

# Dallas Farmers Market

## Design & Economic Development Strategic Plan Update

Economic Development & Housing  
Committee Briefing  
February 5, 2007



# PURPOSE

- Provide update on efforts to position Dallas Farmers Market as a destination experience for Dallas, North Texas & beyond
- Alert City Council of upcoming Council actions

## Briefing Contents:

1. Renovation of Shed 2 -- \$3.2M – 2003 Bond Funds
2. New Product Mix for Produce Sheds & Shed 2
3. New Vendor Policies/ Procedures
4. Modifications to Dallas City Code - Chapter 29
5. Transfer Management of DFM to Non-profit or For-Profit
6. Increase Parking Resources
7. Improve Perception Of Safety – Down Room
8. Marketing & Special Events Strategy
9. Increase Retail Density & Reasons to Visit DFM
10. 2006 Bond Program Improvement Plan



# BACKGROUND

- 1994** Major improvements undertaken at the Dallas Farmers Market (DFM) included construction of:
- Shed 2
  - Administration/multi-purpose facility
  - Traffic & Parking modifications
- 2004** Reports from DFM Summit & USDA recommended a comprehensive market analysis as first step in determining future of DFM
- April 17, 2006** Presented Boka Powell, Inc. Design and Economic Development Strategic Plan for DFM
- April 26, 2006** City Council accepted strategic plan and approved Supplemental Agreement for design of Shed 2 improvements to Boka Powell, Inc.



# Status Shed 2 Renovation

## Scope of Work:

- Add heat & air conditioning
- Upgrade water, sanitary sewer, electrical & gas service needed to support 10,000 sq. ft. dining / specialty food space
- Tenant finish out provided by tenant

## Inclusive Design Process:

### Current Shed 2 Vendors

- Vendor interviews & survey
- Sought vendor ideas
- Four (4) Shed 2 Vendor Meetings

### Other Stakeholders

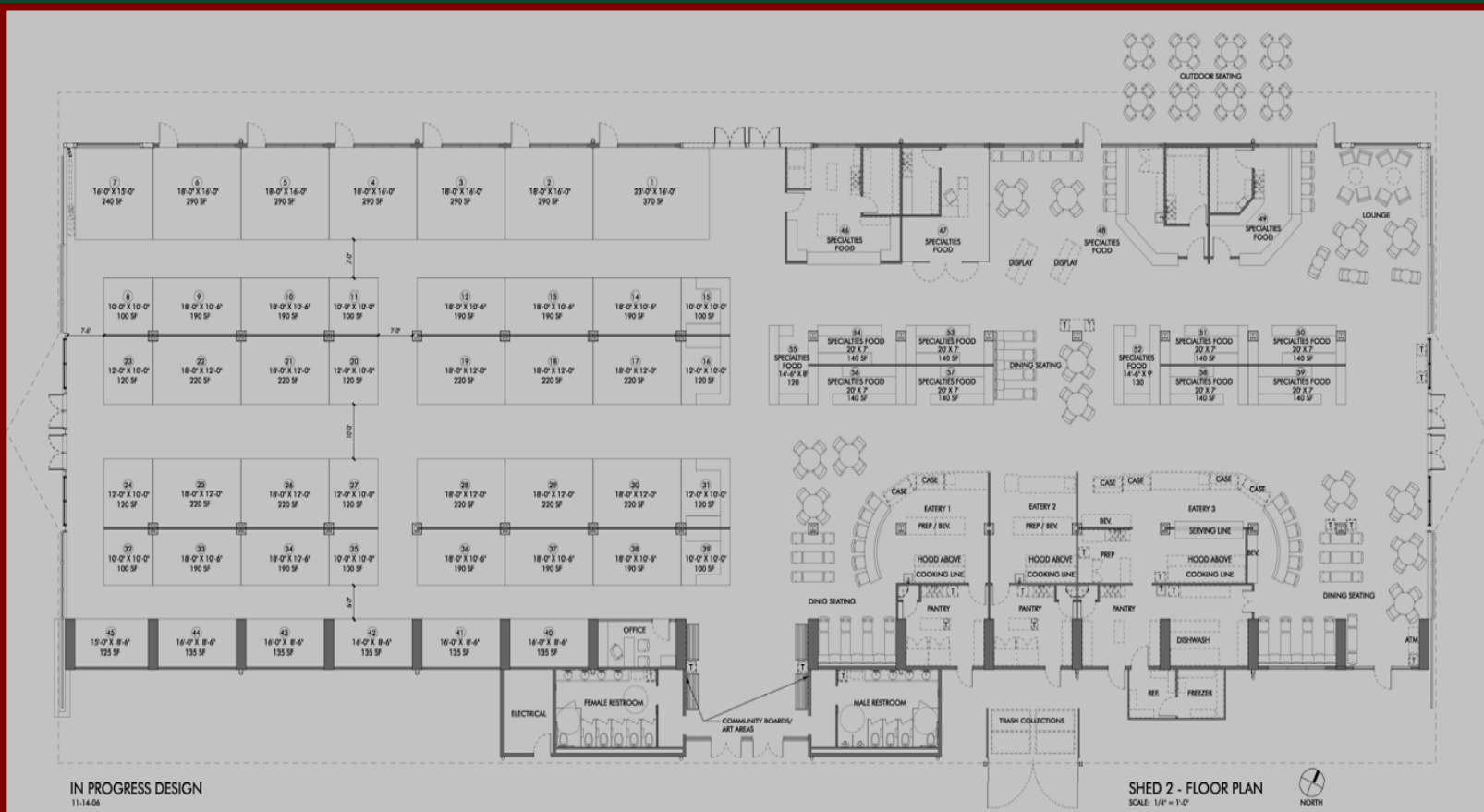
- Dallas Farmers Market Friends
- Area land owners
- Customer survey results
- Downtown Dallas
- Other City Departments



# Status Shed 2 Renovation (Con't...)

## Improved Floor Plan includes:

- 61 vendor stalls
- Stalls have access to utilities, communications & sewer drains
- Improved stall configurations & patio seating
- Relocate restrooms & mechanical closet
- Design standards for vendor finish-out & signage

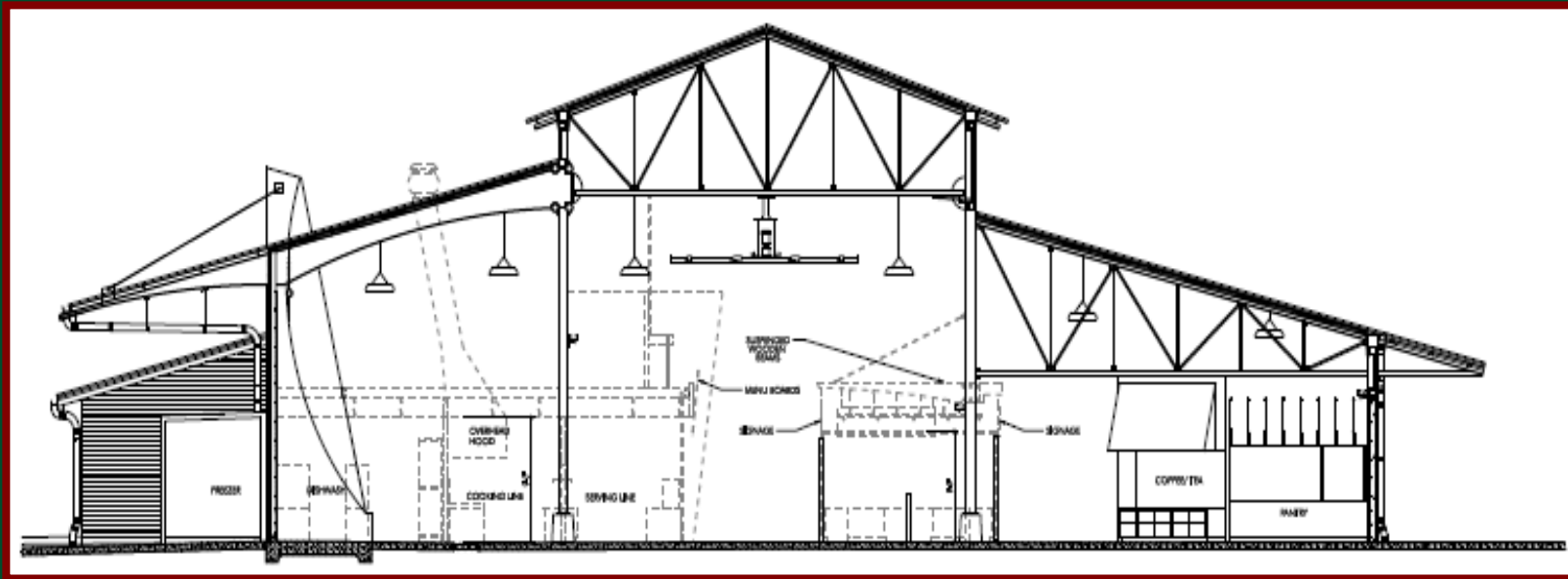


IN PROGRESS DESIGN  
11-14-06

SHED 2 - FLOOR PLAN  
SCALE: 1/4" = 1'-0"



# Status Shed 2 Renovation (Con't...)



## Architects also challenged to improve building efficiency

- Replace existing lighting w/ brighter more efficient lighting
- Three 16' diameter fans to circulate air
- Rain collection system for flushing in new restrooms & recycled plastic restroom partitions
- Energy efficient insulated sandwich exterior wall panels replace roll down doors
- Provide infrastructure to allow Wi-Fi



# Status Shed 2 Renovation (Con't...)

Phase	Due Date
Design – Completed	January 31, 2007
Construction Contract Award	April 11, 2007
Construction Begins	June 1, 2007
Construction Complete	December 1, 2007
Tenant Finish Out Complete	February 1, 2008
Grand Opening	March 16, 2008



# Define New Product Mix

**Goal:** Define product mix based on customer desires for local, healthy, quality & unique food products & seek local vendors to provide those products

- Produce Sheds 1, 3 & 4
- Increase number of Farmers
  - Expand permitted products to allow bedding plants, Christmas trees, honey etc.
  - Seek policies that encourage farmers
  - Farmers Roundtable (Friends) Feb 11-12, 2007
- Seek specialized produce items (peppers, mushrooms, tomatoes, etc.)
- Adjust Shed assignments, balance vendor classifications, institute waiting lists



Dallas Farmers Market

# New Product Mix – Produce (Con't...)

## Adjust Produce Shed Assignments

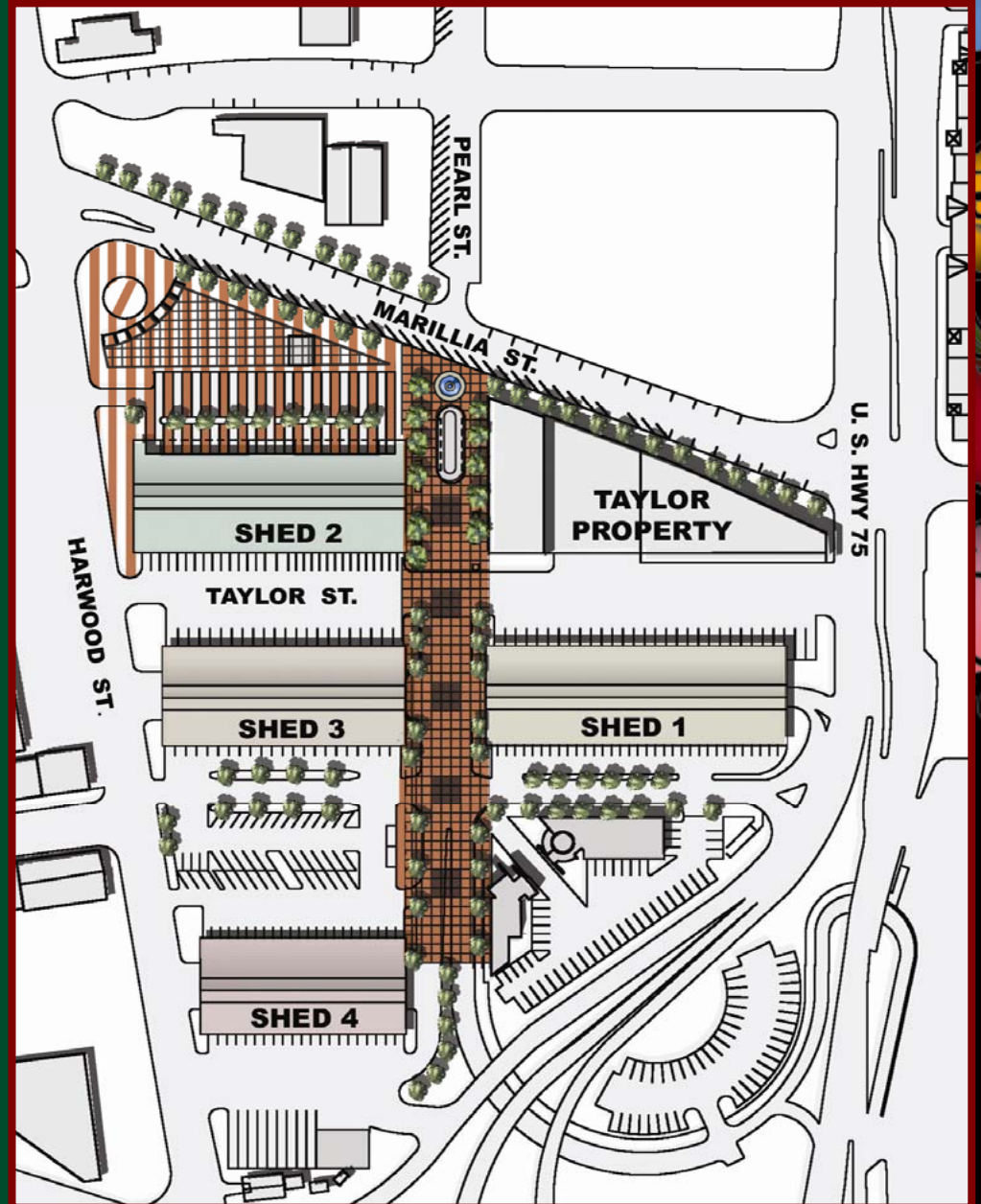
### Shed 1 - Farmers

- Existing Produce Dealers in Shed 1 have 1st right of refusal to move to Shed 3 as openings occur

### Shed 3 - Produce Dealers

### Shed 4 – Wholesale / Parking

- South side Wholesale Vendors
- North side Parking, Special Events & Temporary space for produce vendors impacted by future construction activity



# New Product Mix – Shed 2

## Shed 2 – Product Mix Review Process & Findings

- **Surveyed 17 of 21 existing vendors in Shed 2**
  - Annual gross sales in excess of \$2.8M
  - Employ 42 full & part time employees
  - 100% of Vendors own their inventories outright
  - 100% of Vendors believe their products add value
  - Top 3 Concerns Voiced Most Often
    - Birds and cleanliness
    - Security / Homeless
    - Product Mix, Quality & Enforcement of Market Rules
- **Current Product Mix in Shed 2 is Unbalanced**

11 Mexican Import; 1 African Import; 6 Specialty Food (2 coffee, 2 meats, 1 seafood, 1 spices); 2 Artists; 1 Misc. Gifts & Beads
- **Approx. 85% of total space dedicated to Mexican Imports**

50% of total space is Mexican Import rustic furniture



# New Product Mix - Shed 2 (Con't...)



- **October 17, 2006 – Expert Panel**

Hosted meeting w/ retail experts to review feasibility & potential for success of a proposed plan (See Appendix A for Attendees)

## Panel Recommendations:

- Product mix must be consistent w/ what customers perceive as the core purpose of DFM - Fresh, Local, Texas AND other unique food items
- Do not confuse food message w/ non-related products
- Broaden the market - Local & Texas products are good but also seek vendors selling other unique food products (Regional, National and International)



# Shed 2 - Product Mix (Con't...)

## Shed 2 Product Mix Includes (See Appendix B for details) :

- Three (3) Eateries
- Specialty Foods
- Kitchen Related Products
- Limited Artisan Products
- Limited Garden Products
- Limited Imports Products

## Products that do not work:

- Retail items
- Art galleries
- Newsstands
- Furniture



Showcase - Reading Terminal Market

## Balance is Critical:

- 20% Artisan, garden & import vendors (Non-Food Related Retail)
- 40% Ready to eat foods
- 40% Grab & Go foods / kitchen & related / specialty foods



# Shed 2 - Product Mix (Con't...)

## Shed 2 Product Mix Action Plan

- Notify Vendors invited back to Shed 2 in February 2007
- For those not invited back, provide list of opportunities & small business resources
- Final approval of all vendors dependent on business plan, application & lease agreement
- Begin recruitment for eateries & other vendors in March 2007
- Provide temporary space for vendors invited back
- Assist furniture vendors find new location - Provide small space in Shed 2 for 1 year to help transition



Flying Monkey Patisserie  
Reading Terminal Market



# Status of New Vendor / Market Policy & Procedures

## Current policies established in Dallas City Code - Chapter 29

May 2006 - Created ad hoc committee to refine policies &  
procedures (11 Vendors & 3 DFM Staff) (See Appendix C - Summary of Policies)

### Chapter 29 Modification may include:

- Transfer certain policy & procedures from Chapter 29 to Director
- Refine vendor classifications / selection criteria to include product mix
- Transfer setting of fees to annual Budget process
- Expand daily rentals to also include short & long term leases
- Refine enforcement of rules & appeals process

### Policy & Procedural Changes Finalization Pending:

- Environmental & Health Services & other Departments review
- Adjustments to Chapter 29 (City Council Action Required)
- Final review and comment by all vendors



# Transfer Management to Non-Profit or For-Profit Entity

- **Deferred to allow time to stabilize DFM operations**
  - Review annually to assess readiness
- **Recommend interim organizational changes**
  - **2 Coordinator Positions** - Shed 2 / Plaza & Produce Sheds
    - Performance measured by occupancy rates for rentable space
    - Responsible for vendor recruitment, vendor relations, compliance with policy and procedures, quality control & product mix, stall assignments, leasing, promotion and special events
  - **Health Inspector** - Seek in FY2007-08 Budget process
    - Responsible for Regulatory compliance, documentation & training
    - Continue working closely with EHS in interim



# Seek Additional Parking Resources

- **Boka Powell Study recommends an additional 500 parking spaces needed to support DFM**
- **Efforts to increase parking resources include:**
  - Conducted study to reconfigure parking lot between Sheds 3 & 4 – Added 56 additional spaces
  - Seek partnerships with area land owners to help increase parking in Market District
- **Parking garage deferred until customer demand warrants**



# Potential Partnerships with Area Land Owners

## Urban Innovations, Inc.

- 100 temporary spaces
- Rent for 1st 12 months equals cost to construct lot (\$112,185)
- Beyond 12 months - \$2,000 per month
- Proposal pending cost / benefit analysis
- City Council action required to authorize lease

## Ruibal's / Scottish Rite

- Potential private lease agreement to allow public parking on weekends
- Approximately 100 spaces

Urban Innovations, Inc  
Potential Temporary Parking



# Create Down Room for DPD Officers

Improve perception of safety at DFM  
by Increasing presence of law  
enforcement personnel at market

## Status

- Designated space for Security & Down Room
- Additional improvements include:
  - Monitors for security cameras
  - “Security” signage to identify space for visitors
  - Call box for access to Security when patrolling site
  - Hold Open House for DPD Officers, Downtown Improvement District Patrols
- Complete: April 2007



# Increase Marketing Efforts

## Seek contract to develop marketing strategy

- Review existing market research on DFM
- Conduct customer intercept surveys at DFM & on-line survey
- Conduct consumer focus groups

Market Strategy will identify:

- Market segments to target in order of priority
- Single most important message for all audiences
- Secondary messages by audience segment
- Identify weaknesses in perceptions of DFM by market segment
- How best to differentiate the DFM from competition
- What personality & tone should DFM portray in our communications

•Estimated Cost: \$13,000



# Increase Marketing Efforts (Con't)

## Develop Predictable & Consistent Special Events Strategy

	Annual	Monthly	Weekly
Goal	Destination Event  Increase Awareness	Education  Promote Values	Improve Shopping Experience
Target	Larger audience	Community Based Organizations & Schools	Frequent Shoppers
Promote	State / Region Based Media	Community Based Media	Website, Friends Group, Flyers



# Incubator Kitchen Feasibility Study

## Seek contract to assess demand for a certified commercial kitchen incubator facility at the DFM

- Additional activity at DFM increases reasons for people to visit & increases Market vitality
- Incubator kitchen provides start up companies kitchen space to produce food products for sale at DFM
- Consider under utilized kitchen & multi-purpose space as potential location
- Concept provides start up companies kitchen space to produce food products for sale at DFM
- Potential revenue source to offset cost of DFM operations

Feasibility Study Estimated Cost: \$21,000



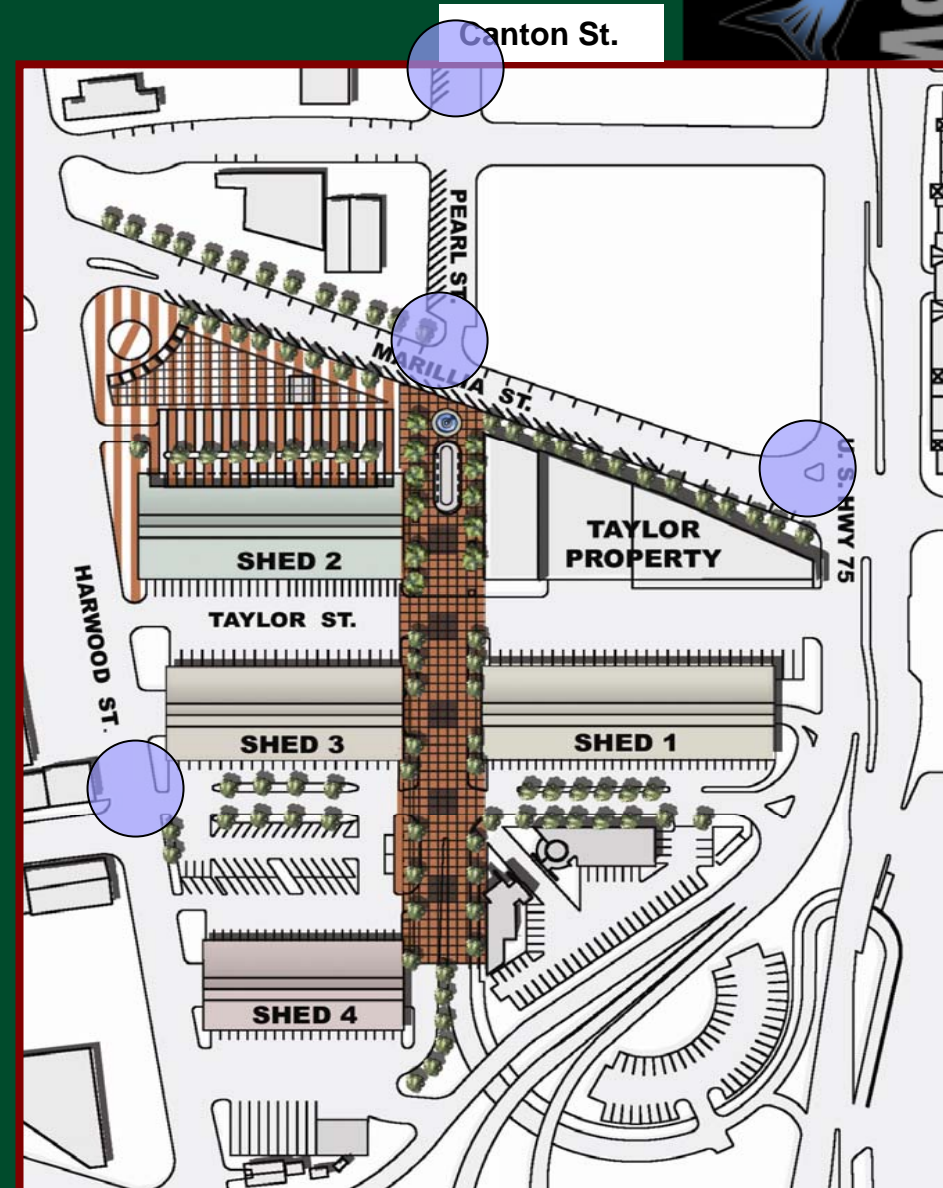
# 2006 Bond Funds

## Dallas Farmers Market \$6,636,760

### Boka Powell Study Recommendations

- Improve produce sheds 1, 3 & 4 storm water & wash sink infrastructure
- Modify Lot C to increase surface parking
- Construct esplanade along Pearl Street from Farmers Road to Canton, bury utilities, add portals, signage & landscaping
- Seek partnership to redevelop Taylor St. property & add seasonal vendor space
- Renovate & add customer restrooms & children's play area

**Note: Improvements listed in priority order  
estimated cost: \$10.5M**



# Next Steps

- Continue efforts to improve DFM operations & complete renovation of Shed 2
- **Future City Council Actions:**
  - March 28, 2007 Temporary Parking Lot Lease Agreement
  - April 11, 2007 Contract Award for Shed 2 Renovation
  - TBD Modifications to Chapter 29, Dallas City Code



# Appendix – A

## Shed 2 Product Mix Review

- **October 17, 2006 – Expert Panel**
- **Hosted meeting with marketing & retail experts to review the feasibility & potential for success of a proposed plan**
- **Attendees Included:**
  - Chris Brewer, Principal, Economics Research Associates (ERA),
  - Tom Moriarity, Vice President, ERA,
  - Paul Chapel, Principal, Boka Powell Architects,
  - Jerrod Steltzien, Designer, Boka Powell Architects
  - Stacy Caldwell, President, Dallas Farmers Market Friends
  - Kourtny Garrett, Director of Marketing, Downtown Dallas
  - Paul Lindenberger, Assistant Manger, Downtown Dallas
  - Robert Durham, Architect, Public Works & Transportation
  - Troy Thorn, Assistant Director, Convention & Event Services
  - Frank Poe, Director, Convention & Event Services
  - De McCombs, Economic Development Coordinator, DFM



# Appendix B

## Shed 2 Product Mix Recommendations

### Three (3) eateries

- Consider one full service café or diner
- One Texas type specialty – Mexican, Barbecue, etc.
- One fish market that also steams or fries

### Specialty Food Examples

- Bakery
- Two (2) meat / butcher vendors
- Deli meat & cheese
- Smoothie/ juices
- Ice cream or gelato
- Coffee & Teas
- Salad shop
- Fresh Pasta
- Confections / Nuts
- Wine shop
- Fresh Herbs
- Fresh tortillas & salsas
- Fresh cut produce



# Appendix B (Con't...)

- **Prepared Foods**

- Fine chocolate
- Olive oils
- Jams & jellies
- Dressings, mustards, condiments
- Spices
- Soda Pop

- **Food and Kitchen Related Products**

- Kitchen equipment, tools, pots, pans
- Table cloths, napkins, dishes
- Cookbooks
- Vintage table cloths, hotel silver, or hotel dishes
- Picnic Baskets, Family Tailgate baskets, lunch bags, lunch boxes



# Appendix B (Con't...)

## OTHER PRODUCTS THAT WILL WORK

### Limited Artisan products

- Broaden market - seek regional, Texas & local artists
- Limit jewelry products to no more than 20% of artisans
- Establish criteria and screening process

### Limited Garden products

- Locate on the perimeters to show color & vitality
- Broaden market – seek variety of new products & price points

### Limited Imports

- No more than 4 Mexican Imports & 1 African import store
- No additional import vendors until market has matured

## OTHER PRODUCTS WILL NOT WORK IN SHED 2

- Retail items – machine or mass produced items
- Art galleries, Newsstands, Furniture



# Appendix C

## Status of Policy & Procedures Development

Policy Title	Date Approved by Committee
1. Mission Statement	May 22, 2006
2. Food Safety & Sanitation	July 10, 2006
3. Worker Hygiene	July 24, 2006
4. Produce & Other Food Sampling	July 24, 2006
5. Temporary Habitation	July 24, 2006
6. Produce & Food Quality Standards	July 24, 2006
7. Commercial Trucks, Stall Parking & Junk Vehicles	July 31, 2006
8. Fork Lifts, Lift Trucks, Industrial Trucks	July 31, 2006
9. Vendor Classifications	Sept. 11, 2006
10. Stall Assignments / Product Mix	Sept. 11, 2006
11. Corrective Action Requests	Sept. 25, 2006
12. Enforcement of Rules & Appeals	In Process
13. Rules of Conduct / Attendance	In Process
14. Application Process & Lease Policies	In Process

