sponsors food fairs located in urban church parking lots. Rental space is free. These fairs have received a lot of good publicity and are expected to be even more effective in the future.
- The CAA of Colbert-Lauderdale Counties in Florence, Alabama is part of a cooperative self-help gardening project. The farmers' market is an essential part of the project which serves as an outlet for surplus produce. It also sets aside a few market selling stalls for low-income producers.
- The Economic Opportunity Agency of Washington County, Inc. in Fayetteville, Arkansas organized a market in 1972. With the organizational help and initial funding (\$7,000) of this agency, a group called the Rural Mountain Producers Exchange incorporated itself as a non-profit organization and set up a farmers' market in the area to provide an outlet for low-income people to sell their surplus produce and/or craft items. Only members, who pay a small fee for joining the cooperative venture, can sell their produce and crafts and are responsible for making sure that only locally produced items are sold at the market. During the second year of operation, the market had 200 members, 100 of whom were substantially supplementing their income. The market program has spun off from the CAA except for a few support devices,

and does approximately \$50,000/month of business during the season.

- North-Coast Opportunities, Inc. of Ukiah, California sponsors an arts, crafts, and economic development project, and plans to tie in local crafts marketing with an existing farmers' market.
- The Economic Opportunity Commission of San Luis Obispo, California helped plan and organize a market in 1978. It assisted in identifying a market site, obtained permits, paid for publicity, and funded 10% of a manager's salary over 6 months. The market is now self-supporting.
- Economic and Social Opportunities, Inc. of San Jose, California provided graphics support and served on the market committee for the first years of operation.
- The Merced County Community Action Agency of Merced, California used \$500 of its budget plus staff time to write a market proposal and to prepare a drawing. This proposal was redeveloped by the City of Merced which was later funded by EDA for approximately \$200,000.
- The Kern County Economic Opportunity Corporation of Bakersfield, California is planning to develop a farmers' market on a 5-acre community garden site.
- The Willimantic Farmers' Market began as a cooperative effort between the Windham Area Community Action Program (WACAP),

the City of Willimantic and the Willimantic Chamber of Commerce in 1975. The market operates Saturdays from June until October with about 30 farmers/vendors participating.

It is located in a small urban center (population approximately 15,000) adjacent to an elderly housing project and several low-income neighborhoods. Items sold range from fruit and produce to seafood, baked goods, home canned goods (from vendors who have been inspected by the Health Department), honey, plants, and crafts. Vendors must make, bake, or grow the goods which they sell. The market is now self-sufficient.

WACAP has provided seed money for operating expenses such as advertising, entertainment, a temporary shelter constructed from canvas, and other consumable supplies. Between 1975 and the present WACAP has provided approximately \$4,700. The agency also received a \$25,000 HUD block grant through the City of Willimantic for the construction of an open-air market pavillion. Now WACAP staff and VISTA volunteers help run the market and provide bookkeeping services each year.

- The Hillsborough County CAA of Tampa, Florida is in the process of starting a small farmers' market next to its Community Cannery.
- The Wayne Community Action Commission, Inc. of Richmond, Indiana sponsors inner and outer city garden plots each year for individuals to grow and preserve their own vegetables. Low income growers sell excess produce at the farmers' market, which earns them extra money.

- The South Central Iowa CAP, Inc. of Leon, Iowa established and now assists 5 markets in 5 counties. It contributes \$100 per market for materials. Garden project participants are encouraged to sell at the markets.
- Union Community Action Association, Inc. of Farmerville, Louisiana spent \$5,000 for labor and equipment over a 3 year period until its market became self-sustaining.
- The St. Landry Parish CAA of Opelousas, Louisiana makes referrals to the Farmers' Market Executive Director whenever low-income farmers produce a surplus.
- Clarborne Community Action Association, Inc. of Homer, Louisiana provided \$17,500.00 for market staff, equipment, and utility bills.
- The Jefferson Davis CAA of Jennings, Louisiana sponsors a market and has provided \$20,000.00/yr. for construction of a facility, seed and fertilizer, and staff support.
- The Webster Parish CAA of Menden, La. recently spent \$1,000 for construction of a market which will begin in the spring of 1979.
- Macon Economic Opportunity, Inc. of Oak Grove, Louisiana allocated \$12,500.00 to establish a market for the rural poor of the parish.
- Delta Community Action Association, Inc. of Tallulah, Louisiana sponsors a market and provides technical assistance through two paid personnel.

- Coastal Enterprises, Inc. of Bath, Maine, (a community development corporation which is sponsored by a CAA, Coastal Economic Development Corp.) has sponsored 4 markets along the Maine coast. After the initial period of sponsorship, the agency continues to work with the vendors to improve the market and to undertake other projects such as cooperative seed orders.

An average of \$300 per year has been expended, exclusive of staff time. Funds are usually spent on a declining basis per year until the participating vendors are capable of fully supporting the market. This usually takes 2 years, and funds are primarily spent on advertising and promotions.

- A staff member of the Task Force on Human Needs of Auburn, Maine assisted the Cooperative Extension Service in establishing a market.
- The Mid-Coast Human Resource Council of Rockland, Maine has CETA personnel working on a proposal to establish a farmers' market.
- The South Middlesex Opportunity Council of Framingham, Massachusetts donated staff time to organize and operate a market in the summer of 1978. It also used the market as a vehicle for nutrition education.
- North Shore Community Action Programs of Peabody, Mass. has provided staff time toward the organization of a small market.
- The relationships between farmers' markets and food co-ops



can be complimentary. Communities United for Action of Taylor, Michigan sponsors food co-ops who receive their produce from markets. Without the cooperation of the farmers' markets the co-ops would be unable to maintain service to the community in the form of reduced food prices. In reverse, the growers at the market are able to sell their produce in bulk and still receive a profit.

- The Ottertall-Wadena Community Action Council of New York Mills, Minnesota was awarded a \$7,850.00 Governor's Rural Development Grant to help develop a farmers' market. A 50' x 100' building was constructed using these funds and the Council contributed \$19,000.00 in CETA labor and other assistance. The project is now operated by the "Rural Resources Markets Co-op". A fall report on the market development will be available by spring 1979.
- SEMCAC, Inc. of Rushford, Minnesota is trying to obtain funding for expansion of an existing farmers' market in Winona, Minnesota.
- Central Mississippi, Inc. of Winona, Mississippi granted \$1,000.00 to help develop a small curb market.
- The Economic Security Corp. of Joplin, Missouri, in conjunction with the Neosho Chamber of Commerce and the Downtown Merchants' Association, set up two successful markets in 1978. The agency plans to continue to create more markets in its four-county area and will provide initial funding whenever necessary.

- The Green Hills Human Resources Corp. of Trenton, Missouri sponsors a gardening project which concludes with the farmers' market. It also provides organization and implementation assistance to a senior citizens' group.
- Blue Valley Community Action of Fairbury, Nebraska started a market by organizing volunteers, publicizing it, and paying \$25 for a city license.
- Stafford County Community Action of Somersworth, New Hampshire is planning to establish a market in 1979. A staff member has been studying its feasibility and analyzing the problems of a previous market which was operated by the Cooperative Extension Service.
- The Jefferson Community Action Planning Council of Watertown, New York offers two site certificates to any low income household wishing to participate as an independent.
- SENCland Community Action, Inc. of Whiteville, North Carolina has allocated approximately \$20,000 to the market which it has sponsored over the past 8 years. It has also provided office space, furniture, xerox services, and has recruited new participants.
- The Yadkin Valley Economic Development District, Inc. of Boonville, North Carolina awarded \$1,500.00 as incentive grants and provide technical assistance to two farmers' market organizations.

- The Economic Improvement Council, Inc. of Edenton, N.C. worked with the Pasquotank County Agricultural Extension Service to establish a farmers' market.
- The Joint Orange-Chatham CAA of Pittsboro, N.C. handled almost everything for its market. The agency found a site, built a shelter, recruited sellers, set hours and rules, provided a sign and ran area-wide advertising.
- Operation Breakthrough, Inc. of Durham, N.C. worked with a group of Duke University students in establishing a farmers' market at a local church. The agency notified target area farmers and persons who participated in their garden program of the location and how they would participate.
- In 1974 W.A.M.Y. Community Action, Inc. of Boone, N.C. provided a staff person (\$7,500 salary) to organize and manage the Watauga County Farmers' Market. A staff member now serves as manager of the market during the summer months.
- The Northern Tier Community Action Corporation of Emporium, Pennsylvania spends \$25.00 per market for advertising and procurement of selling space, and uses its staff to recruit participants and to assist in setting-up and operating markets.
- The Commission on Economic Opportunity of Luzerne County in Wilkes-Barre, Pennsylvania advocates food stamp authorization procedures among farmers' market members.
- Community Action Resource Services, Inc. of Texarkana, Texas

is coordinating its efforts with the County Extension Service to establish a farmers market at a large shopping center.

- Southeastern Vermont Community Action, Inc. of Bellows Falls, Vt. hired a CETA employee for two years to organize three markets in Windsor County. The agency also paid \$500.00 for travel costs. These markets now sell to 20 area food co-ops during the season.
- From 1975 to 1977 The Bennington-Rutland Opportunity Council of Bennington, Vermont sponsored two CETA slots and funded a supervisor to organize the Rutland City Farmers' Market. In addition the Council provided administrative services such as use of a phone, office space, and publicity.
- The Champlain Valley OEO of Essex Junction, Vermont helped establish a market by providing assistance with general organization and by negotiating for food stamp certification. The market is located in a low-income area of town.
- In cooperation with the VPI Extension Division, the Tazewell County Development Corp. of Tazewell, Virginia sponsored a farmers' market near its Community Cannery, availing the purchaser to can his/her fruits and vegetables.
- The Lower Columbia Community Action Council, Inc. of Longview, Washington sponsors a Nutrition/Consumer Information and Education Booth at its market.
- In 1969 the Southwestern Community Action Council of Huntington, West Virginia used an OEO grant to set up a farmers' market in Lincoln County. The market is still operating and is self-sufficient.



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