

Feasibility Study

For a Permanent Farmers' Market Facility on San Juan Island

Prepared for:

San Juan County Economic Development Council

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Executive Summary

The San Juan Farmers' Market Association and supportive citizens have been actively working to create a permanent farmers' market facility since 2004. Earlier efforts have included the Port of Friday Harbor, the Town of Friday Harbor, and the San Juan Island Grange. However, these earlier efforts did not result in successfully securing an appropriate location.

Currently, the San Juan Farmers' Market takes place every Saturday, April through October, at the Courthouse parking lot. However, this current location is not ideal as it is only available on a year-to-year basis and is only available on Saturdays. Most importantly, the Courthouse parking lot has no protection from the elements. Attendance is poor and sales are down in rainy weather. The winter farmers' market does not have a secure location. A year-round covered farmers' market facility is needed to develop, promote, and expand the direct marketing of local farm products, and increase direct marketing revenue, which is essential to the sustainability of small farms.

In early December 2007, a group of people representing a broad range of county agencies, farmers, and local food advocates recommended the formation of the San Juan Islands Agricultural Guild (Ag Guild), a 501(c)(3) Washington State non-profit corporation with the primary purpose to foster sustainable agriculture in San Juan County. The Ag Guild was ratified at a public meeting on February 4, 2008.

The Ag Guild recognizes that development of a comprehensive food system is essential to fostering sustainable agriculture in San Juan County. As part of that greater goal, the Ag Guild's first project is the creation of a Permanent Farmers' Market facility on San Juan Island. This multi-use agricultural facility will

- Address the goals of the San Juan Farmers Market Association for a year-round covered farmers' market facility that will include a mid-week as well as Saturday market
- Be designed to include storage, processing, distribution, and educational facilities
- Address several county goals including farmland preservation, tourism promotion in the off-peak season, and economic development with the greatest local multiplier effect
- Address emergency preparedness goals through facility design and increase the community's capacity for self-sufficiency
- Provide cold and cool storage facilities for San Juan County farmers with no access to public electricity and farmers with limited storage capacity

Nationally, farmers' markets have expanded in number from 1,746 in 1994 to 4,700 farmers' markets today with more than \$1 billion in annual sales. Permanent, year-round facilities are recognized as an important component to

the stability and economic success of farmers' markets, as well as a benefit to the local community in increased economic development with the greatest multiplier effect and increased community food security.

A permanent farmers' market facility is feasible on San Juan Island given the identified need and demand for the facility, the longevity and success of the San Juan Farmers' Market and its strong customer base, and the local population base augmented by part-time residents and tourists. The draft operating budget for the most feasible site demonstrates the feasibility with current actual farmers' market stall fee revenue along with conservative estimates of additional operating revenue compared with detailed, conservatively estimated operating expenses. The feasibility of purchasing property and paying for all the project development costs is not a determining factor in this study. The current goal of the Ag Guild is to raise all the funds needed for the capital development costs through donations, local funds, grants, and other available funding sources.

The San Juan Farmers' Market's customers have demonstrated strong support for a permanent farmers' market facility. In 2004, two-thirds of the customers surveyed said that a year-round covered structure was desirable. By 2008 over 87% supported a permanent farmers' market facility with less than 4% supporting the continuation of an entirely outdoor farmers' market as it currently exists.

The feasibility of a permanent farmers' market facility is also demonstrated by the broad range of community members and local and regional organizations that are engaged in this current effort to make the long desired year-round facility a reality. The San Juan Islands Agricultural Guild (Ag Guild) is working closely with the San Juan Farmers' Market Association on the facility design and in identifying the most feasible location.

The historic Friday Harbor Brick & Tile Company property at 150 Nichols Street has been identified as the most feasible site for the Permanent Farmers' Market facility. A primary reason for the number one ranking of this site is the commitment from the San Juan County Land Bank for \$600,000 towards the purchase of the property, with \$400,000 for an historic preservation conservation easement and \$200,000 that would need to be repaid. This property is the site of the only historical industrial building remaining in downtown Friday Harbor, and both the Town of Friday Harbor and the San Juan County Land Bank are interested in protecting and preserving this building (that manufactured concrete building blocks and bricks for the construction of several downtown historic structures). The 150 Nichols Street historic structure has undergone a thorough structural engineering analysis, and while a number of structural reinforcement and remodeling requirements are needed to bring the building up to code, the building is essentially sound.

The 150 Nichols Street property is large enough to accommodate a 50% increase in the current number of peak season vendors. The historic structure includes a 2,400 square foot open area with large barn-like doors at either end that could accommodate 23 vendors indoors, year-round. Additionally, the 960 square foot 'shed' area could accommodate cool, cold, and dry storage, as well as a small commercial kitchen. The 1,000 square foot second floor apartment would provide additional revenue as a separately rented office suite or vacation rental. The remaining property can accommodate an additional 35 – 39 vendor spaces in the spring, summer, and fall, as well as a stage, and green space.

Another advantage of the Nichols Street site is the Town of Friday Harbor's public restrooms located next door to the property. Both the San Juan County Health Department and the Town of Friday Harbor have said that these restrooms would meet the restroom requirements for the Permanent Farmers' Market facility. The existing public restrooms afford significant savings to both the capital development and operating budgets.

The primary disadvantage of the Nichols Street property is the limited on-site parking. The San Juan Farmers' Market Association anticipates providing a "veggie valet" (curb-side purchase drop off/pick-up booth) and/or a shuttle bus that would bring customers to and from the Courthouse parking lot and the Port of Friday Harbor. Another disadvantage is that while the property is located in the downtown core, it is not highly visible from any of the major roads. The marketing plans for the Permanent Farmers' Market facility will need to specifically address the challenges of limited on-site parking and lack of visibility from major roads.

In spite of the challenges the Nichols Street site presents, the Ag Guild and the San Juan Farmers' Market Association are excited by the vision for the renovation of this currently blighted site into a vibrant and festive downtown community gathering space where the year-round farmers' market can thrive.

Depending on the purchase price yet to be negotiated, the capital development costs are potentially significant, and creating the Permanent Farmers' Market facility in downtown Friday Harbor will require a substantial commitment from local donors in addition to potential grant and public funds. These are challenging times economically, but also the time to focus resources on what is essential to the community. The Permanent Farmers' Market facility will provide the infrastructure local food producers need, provide economic development with the greatest multiplier effect, and increase community food security and access to great local food.