

MEMORANDUM

TO: Parks Advisory Commission

FROM: Derek Delacourt, Community Services Area Administrator

DATE: June 21, 2016

RE: Farmers Market Infrastructure Improvement Project

The Farmers Market Infrastructure Improvement Project proposes the construction of a new market structure to expand vendor stall capacity year-round, providing heated, indoor space for vendors and customers during the winter and needed additional stall space for vendors who currently operate without covering or electricity from May through October. Over the past few years staff sought input from market customers and vendors regarding priorities for market improvements and aligned this project with the input received. The Public Market Advisory Commission, a public body composed of vendors, neighborhood representatives and shoppers, has passed multiple resolutions in support of the project and has discussed it at meetings numerous times since 2014.

The proposed structure has been designed first and foremost to improve the Market vendor and shopping experience. The design has an open floor plan to accommodate vendor stalls, minimal heating geared towards the preservation of produce, and gates, doors and ramps to facilitate vendor loading and unloading. The structure would also create a prominent entrance and barrier free access on 4th Avenue, assuring accessibility for all pedestrians and highlighting the market's presence downtown.

In order to fully engage stakeholders in critical elements of the project, staff worked with Vendor and Community Operations Advisory Committees (VOAC & COAC) made up of nine vendors and eight community members (business owners, market customers, and neighborhood residents) respectively during the months of February, March and April. The VOAC & COAC have shared recommendations with the Public Market Advisory Commission and this input has significantly help shape operational elements of the project.

The following sections elaborate on key components of the proposed structure and address questions that have been received by staff from vendors, customers, the Public Market Advisory Commission and City Council.

Vendor Space

The site of the proposed structure is currently used to accommodate up to 18 vendors, who use the space May through late October, during the height of the market season. These vendors, who do not have access to parking or electricity in these spaces, are responsible for supplying their own covering. This necessitates a 10x10 stall size to accommodate a standard easy-up tent, thus limiting the number of vendors able to utilize this space.

The proposed addition provides covering and electricity for these 18 vendors, and adds an additional 16 stalls to the space, allowing more local businesses to participate in the market. Each year the market receives applications well in excess of the market's current capacity; this addition would increase vendor capacity.

The Vendor Operations Advisory Committee (VOAC), which met during the months of February, March and April to provide feedback on the operational components of the project, has recommended the building be flexible in its ability to function as open-air or enclosed space November through April.

To clarify any misconceptions, the proposed structure will result in net gain of 16 new vendor stalls at market; there will not be fewer or smaller stalls. The stalls sizes for the new structure are based on vendor recommendations and also mirror the dimensions of the more generously sized stalls in the existing market. The VOAC spent a significant amount of time evaluating various stall sizes and ultimately recommended an 8x8 ft stall, with the possibility for some 8x6 ft stalls for smaller vendors within the building. The 8x6 ft stall size is also consistent with a subset of stalls in the existing market.

On market days when the building functions as an open-air space, which will be the case for the majority of the year (roughly eight months), regular stall limits as described in the Public Market Operating Rules will be enforced. It is important to note that the proposed stall limits within the structure are only to be enforced when the doors are closed for winter. The building has a finite footprint, providing 4,000 square feet of indoor space at the market. In order to accommodate as many vendors inside the building as possible while taking into account the recommended dimensions for stall size offered by the VOAC (which included long-standing, large vendors, Kapnick Farm Market and Wasem's Fruit Farm), both the VOAC and staff recommend limiting vendors to 1 stall (for those vendors who pay yearly for 0-2 stalls) and 2 stalls (for those vendors who pay yearly for 3-4 stalls). Also for vendors desiring additional space beyond the allocations provided in the winter structure, the open-air space at the market will be available as well.

Two stalls at the end of the existing middle aisle will be removed as a part of the redesigned drive thru and walk way requirements for the new structure. One of these stalls is assigned to Annual Vendor, Janna Field. The other stall is assigned to Annual Vendor, Daren Otis.

Opportunities for stall relocation within the existing market canopies happen yearly after the start of the new fiscal year on July 1 if annual stalls become available. When new stalls become available, these two vendors will be able to select replacement annual stalls prior to all other vendors making relocations. In the interim time period if no additional stalls are available to assign to these vendors, these vendors will be able to utilize their designated number of stalls within the new building. Functionally and operationally speaking both Janna Field and Daren Otis will have access to the number of stalls they require on any given market day, given their seniority level in the market.

Parking and Loading

The vehicle access and unloading process is currently disproportionately challenging for daily vendors, who make up 50% of the vendors at the market. The VOAC discussed the current challenges around vehicle access and loading/unloading around the market, resulting in the recommendation to implement a staggered, tiered stall assignment procedure for all market vendors. With better defined access times and clearer management of unloading areas, the proposed assignment procedure is intended to improve the setup process for all vendors. In addition to addressing the complexities of vehicular access presented by the proposed drive thru canopy, the operational changes recommended by the VOAC would ameliorate existing challenges around vehicle access.

The number of vendor parking places will be reduced by 12, resulting in 8 vendors losing onsite parking (4 vendors have additional parking space in the market and thus will still be able to park onsite). Staff are actively working with the DDA to identify offsite parking for these vendors, in addition to creating a cohesive plan for all vendor parking. A significant number of vendors are already responsible for finding offsite parking on Saturdays, as they do not have access to onsite parking.

Staff and the Chair of the Public Market Advisory Commission have attended multiple Kerrytown District Association (KDA) meetings to discuss the project. It is understood that customer parking is a main concern for the KDA with regard to the market project. The market parking lot is managed by the DDA, and DDA staff has been consistently communicating with City Staff to address parking concerns in the area. Signed loading and unloading zones for customers, as well as offsite vendor parking are being proposed to assist in the parking experience for those driving to the neighborhood to shop.

Project Options

The option of enclosing only the main isle of the market structure along Detroit Street was evaluated as a part of the planning for this project. A structural evaluation of the main aisle stalls resulted in a cost estimate of \$275,000 to \$325,000 to enclose only that portion of the market with a potential for that cost to increase to \$425,000 depending upon foundation conditions on site. In addition to the significant expenditure for such an enclosure and the year-round reduction of existing stall sizes to accommodate the framing and doors, the winterization of existing sheds does not meet an important goal for this project: to improve access to the market for all vendors.

Staff hired TetraTech Engineering Firm to evaluate enclosing the canopy area that parallels Detroit Street with the type of siding and heat that some vendors have expressed interest in having installed at the market. Both vinyl rollup doors and metal coiling or sectional doors were evaluated. The report from TetraTech noted the following considerations:

- **Load Impacts:** “Two types of loads that will be modified: wind load and dead load. With unknown foundation type and size for this structure, it is difficult to know if the weight of the new doors would result in overstressing the soils under the foundation (which could cause the structure to settle). In order to determine this, the sidewalk around a column would have to be removed to allow for excavation to determine the type and size of the foundation. If it were then determined that the foundation is inadequate, either due to condition or structural capacity, then expensive retrofits or replacement would be required to each affected column. The other major concern is the added wind loading to the structure. By enclosing the structure, the amount of area that is exposed to wind increases and each column has to resist a load approximately 15 times greater than the original design load. Such an increase would have to be thoroughly analyzed. It is extremely likely that the results of this analysis will result in the need for structural modifications to strengthen the columns.
- **Reduced Stall Size:** Due to the addition of the doors and the steel to support their installation, it is important to note this work will reduce the size of each stall space that is currently available. The vertical height will be reduced by the height of the door roll housing for the vinyl and metal coil door options, and by the height offset of the door tracks for the sectional door from the structural roof framing. For all options, the horizontal space will be reduced due to the addition of the tracks and their vertical supports for the doors to run on. The depth of each stall will also be limited when the doors are down to the area within the overhang of existing roof unless additional framing is added outside the roof line to mount the doors.

- **End Doors:** With the sides of the canopy being enclosed in order to allow the heating of this space, a major consideration will be how to handle the flow of people coming in from the ends or the open market areas to the east. If these areas are left open, then it allows the cold air to pass through this part of the market reducing the impact of the heaters. If these areas are closed off with walls and doors, then it could take away from the open air feel of the market during the warmer times when the door panels are not closed.
- **Cost:** Assuming the foundations are adequate, we believe the project cost for enclosing the canopy will range from \$275,000 to \$325,000. The low end of this cost would be for the vinyl roll up door, and the high end would be for the metal coiling doors. Additional cost upwards of \$150,000 could be added to this cost if foundation work is required. This work would also result in a reduced stall size for any of the enclosed stalls.”

Staff reached out to the staff at the Toledo Farmers Market to understand the process for their winterization project as it had been heralded by some vendors as an example of the type of renovations that should take place at the Ann Arbor market. The Toledo market installed 8 garage-style doors in 2007 and added another 6 doors in 2010 for a total of 3,300 square feet of enclosed space. The cost for these two installations was \$84,000. A key distinction in the Toledo case is that the market structure was completely rebuilt in the early 1990’s, which allowed the market structure to accommodate the subsequent addition of winter doors. The rebuild was funded by a \$500,000 HUD grant which gave the market a brand new base structure to work from before these doors were installed. Just to make sense of that number with regards to inflation, that project would cost \$756,328.87 today. When the cost of the 14 doors is added to this rebuild cost, the result is nearly \$840,000. The proposed market structure for the Ann Arbor Farmers Market creates 4,000 square feet of enclosed space, provides equitable accommodations for all market vendors year-round, and increases the number of vendors the market can accommodate, all significant goals of the project that are not addressed by enclosing portions of the existing market structure.

Staff and the VOAC anticipate the need for future winterization beyond this project. These future needs are best captured and anticipated in long-term planning documents and will be reflected in the upcoming Parks and Recreation Open Space Plan, which is currently being updated for 2016-2020.

Construction

Timing construction at a year-round farmers market in Michigan is undoubtedly challenging. The timeline was selected to minimize the impact on market operations to the greatest extent possible, beginning as late in the market season as possible and working through the months with the lowest vendor attendance, finished just before the spring season begins. Construction will not take place on market days and the site will be required to be secured to allow the existing market structure and activities to function normally. Beginning in the late fall allows for the necessary foundation and concrete work to be completed before temperatures make it infeasible to continue work. Once these components have been completed, the project can continue through the winter above ground. Given typical vendor attendance levels in the late fall and into the winter months, vendors will be able to be accommodated within the existing market canopies while construction takes place on the site. The anticipated disruption is much less than other alternatives suggested (e.g., enclosing the main isle).

Cost

Funding sources include market restricted use funds, developer contributions, the Parks millage and a grant from the DDA. Relatively recent market stall rental rate increases are not a funding source for this project. The stall rental rate increases reflect higher levels of operational support,

were recommended for approval by PMAC and PAC and approved by City Council, and based on comparative fees of other local markets.

Staff anticipates minimal increase to annual operating expenses as a result of the Market Infrastructure Improvement Project. These minor additions to annual operating expenses will be offset by anticipated revenue brought in by the addition of new vendors to the market. Energy costs will be minimal as it is proposed that the building only be heated to approximately 50 degrees for less than 5 months, and then only on market days (maximum 2 days per week). Lights will be on only in the early morning and when the winter market is operating as needed. The large windows and overhead doors will provide natural light such that it will not be necessary to light the structure on a regular basis. Additionally, proposed solar panels would eventually entirely cover the electrical costs of the proposed structure. Utility costs for any other event, whether a community or private event, as well as the Sunday Artisans market, will be factored into the cost of the rental. Any significant repairs needed to the structure would be funded the same way the existing infrastructure is funded; through the Parks Maintenance and Capital Projects Millage.

With regard to the project cost estimate, more than \$200,000 of the estimated \$850,000 in expenses is specifically for site work, not for the construction of the building. This site work includes all construction requirements mandated by City Code.

Community and Event Rentals

The new structure has been designed first and foremost to function as vendor space. Amenities typical of rental facilities, such as restrooms or running water, are not included in the design. Given that the existing market stalls are already rented for community and private events, any rentals of the new structure would mirror rental practices of the existing market, offering a benefit to the community and as an opportunity for increasing revenue toward the market's operating budget, but this function is secondary. a public, downtown venue to the community and resulting in revenue which supports the market's operating budget.

Market and Parks Rental staff are working with KDA representatives to define best practices as they relate to neighborhood parking, acknowledging the needs of area businesses for parking at the market lot on non-market days and continuing to provide space for large-scale important community events, including Homegrown Festival, Kerrytown Bookfest, NashBash, and Kindlefest.

Conclusion

The market is a beloved, community icon and any proposal for changes to the market draws diverse and passionate responses from vendors, customers, residents, and the community at large. Valuable critiques as well as strong support have been shared about the project by many stakeholders. The representative body which guides market activities, the Public Market Advisory Commission, has been guiding the direction of this project for more than two years now, working closely with Staff and creating committees of vendors and community members to evaluate many of the operational elements of the project. The Commission has passed multiple unanimous resolutions of support for this project, taking into account the feedback received from the community and market vendors.

The project is following all necessary steps for approval in a manner consistent with the requirements for development projects within the City. Project design was presented to the Design Review Board on April 21, 2016 and is scheduled to be brought before The City

Planning Commission on July 19, 2016 and City Council later in the summer with construction commencing in the late fall of 2016.