

2016

Hillsville Farmers' Market Feasibility Study

PREPARED BY THE VIRGINIA TECH OFFICE OF ECONOMIC
DEVELOPMENT

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EXECUTIVE SUMMARY

In an effort to increase access and promote the consumption of healthier foods in the Town of Hillsville and rest of Carroll County, The Mount Rogers Health District commissioned the Virginia Tech Office of Economic Development (OED) to conduct a feasibility study for a proposed farmers' market in Downtown Hillsville. The proposed market has the potential to increase households' access to fresh and local food, promote regional farm businesses, and contribute to the larger community and economic development efforts. With these potential benefits in mind, OED conducted a series of analyses examining supply of regional vendors and farmers' markets, market demand by shoppers, best practices regarding starting and operating a farmers' market, other public space uses and the potential farmers' market site in Hillsville.

The study found that a sufficient number of households comprising the traditional farmers' market shopper demographic as well as the low-income shopper demographic exists in the region. The challenge will be to attract these households through targeted marketing and clear communication of time and location of the farmers' market. Additionally, several farmers' markets already exist in the region with a limited number of small-scale farmers interested in this type of retail sales. Ultimately, OED determined that a farmer's market could be successful, provided they focus on reaching low- to middle-income families in Carroll County and establish a clear goal to foster smaller, niche farmers in the area through market-sponsored educational programs and business development assistance. Farmers' market stakeholder should also consider the following recommendations:

- Set realistic expectations for the farmers' market, beginning small at the existing public site behind the town offices and allowing time to raise funds, revamp the proposed site, and grow the market. Until the farmers' market is well-established and stakeholders have a better understanding of how the space is used and the specific needs of vendors and shoppers, the construction of a farmers' market structure should be delayed.
- Reach out to community partners who will show their support through their promotion of the market and their active membership on the farmers' market Board of Directors.
- Select a farmers' market manager who is charismatic, driven, and adept at convening different groups of people and developing a clear vision of the Hillsville Farmers' Market for stakeholders.
- Avoid potential competition with neighboring farmers' markets by setting a separate day and time, and instead partner with them.
- To distinguish the market from other regional farmers' markets and address a regional health/food access need, target low-income families as a core mission for the farmers' market.
- When marketing the farmers' market, consider the shoppers' demographic you are trying to reach and adjust promotion tactics.
- To differentiate the farmers' market experience from shopping at a grocery store, focus on creating an inviting atmosphere and entertaining experience.
- MRHD and the Town of Hillsville should work to maximize the use of the farmers' market space by incorporating alternative community activities during off market days.

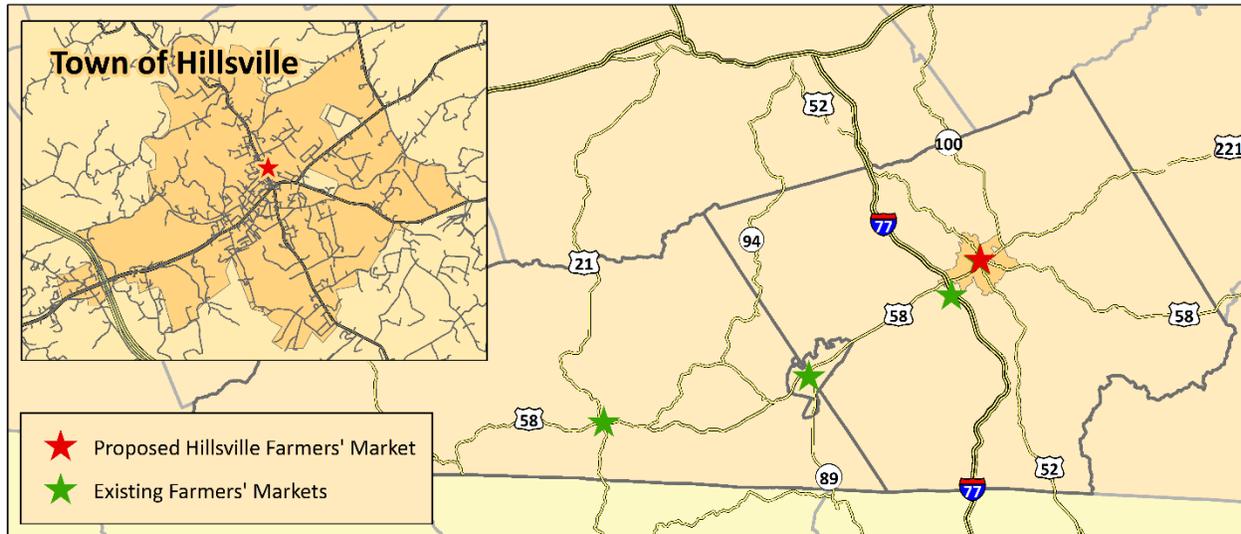
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INTRODUCTION

The Mount Rogers Health District, as part of their Community Partnership for Healthy Mothers and Children (CPHMC), has commissioned the Virginia Tech Office of Economic Development (OED) to conduct a feasibility study for a proposed farmers' market in the Town of Hillsville. The farmers' market would be located in Downtown Hillsville in an effort to attract more residents to the area. A map of the proposed site is below. A farmers' market would aid in MRHD's efforts to increase access to more nutritious food options (i.e. fresh produce) for residents in the region.

Figure 1. Map of Proposed Hillsville Farmers' Market



Why Support a Farmers' Market?

Localities develop and support farmers' markets because of markets' many added benefits. Farmers' markets have the potential to benefit customers, farmers, businesses and the local community as a whole. Farmers' markets can help customers and local residents by providing fresh and nutritious foods. Particularly in regions that lack sufficient amounts of fruits and vegetables at affordable prices for low-income residents, farmers' markets can be a great solution.¹ In a study of 19 different communities across the Southeast United States, including Appalachian Virginia, researchers found that product prices at farmers' markets are competitive to, if not cheaper than, prices at mainstream grocery stores. When comparing the same items in farmers' markets and grocery stores, 74% of produce was less expensive compared to supermarkets, on average by 22%.² Farmers' markets encourage healthier eating habits not just by offering affordable, healthy foods, but also by providing an experience that educates customers about eating healthy and engages them with the producers of that food, the local farmers.³

¹ Flournoy, R. (2011), *Healthy Food, Healthy Communities: Promising Strategies to Improve Access to Fresh, Health Food and Transform Communities*, Policy Link; Schmit, T.M. and M.I. Gomez (2011), *Developing viable farmers' markets in rural communities: An investigation of vendor performance using objective and subjective valuations*, *Food Policy* 36: pp. 119-127.

² Flaccavento, A. (2011), *Is Local Food Affordable for Ordinary Folks? A Comparison of Farmers' markets and Supermarkets in Nineteen Communities in the Southeast*, SCALE, Inc.;

³ Bachmann, J. (2008), *Farmers' Markets: Marketing and Business Guide*, ATTRA – National Sustainable Agriculture Information Service.

Farmers' markets thereby help local farmers by creating that relationship with the customers. With contact with their ultimate consumer market, farmers have been able to develop a customer base to sustain and grow their agribusinesses.⁴ They can sell their products at retail value instead of wholesale. Dedicated customers support local farms and agribusinesses as these businesses diversify their product offerings, encouraging an expanded food supply chain and greater food security in the region. Farmers' markets have also helped incubate new agribusinesses by sharing facilities, retail space and/or providing technical assistance. Many serve as delivery points for community supported agriculture (CSA) enterprises.⁵

Beyond farmers, farmers' markets cater to other businesses and customer interests. Farmers' markets may encourage other entrepreneurial endeavors including value-added products like baked goods, soap or honey at the market.⁶ Provided a farmers' market encourages its consumers to treat the market as an event with activities and entertainment—not just grabbing food at the market—a farmers' market can also facilitate shopping at other surrounding businesses.⁷ If customers go to the farmers' market for the experience, they are likely to go window shopping in the vicinity of the market and support many local businesses.

Finally, these benefits accumulate to support overall community development. Successful farmers' markets offer an opportunity for municipalities to address broader community objectives such as increasing economic performance, supporting small farm viability, fostering greater social capital/cohesion with the community, and preserving rural landscape amenities.⁸ They create a cultural center for residents, businesses and community organizations to connect and engage, creating a greater sense of community and trust.

Feasibility Study

With these potential benefits in mind, OED conducted a series of analyses examining supply of regional vendors and farmers' markets, market demand by shoppers, best practices regarding starting and operating a farmers' market, other public space uses and the potential farmers' market site in Hillsville. The data used for these analyses involved the following:

- Supply Analysis – 2012 Agricultural Census Data, information from county extension agents, and interviews with market managers for existing farmers' markets within a one hundred mile radius of Hillsville.
- Demand Analysis – literature review and ESRI data of typical demographic characteristics of farmers' market customers, incorporating responses from regional market manager interviews regarding typical market customers in the region, and followed by 2014 Census data.

⁴ Agriculture Marketing Service (2014), 2014 National Farmers' market Manager Survey Summary: A Snapshot of the 2013 Farmers' market Season, United States Department of Agriculture; Bachmann, J. (2008); Pacific Coast Farmers' market Association (2009), "Two-Year Study Explores Advertising Impacts and Reveals Buying Habits of Farmers' Market Shoppers," Market Thymes;

⁵ Agriculture Marketing Service (2014); Schmit, T.M. and M.I. Gomez (2011).

⁶ Flournoy, R. (2011).

⁷ Larson, D.L. (2010), Going Steady with a Local Farmers' Market, Futurity, Retrieved from: [HTTP://WWW.FUTURITY.ORG/GOING-STEADY-WITH-A-LOCAL-FARMERS-MARKET/](http://www.futurity.org/going-steady-with-a-local-farmers-market/).

⁸ Schmit, T.M. and M.I. Gomez (2011).

- Best Practices – farmers’ market guidebooks (published by government agencies and nonprofits), literature, and advice from regional market managers to compile a list of best practices when creating and operating a farmers’ market, specifically in rural areas.
- Other Public Space Uses – literature view and data collected from Project for Public Space and Citizens for Rural Design.
- Potential Site and Structure Analysis – best practices review, input from existing farmers’ market managers, input from Town, site visits

With this data, OED was able to develop a rough estimated annual budget for the farmers’ market operation and recommendations for how to best start a farmers’ market in the region.

REGIONAL SUPPLY OF FARMERS' MARKET VENDORS

To be successful and sustainable, a farmers' market needs a reliable set of diverse vendors. A top challenge for markets starting out is attracting and retaining vendors, specifically those that sell fresh produce, on a consistent basis. To give a clear picture of potential fresh produce vendors, OED looked to the most recent Agriculture Census data and regional market manager interviews.

Through analysis of data from the 2012 Agriculture Census in the Twin Counties and surrounding region, OED estimated the level of potential vendor supply. On average, fresh produce farmers that sell at farmers' markets have smaller farms. Some may be part-time farmers or simply grow in their backyards. OED looked at Agriculture Census data from the Twin Counties region—comprising Carroll County, Grayson County and the City of Galax—and each adjacent county, specifically looking for farms that sell produce on the fresh market.

Figure 2. Top Regional Products Sold at Fresh Markets

- Pumpkins: Carroll, Pulaski, Smyth, Wythe, Alleghany and Ashe
- Potatoes: Carroll, Grayson, Patrick, Smyth, Washington, Alleghany and Ashe
- Sweet Corn: Carroll, Grayson, Smyth, Washington, Wythe, Alleghany, Ashe and Surry
- Snap Beans: Carroll, Grayson, Patrick, Smyth, Washington, Alleghany and Ashe
- Tomatoes: Grayson, Patrick, Smyth, Washington, Ashe and Surry
- Cucumbers: Grayson, Washington, Wythe and Surry
- Squash: Carroll, Wythe and Ashe

OED isolated the analysis to only growers who sell their products to fresh markets so as to get a better picture of potential produce that could be supplied to the proposed Hillsville farmers' market. Counties were listed if the fresh market product was in their top five of fresh market products sold. For example, four of Carroll County's top five fresh market products, pumpkins, potatoes, sweet corn, and snap beans, would be suitable farmers' market products.

Table 1. Vegetables Harvested for Fresh Markets, 2012

County	Number of Farms	Acres
Carroll	33	1,803
Grayson	5	29
Patrick	20	ND*
Pulaski	1	ND*
Smyth	13	23
Washington	64	99
Wythe	9	183
Alleghany	24	ND*
Ashe	66	266
Surry	51	309

* Ag Census does not publish data identifying specific farmers

While this analysis does show the presence of produce growers in the region, more attention needs to be paid to correctly ascertain if a grower is the correct fit for a vendor at a farmers' market. OED suggests working closely with local Extension agents and the Farm Bureau to locate these niche growers. **When planning a farmers' market, contact the Virginia Cooperative Extension (VCE) Services, Farm Bureau, or Department of Agriculture office in the City of Galax, Carroll and Grayson Counties. These agencies usually have newsletters that the market can use to publish as "call for farmers".**

Many of these growers that contribute to the numbers illustrated in Table 1 are wholesale, or larger-scale growers who typically contract with grocery chains for large quantities of fresh produce. Typically these growers are not interested in farmers' markets as they do not offer enough revenue or income security. However, the potential market in Hillsville could partner with organizations such as VCE, Farm Bureau or Department of Agriculture in the region to "incubate" smaller scale farmers that could provide a substantial vendor base for the market.

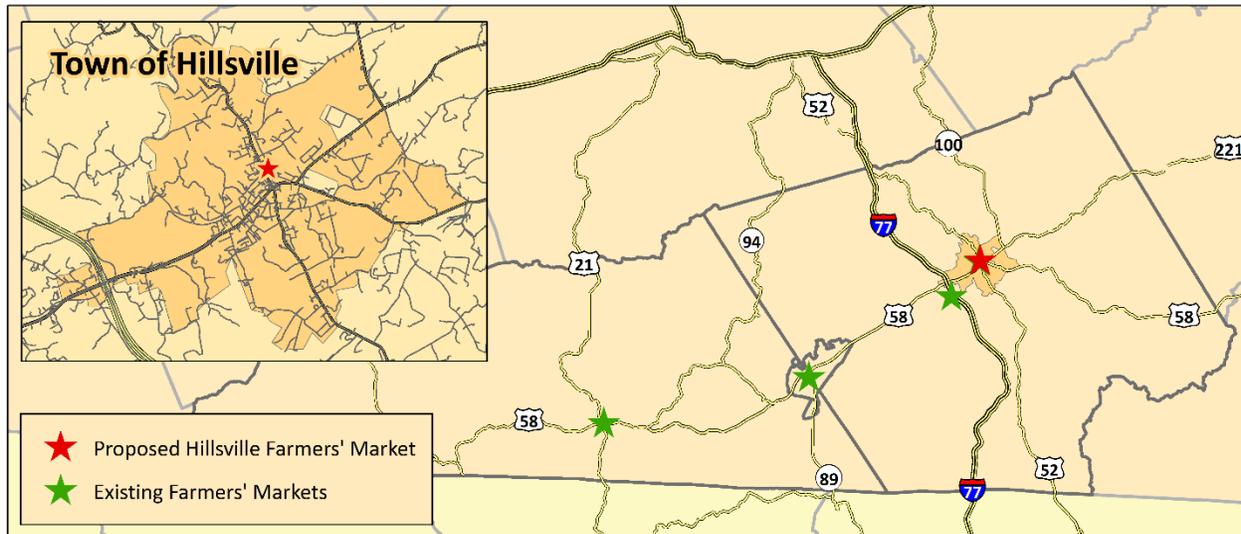
For example, the market could provide support services such as workshops that teach small/beginning produce vendors to grow enough product to harvest during market season (done in Independence, VA) or classes that teach vendors how to safely prepare food, package produce, or offer samples. This can be done at little to no cost (potluck style, donated space, consultation services provided by VCE). In addition farmers' markets have a business structure conducive to growing small businesses (i.e. farmers) with little overhead costs and direct contact with customers. Face-to-face interactions with customers coupled with little financial risk allow small farmers (and other types of vendors) to experiment with their business.⁹

This incubation approach to creating a vendor base will help the Town of Hillsville farmers' market avoid competition with other local markets for vendors. Furthermore, positioning this proposed market as an outlet for small, local farmers to grow and thrive will also help with attaining funding as certain grants want to see farmers' markets helping local growers (See Appendix B).

To understand farmers' markets already selling fresh produce in the Southwest Virginia region, OED spoke with six market managers from eight farmers' markets in counties bordering Carroll County and Grayson County. The markets surveyed included the counties of Washington, Smyth, Wythe, Pulaski, Floyd, and Patrick in Virginia, Stokes and Surry in North Carolina, and Johnson in Tennessee. Most of these regional markets were established after 2000, operating between five and fifteen years. Markets in the Twin Counties region and elsewhere were later interviewed for additional input. Specifically, OED talked with market managers from Independence, Galax, Christiansburg and Blacksburg.

⁹ <http://blogs.usda.gov/2010/09/01/farmers-markets-as-small-business-incubators/>

Figure 3. Location of Existing and Proposed Farmers' Markets in the Twin Counties Region



Most markets run from April to October, either Thursday afternoons or Saturday mornings. However, the farmers' market in Patrick County is on Tuesday nights and Friday mornings. Although regional farmers' market days overlap, market managers surveyed cited no noticeable competition amongst surrounding markets.

Farmers' markets typically host vendors that fall into three broad categories: fresh produce (vegetables/fruit), animal products (meat/eggs) and value-added products. Vendors broadly sell products from one or more of these categories or they specialize in one product, often a value-added product like soap or baked goods. Most regional farmers' markets in this region host both fresh produce vendors and vendors that sell value-added products, whereas one market limits vendors to fresh produce alone. The advantage of having a variety of vendors is that it allows the market to have a more vibrant market atmosphere and gives customers additional buying options.

Regional farmers' markets have a solid vendor base ranging between 15 and 30 vendors. Only two markets have less than ten vendors, as one is struggling due to competition from other markets and the other is relatively new (established in 2014). Vendors come from 15 to 50 miles away, from within the market's county or from an adjacent county. A list of potential vendors for the proposed Hillsville farmers' market is listed in Appendix A.

REGIONAL DEMAND – FARMERS’ MARKET CUSTOMER BASE

Farmers’ market customers often reflect the communities in which they reside. In many instances, customers represent every age, ethnicity, gender, income and education level. Certain demographics may be more represented than others, however, depending on the farmers’ market. For instance, according to several demographic studies of farmers’ markets, shoppers tend to be female, college educated and have above average income for the region.¹⁰ Women who are married and/or have a family are also a key demographic as they tend to cook more. The traditional farmers’ market shopper also tends to be older, although some projections say that it is changing as the millennial generation ages. One study found that in the case of weekend farmers’ markets, shoppers tend to be older than the general population in the region, i.e. ages 45-74. While in the case of evening farmers’ markets, ages 25-40 tend to be over-represented. Ethnic minorities and those with a high school diploma or less tend to be underrepresented at farmers’ markets.¹¹

The perceived characteristics of farmers’ markets either attract or deter local residents. Proximity and convenience are two of the top factors guiding shoppers’ decision to go to markets. Shoppers go to farmers’ markets generally for one or two items, but also wish to socialize, grab a snack, see the seasonal foods while chatting with farmers, and have the overall farmers’ market learning and entertainment experience.¹²

While perceived higher prices of a farmers’ market may deter customers, those familiar with farmers’ markets and local produce often understand the price of local foods to be equal to or cheaper than grocery store prices. They therefore see price as an incentive to visiting farmers’ markets. A study of eight different farmers’ markets across the country showed that 60% of low-income shoppers cited that markets had better prices than their local grocery stores. In fact, because of these affordable prices, they used the markets more intensely than medium to high income shoppers, buying more than half of their total consumed produce at the market.

Figure 4. Top Reasons Shoppers go to a Farmers’ Market

1. Fresh and good quality foods,
2. Good product value for the money,
3. Access to specialty items,
4. Increased level of socialization and entertainment while shopping,
5. Direct contact with farmers,
6. Supporting local agriculture and economy,
7. Proximity to home.

¹⁰ Agriculture Marketing Service (2014), 2014 National Farmers’ market Manager Survey Summary: A Snapshot of the 2013 Farmers’ market Season, United States Department of Agriculture; Govindasamy, R., J. Italia, A. Adelaja (Feb 2002). Farmers’ Markets: Consumer Trends, Preferences, and Characteristics. Journal of Extension. Retrieved from <http://www.joe.org/joe/2002february/rb6.php>; Wolf, M.M., A. Spittler & J. Ahern (2005), A Profile of Farmers’ Market Consumers and the Perceived Advantages of Produce Sole at Farmers’ Markets, Journal of Food Distribution Research 36(1): 192-201.

¹¹ Agriculture Marketing Service (2014).

¹² Inform Market Research Co. Ltd. (2011), Greenbelt Farmers’ Market Network 2010 Shopper Study, Toronto, Canada; Project for Public Space (2013),

Top deterrents to visiting the farmers’ markets are due either to lack of knowledge or inconvenience. The table below shows top reasons why shoppers do not visit farmers’ markets and possible remedies.

Table 2. Deterrents to Visiting Markets and Possible Remedies¹³

Deterrent to Visiting Farmers’ Market	Possible Remedies
Shopper is unaware of market’s day, time or location	Extensive marketing needed
Shopper is misinformed that product prices are higher than at grocery stores	Targeted marketing focused on reasons to attend a farmers’ market: easier on the wallet. Markets targeting low-income shoppers: partner with organizations that share the market’s goals to facilitate better outreach.
Shopper thinks market is at an inconvenient time or location	Ensure that the farmers’ market is in an easily accessible location and aligns with key customer demographics’ schedule; survey possible customers if more input is needed.
Shopper is annoyed by limited available parking	Ensure a location with available parking.
Shopper does not think it worth a visit because market has limited product variety	When opening a farmers’ market, ensure that you are reaching as many farmers, artisans and other vendors to ensure a variety of products at the market; reach out to small farmers’ interested in diversifying their products and provide help when able through research, contacts, etc.
Some customers simply want a one-stop shopping trip	Locate the market closer to a grocery store so that customers’ perceive the visit to be a convenient one-stop shopping trip; Market the farmers’ market as something more than just a shopping trip.

Hillsville Farmers’ Market Customer Demographics

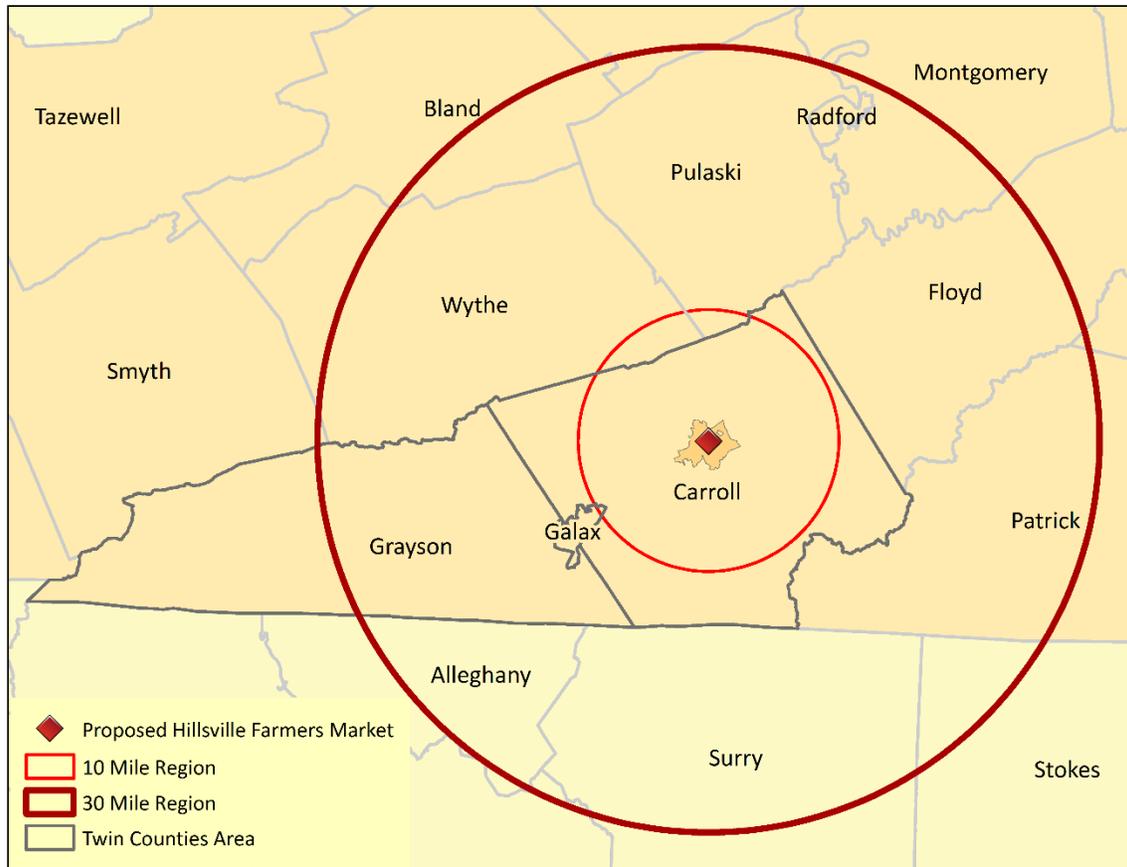
Hillsville’s customer base will likely match that of other farmers’ markets within a one hundred mile radius. The customer demographic for the twelve farmers’ markets OED interviewed and researched within a one hundred mile radius of Hillsville reflect the national trends described above. When characterizing their customer base, market manager responses included: fifty years old or older, well-educated with an income of about \$30-40K, and a mix of individuals and families. One market with a large family demographic relates its success to the many programs and activities offered to children during the market. Most people come from the market’s town or an immediately adjacent town, about 10 to 30 miles away. Five of the eight markets have stated that they are accepting food assistance programs, such as SNAP or WIC. All but one market stated that they are trying to increase access to lower-income groups, indicating they only serve a small proportion of these customers to date.

The proposed Hillsville market would pull customers primarily from the ten mile radius surrounding the market, and then secondarily from residents within a 30 mile radius. This region would include a total population of 50,500 and 368,400 residents respectively. While the ten mile radius region includes

¹³ Govindasamy, R., J. Italia, A Adelaja (Feb 2002); Inform Market Research Co. Ltd. (2011); Project for Public Space (2013); Wolf, M.M., A. Spittler & J. Ahern (2005).

most of Carroll County, the 30 mile region encompasses most of the Twin Counties region, counties as north as Radford, and portions of three North Carolina counties adjacent to Virginia. The figure below is a map of that region.

Figure 5. Regional Market for Hillsville Farmers' market



Within the ten mile radius, and for the most part the 30 mile radius, there are three designated market segments that may be attracted to the notion of a farmers' market:

- **Rooted Rural:** These customers are often married and living in single-family or mobile homes. They are self-sufficient, growing their own produce and maintaining their own vehicles. They shop carefully, buying American-made and generic products, and use coupons. Most of their shopping and banking is done in-person. They love the outdoors, including hunting, fishing, gardening and playing with pets.
- **Small Town Simplicity:** These customers are typically down-to-earth young families and seniors. They have strong ties to their communities and tend to be conservative. One in four live below the poverty level. They earn salaries and wages, but tend to also receive social security and supplemental security payments. When shopping, they spend conservatively, patronizing discount stores, and save using coupons. Because many are single, they prefer convenience to cooking and will eat frozen dinners and fast food.

- *Heartland Communities:* These customers are older and semi-retired. They stick to familiar brands when shopping. They buy American and support local business when they can. Financial security is a concern. Some carry auto loans and student loans. They prefer to bank at a community bank, pay bills in-person, and buy insurance policies from an agent.¹⁴

For each of these segments, a farmers’ market could appeal to shoppers’ desires to buy American and support local business. The face-to-face, in-person interactions that take place at a farmers’ market would also engage these consumers. Finally, marketing the farmers’ market as a good way to save money on food and quality products could resonate with these shoppers. If a market were to incorporate ready to eat food, it may also attract these demographics more.

Considering the traditional customer demographic of farmers’ market shoppers—female, college-educated, middle to upper income, and families—Table # shows the possible market for this region.

Table 3. Presence of Traditional Farmers’ Market Customer Demographic

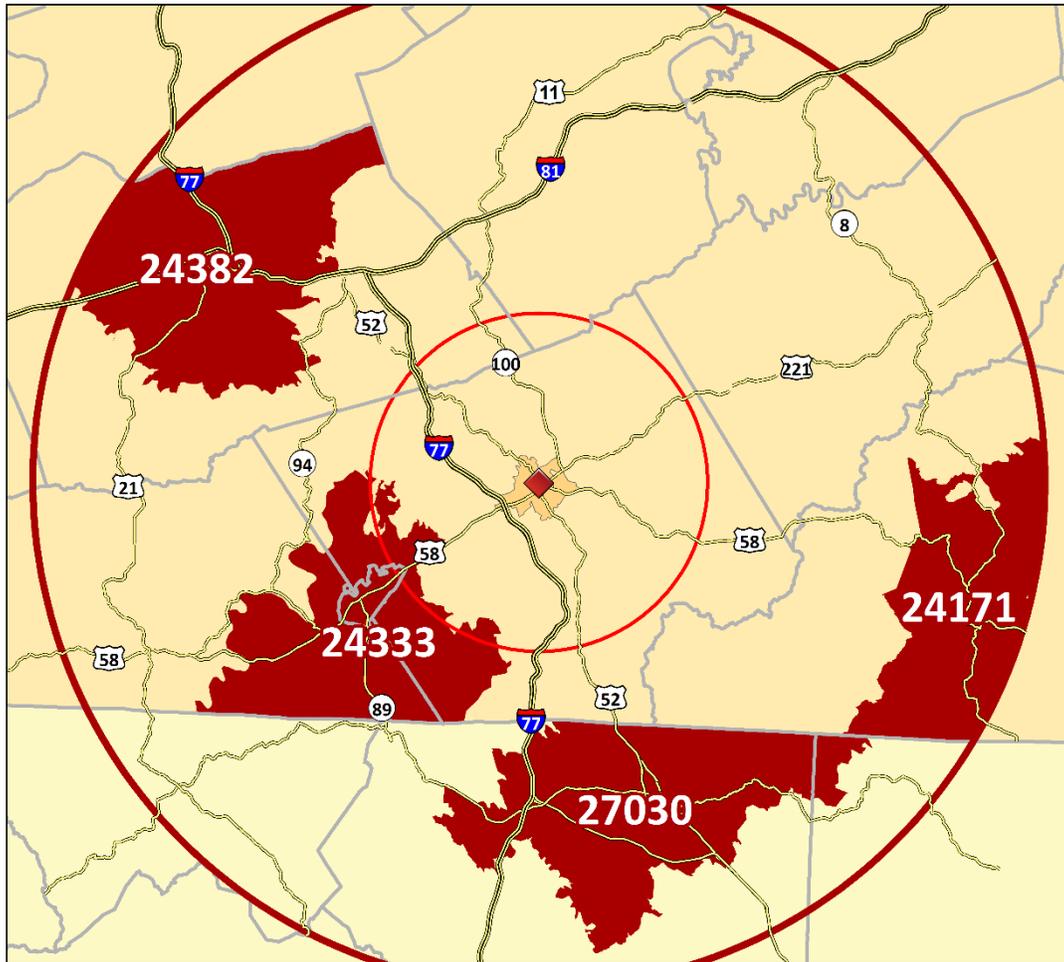
	Total Population	Female Pop (25yrs +)	% Females with Bachelors or Higher	Families	Households with Incomes Higher than \$35K
Hillsville (24343 Zip Code)	8,835	3,346	15.5% (519)	2,492	1,723 (46.6%)
10 Mile Region	50,504	18,681	15.0% (2,795)	14,021	10,169 (49.1%)
30 Mile Region	368,413	124,019	22.1% (27,413)	92,351	79,255 (54.5%)

Within walking or short-driving distance of the proposed Hillsville farmers’ market site are various residential neighborhoods; however, a small percentage of those neighborhoods actually house the key market demographic for traditional farmers’ markets. Possible shoppers in this demographic would include anywhere from 250-1,700 households, probably closer to the 500 household estimate. Average spending by shoppers at a weekly farmers’ market is approximately \$16-25.¹⁵ If, for instance, ten percent of this customer demographic were to attend the farmers’ market regularly, revenue to farmers and other vendors in total could amount to \$800-\$1,250 weekly. As this number suggests, this customer demographic is a small population, and the market would have to reach out to customers in the 30 mile region. Particularly, the market could reach out to residents in the following zip codes: 24171, 24333, 24382, and 27030. These are the zip codes with the highest numbers of college-educated women, families and higher-income households. The map below highlights these regions.

¹⁴ ESRI (2015), Zip Lookup: Top Tapestry Segments, Retrieved from: http://www.esri.com/data/esri_data/ziptapestry.

¹⁵ This number is based on averages from three different studies, 48 farmers’ markets, taking into account cost of living by region and inflation rates from the times these studies were conducted. Sources: Govindasamy, R., J. Italia, A Adelaja (Feb 2002); Pacific Coast Farmers’ market Association (2009); Wolf, M.M., A. Spittler & J. Ahern (2005).

Figure 6. Target Farmers' Market Demographic Regions in 30 Mile Radius



These traditional shoppers would be attracted to the farmers’ market aspects described in Figure 4 on page 5. In particular, they would be attracted to the easy access to fresh and good quality food, opportunities to socialize with farmers and friends, and the chance to support their local economy.

Within this region, a lower-income demographic of farmers’ market goers also exists. The table below illustrates the relative population of lower-income families and households in this region that the farmers’ market could attract.

Table 4. Presence of Low-Income Farmers’ Market Customer Demographic

	Total Population	Families	Families in Poverty	Households with SNAP Benefits	Households with Incomes at \$25K or less
Hillsville (24343 Zip Code)	8,835	2,492	386 (15.5%)	469 (12.7%)	1,196 (32.3%)
10 Mile Region	50,504	14,021	2,081 (14.8%)	3,306 (16.0%)	7,221 (34.9%)
30 Mile Region	368,413	92,351	11,713 (12.7%)	20,175 (13.9%)	48,386 (33.3%)

The farmers’ market could reach a good number of lower-income household within walking or short-driving distance of the market. Approximately 1,200 households in the 24343 Hillsville zip code have

incomes less than \$25K. The market would reach 2,000 families in poverty and 3,300 households enrolled in SNAP within a ten mile radius of the market.

Particularly for lower income households, farmers' markets must be accessible physically and financially. Focusing on the population within the ten mile radius of the farmers' market is key in this case. The market must also rely heavily on partnerships with local organizations serving this population and on the local government to provide financial and other contributions (e.g. public transit options), making the market convenient and affordable to this population. The market must provide a variety of products and vendors at affordable prices to make a visit to the market convenient and productive. For instance, making the market SNAP and WIC user-friendly is one way of providing better access to low-income households. Finally it is recommended that the market engage in targeted promotion to these families and households with the message that the market can provide better pricing on produce and other foods than the grocery store.

A more in-depth discussion of how to engage these market demographics is found in the Best Practices section of this report.

FARMERS' MARKET BEST PRACTICES

Below are the steps and best practices to consider when starting a farmers' market. Every market has unique goals, resources, organizational challenges, local demographics, as well as social and political concerns. These suggestions are designed as a guide through the process of starting a farmers' market, and the approaches should be tailored to fit individual market needs. These should help market organizers avoid common pitfalls of the start-up process and lay a solid foundation for a viable and successful market.¹⁶

Organizational Structure

Community organizations interested in starting a market must first agree on a core message or mission that illustrates the mission of the market and who it serves.¹⁷ For example, some markets communicate their organizational goal as an effort to strengthen their local food economy. Others focus on increasing the access of low income groups to nutritional food options. This core message will come up repeatedly when recruiting vendors, attracting customers, and applying for funding opportunities.¹⁸

In order to achieve this mission, participants must then decide on an appropriate organizational structure. The most common type of organizational structure for smaller farmers' markets relies heavily on volunteers, with one market manager (also a volunteer in many cases). Larger farmers' markets typically opt for leadership from a Board of Directors, where vendors and community support service individuals often serve.¹⁹ A study that surveyed nearly 1,400 farmers' market managers across the United States found that markets typically rely on community involvement, with 75% of markets using volunteers to perform market operations and 46% with volunteer market managers.²⁰

Picking an effective, passionate, and dependable market manager is considered key to a successful and sustainable farmers' market. Smaller markets in particular may begin with a vendor serving as manager who leads market-day set up and operation. For the market to grow and be self-sustaining, however, managers must be consistent in their management approach, must maintain good relations with vendors and volunteers, and must communicate clearly the mission and activities of the market with the surrounding community. Market managers are responsible for the bulk of market administrative duties such as supervising volunteers, managing budgets, enforcing rules, collecting vendor fees, collaborating with city officials, planning and coordinating advertising efforts, and planning special events (to name just a few).

For the potential Hillsville market, assuming limited funds, a motivated volunteer manager would be ideal. Managers for smaller markets are typically part-time and can be compensated in line with their

¹⁶ Ibid.

¹⁷ Bachmann, J. (2008), *Farmers' Markets: Marketing and Business Guide*, ATTRA – National Sustainable Agriculture Information Service.

¹⁸ Project for Public Space (2013), *Farmers' markets as a Strategy to Improve Access to Healthy Food for Low-Income Families and Communities*. Retrieved from: <http://www.pps.org/reference/farmers-markets-as-a-strategy-to-improve-access-to-healthy-food-for-low-income-families-and-communities/>

¹⁹ Bachmann, J. (2008), *Farmers' Markets: Marketing and Business Guide*, ATTRA – National Sustainable Agriculture Information Service

²⁰ Agriculture Marketing Service (2014), *2014 National Farmers' market Manager Survey Summary: A Snapshot of the 2013 Farmers' market Season*, United States Department of Agriculture.

skills and time devoted (if not volunteer). They are expected to be present at every market day. However, paid market managers, even if just paid a small amount, can increase the chance of a successful market.²¹

Alternatively, some markets have rotating market managers, who are often vendors and market board members. However, extra care should be taken to ensure a vendor market manager situation remains equitable. For example, a vendor could be sacrificing revenue while taking on the extra responsibilities of a market manager or other vendors may experience unfair treatment from a competing vendor market manager. For markets who decide to go this route, a rotating schedule of vendor market managers, a vendor advisory board, or an agreement to manage through consensus may alleviate these issues.

Virginia's Department of Agriculture and Consumer Services offers support to those wishing to start a farmers' market. Its website provides resources including examples of by-laws and organizational structure, trials and tribulations of obtaining 501(c)(3) status, food safety details, insurance information, tax information, market management resources, SNAP/EBT how-to manual, and Virginia Grown marketing logos. Please go to this website for additional information:

<http://www.vdacs.virginia.gov/vagrown/frmsmkt-mangers.shtml>

Takeaways:

1. *Decide early on a clear, specific farmers' market mission or core message*
 - a. *Example: "Increasing access to healthy foods for the regions' residents as well as supporting local growers"*
2. *Pick an organizational structure: a strong volunteer Board of Directors will be needed to develop support for the burgeoning farmers' market. Due to the small size of this market, it is recommended that a volunteer market manager is used for the bulk of market operations*
 - a. *Define expectations of market manager: pick a motivated, enthusiastic individual*
 - b. *The board of directors—made up of vendors, community government, business leaders, nonprofit supporters and potential consumers—should provide leadership, direction and support to the farmers' market. However, decisions should be ultimately left to the market's manager.*
 - c. *Identify support volunteers and organizations as needed*

Vendor Relations and Recruitment

Recruiting and retaining vendors is paramount to a farmers' market's success. First, market organizers must clearly define vendor eligibility requirements for membership in the market. These outline who qualifies as a vendor and what vendor activities are permitted. For instance, vendors allowed at a given farmers' market may be:

- Farmers selling fresh produce or value-added produce,
- Artisans or cottage industries selling arts/crafts,

²¹ <https://farmersmarketcoalition.org/education/market-manager-faq/market-staff/>

- Local community groups promoting themselves/providing entertainment or education programming
- Drop-in vendors
- Producers or re-salers

Markets will also set a geographic boundary, usually a radius of between 30-50 miles, to ensure the farmers' market remains *local*.

Market organizers must also decide product eligibility, such as what products can or cannot be sold at the market. For example, markets must describe to vendors if produce, plants (herbs, bedding, flowers), eggs, meat, honey, value added products (jams, soaps, baked goods, cosmetics) are allowed to be offered as well as indicate if more than one vendor can offer the same product (some overlap is considered appropriate).²² Diversity in vendors is typically considered beneficial to a farmers' market atmosphere and is cited as a contributing factor to a market's success so a wide variety of vendor types should be targeted. The more a market can offer, the better chance it will draw more visitors.²³

It is suggested to have six vendors per 100 expected customers,²⁴ but markets just starting out should reach out to as many vendors as possible. To identify potential market vendors, county Extension offices, chambers of commerce and growers' associations likely have lists of area farmers and artisans that may be a good source for recruiting potential vendors. To contact vendors not identified by the aforementioned sources, advertisements may be placed in local papers or played on local radio (if market budget allows). To entice prospective vendors, market organizers must convince them that the investment of a few hours per week at the farmers' market is worth the time.²⁵ Potential vendors should be provided with the time and location of the market, vendor fees, as well as rules and regulations.²⁶ As a market grows and develops, additional vendors can then be enticed by current vendor numbers and customer sales collected by the market manager and volunteers.

Once the market is up and running, establishing a Vendor Recruitment and Review Committee could aid in making the selection of future vendors easier and more consistent, as well as manage vendor relations.²⁷ It is not ideal to have market vendors deciding who other vendors will be, so creating a Vendor Recruitment and Review committee, perhaps made up of interested members of the community and the market manager, provides the smoothest, most impartial method of selecting new vendors. This Committee is tasked with weighing the needs and prosperity of individual vendors against the overall success of the market. The application and review process should be clear along with a well delineated process for dealing with violations of market rules. A designated group of people charged with recruiting

²² Bachmann, J. (2008), *Farmers' Markets: Marketing and Business Guide*, ATTRA – National Sustainable Agriculture Information Service.

²³ Schmit, T.M. and M.I. Gomez (2011), *Developing viable farmers' markets in rural communities: An investigation of vendor performance using objective and subjective valuations*, *Food Policy* 36: pp. 119-127.

²⁴ Hoffman, C. & Dennis, J. (2007). *Starting a Farmers' Market*. Retrieved from <https://www.extension.purdue.edu/extmedia/ec/ec-739.pdf>

²⁵ Swisher, M.E., Sterns, J. & Gove, J. (2016). *Starting a Farmers' Market*. Retrieved from <https://edis.ifas.ufl.edu/pdffiles/FY/FY63900.pdf>

²⁶ Farmers' market Coalition. <https://farmersmarketcoalition.org/education/market-manager-faq/market-growth-outreach-and-evaluation/>

²⁷ Jolly, D. (2005). *Starting a New Farmers' market: Farmers' market Management Series, Vol. 1*. Retrieved from <http://sfp.ucdavis.edu/files/144703.pdf>

new vendors will make recruitment smoother and likely allow for more variety of vendors than if this process were left entirely to the market manager.²⁸

Once vendors are recruited, they should be given a list of the market's rules for vendors, as well as a contract. Guidelines for vendors should cover:

- Signage for the farm/products
- How prices should be posted, along with pricing guidelines
- If pre-market sales are acceptable
- Whether a vendor can leave early or arrive late on market days
- Arrival times for set up and times for departure
- Display space
- Pets at the market
- Acceptable vendor representatives
- Cleanliness of selling space
- Product quality
- Courtesy towards customers and other vendors
- Deceptive advertising
- Parking
- Sampling
- Non-attendance and expectations of notifications of inability to attend
- Use of legal scales
- Specific rules for food handling not covered by local and state regulations
- End of market discounting
- Expectations of compliance with local, state, and federal regulations and laws.

This is not an exhaustive list and market guidelines for vendors may be individualized and amended based on the current or future needs of the farmers' market. However, it is important to be highly specific in describing these guidelines so as to leave as little room for uncertainty as possible.

To cover operating expenses, most farmers' markets charge vendor fees, structured in a variety of ways. Markets may charge vendors on a per market basis, similar to a "pay as you go" scheme, or at the beginning of a season. Vendors may also be charged on the size of their allotted space or simply a flat rate. Some markets charge vendors a fee based on market sales per week, a method which also allows market success to be tracked (in terms of sales per week). Once annual operating costs are estimated, vendor fees should be set in such a way to offset these expenses (as they are usually the only source of market revenue).²⁹ Some farmers' markets decide to assign vendor spaces whereas others operate under a first come first serve basis.

To encourage positive vendor relations, the potential Hillsville farmers' market could also hold vendor workshops, either annually or throughout the market season. In Independence, the market manager holds workshops to help vendors get to know one another, voice concerns, and learn different methods to increase sales. Workshops are held in a donated space and potluck style to minimize costs. This year, the market will hold produce-vendor workshops to teach growers about a computer program to help with succession growing, which will increase the availability of produce sold at the market across the entire season.

²⁸ Appalachian Sustainable Agriculture Project. (2010). *Market Makeover 25 Best Practices for Farmers' Markets*. Retrieved from <http://asapconnections.org/downloads/market-makeover-25-best-practices-for-farmers-markets.pdf>

²⁹ Bachmann, J. (2008), *Farmers' Markets: Marketing and Business Guide*, ATTRA – National Sustainable Agriculture Information Service.

Takeaways:

1. *Determine vendor eligibility requirements*
 - a. *OED recommends allowing a variety of vendors with an emphasis on the inclusion of fresh produce growers*
 - b. *Restrict vendors to a geographic radius of 50 miles to better market the “Buy Local” brand*
2. *Determine product eligibility*
 - a. *Again, the more variety the better but be careful to ensure that enough fresh produce is being sold to avoid a market is more focused on artisans rather than growers.*
3. *Establish vendor guidelines: who can sell, what do they need to do to participate, etc.*
4. *Decide on a fee structure and calculate a vendor fee that is high enough to cover operating cost but not too high as to be a deterrent for vendor participation.*
5. *Establish annual workshops to foster vendor relationships and educate different vendors on best practices (either generally or for a specific vendor type)*

Enhancing Market Atmosphere

The ultimate goal of designing a farmers’ market is to create an inviting atmosphere, offering more than a local grocery store. Communities should capitalize on opportunities for beautification of the market space, such as murals, gardens, etc. on and around a farmers’ market site. Consider creating some large temporary decorations (balloons or colorful banners, for example) to create a nice aesthetic and brighten up the space. These are not expensive ideas, but they help create a positive, upbeat atmosphere that can help attract people to shop at the market.

It is recommended to have different special events on market days such as live music, a promotional event (such as a raffle drawing for baskets of produce/other market products or coupons for certain items), or a cooking demonstration. Organize special events throughout the market season to attract customers such as: a craft/artisan day, Thanksgiving food and Christmas gift markets, a “Greening Your Plate” day/month, a “Kids at the Market” day with activities for kids and entertainment specifically geared toward children, a vintage/antique market day, a farmers’ market photo contest and apple tastings in the fall.³⁰ Cooking demonstrations, incorporating products sold at the market, also add to the lure of a farmers’ market. Some markets have Special Events committees that take care of organizing, promoting and running these events.³¹ Special events and a welcoming space encourage customers and local residents to view the farmers’ market as a weekly event and community gathering place, rather than simply a place to buy produce.³²

³⁰ Jolly, D. (2005). *Starting a New Farmers’ market: Farmers’ market Management Series, Vol. 1*. Retrieved from <http://sfp.ucdavis.edu/files/144703.pdf>

³¹ Jolly, D. (2005). *Starting a New Farmers’ market: Farmers’ market Management Series, Vol. 1*. Retrieved from <http://sfp.ucdavis.edu/files/144703.pdf>

³² Jolly, D. (2005). *Starting a New Farmers’ market: Farmers’ market Management Series, Vol. 1*. Retrieved from <http://sfp.ucdavis.edu/files/144703.pdf>

Marketing and Advertisements

Appropriate marketing and advertising for this potential farmers' market in the Town of Hillsville is imperative to establishing a customer (and vendor) base. To begin with, the market should use their "mission" to construct a core message as well as identify who should hear this message and what it should encourage them to do. For example, "this market aims to support local agriculture by providing local farmers with an opportunity to generate revenue, we want local citizens to hear about it and purchase their fresh produce at the farmers' market."³³

After a message is decided on, exposure should be maximized with a variety of mediums and advertising efforts. Word of mouth is considered the most effective, as people tend to view a message with more credibility if they hear about it through a friend or acquaintance. This will happen naturally but can also be encouraged at the outset by developing an "elevator pitch" to be espoused by market volunteers and organizers throughout the community. Other marketing strategies include:

- Creating a newsletter (weekly, monthly, or annually) to disseminate to customers and throughout the community that provides updates on market information, promotions, and special events. This can be emailed or mailed to a customer contact list or posted/handed out at community centers and events.
- Set up a promotional booth at a minimum of three community events a year such as festivals, fairs, etc. to inform the community about the market and engage with new sectors of the community.³⁴
- Partnering with other like-minded community groups and business to reach a greater percentage of the population.³⁵ For example, the presence of the market right in the downtown area provides opportunities to partner with businesses nearby, such as the Hillsville Diner, who would also potentially benefit from increased foot traffic brought in to town by the new market.
- Create a website for your market with vendor profiles, recipes, location, times, events, SNAP/EBT education, contact information, etc.³⁶
- Build a media contact list and regularly submit news-worthy articles, farm features, interviews, etc. to garner media coverage.

Once an initial customer base is established, marketing efforts should be focused and invested in incentivizing existing customers to come to the market more frequently and spend more. This could be done through coupon redemption or rewards programs (if vendors participate and the budget allows).³⁷ Past marketing efforts at other farmers' markets nationally have shown that one dollar of marketing

³³ Bachmann, J. (2008), *Farmers' Markets: Marketing and Business Guide*, ATTRA – National Sustainable Agriculture Information Service.

³⁴ Appalachian Sustainable Agriculture Project. (2010). *Market Makeover 25 Best Practices for Farmers' Markets*. Retrieved from <http://asapconnections.org/downloads/market-makeover-25-best-practices-for-farmers-markets.pdf>

³⁵ Puget Sound Regional Council (2009), *Marketing Research and Strategy for Growing Sales Opportunities at Puget Sound Farmers' markets*, Seattle, WA.

³⁶ University of Missouri Extension. (2015). *Starting and Operating a Farmers' market: Frequently Asked Questions*. Retrieved from <http://extension.missouri.edu/explorepdf/agguides/hort/g06223.pdf>

³⁷ Puget Sound Regional Council (2009), *Marketing Research and Strategy for Growing Sales Opportunities at Puget Sound Farmers' markets*, Seattle, WA.

goes further and has more return on investment when spent on encouraging existing customers to come to the market more often.

Figure 7. Marketing for Individual Vendors

Vendors should consider how they market their products at the farmers' market. Some basic essentials for product presentation and display include:

1. Business or farm name
2. Clearly displayed and easy to read prices
3. Product pre-weighed, bunched, paired and packaged for customer convenience
4. Organize and place to feature variety and abundance (piled high, color variety, table coverings, layers, aromas, etc.).

Vendors should also put out samples of their products to allow customers to experience the quality and taste. Greeting every customer, making eye contact and offering assistance helps build rapport and makes customers more likely to return. It is also recommended that vendors offer value-added extras to customers including recipes, ideas for possible uses, storage tips, unique product characteristics, cooking demonstrations, and health and nutrition information.

The budget for marketing should be determined and administered by the market manager, board of directors, or a Finances committee. Creating the first annual budget can be a challenge since the market has no previous year's expenses to use as a basis of comparison, but the committee, manager or board should gather data from other similar markets and sources to determine what budget is best for them. Determining the current year's expected income from stall fees, donations, sponsorships, etc. can help market organizers begin to develop a budget and prioritize expenses. Organizers should consider other projected expenses such as wages, insurance, permits and rent when determining the marketing budget. It is advised to be conservative and plan for contingencies when budgeting.³⁸

Takeaways:

1. *Determine marketing budget prior to spending, with input from market manager/leadership committee*
2. *Get the word out*
 - a. *Develop community partnerships with organizations and businesses for increased advertising*
 - b. *Attend community events*
 - c. *Disseminate a newsletter throughout the community detailing upcoming events, highlighting vendors*
 - d. *Make flyers and info packets available at community gathering places (churches, businesses, library, schools, etc.*
3. *Encourage loyal customers to shop more often and more intensely (spend more)*

³⁸ Jolly, D. (2005). *Starting a New Farmers' market: Farmers' market Management Series, Vol. 1*. Retrieved from <http://sfp.ucdavis.edu/files/144703.pdf>

Attracting Lower-Income Residents

Farmers' markets can be great resources for increasing the access of healthy foods to lower income residents, if they successfully address cost burdens for potential low income market customers. Most farmers' markets, 74%, have one or more vendors that offer Supplemental Nutrition Assistance Program (SNAP), the Women, Infants and Children Farmers' Market Nutrition Program (WIC FMNP), and the Senior Farmers' market Nutrition Program (SFMNP) assistance (For a how-to guide for obtaining SNAP machine, visit <https://www.ams.usda.gov/?dDocName=STELPRDC5085298>). Despite the prevalence of these assistance programs, most SNAP participants do not use SNAP at farmers' markets. Possible reasons for this include farmers' market purchases being too difficult to fit into a strictly-managed food budget like SNAP, the token system is too cumbersome or takes too much effort, or shoppers are unaware that markets accept SNAP/WIC.³⁹

To further reduce cost burdens, markets can also work with vendors to price products more affordably, if possible. Additionally, some farmers' markets have worked to provide coordinated bussing on market days, as the cost of transportation can often be a barrier for this sector of the community. Another way to reduce cost burdens is to work with local school systems so that they can purchase local produce from farmers and provide access to healthy foods for children who may not normally have such access, and allow schools to take advantage of the Healthy, Hunger-Free Kids Act of 2010.

Markets should also aim to increase awareness through outreach efforts targeted at lower income populations. The farmers' market in Blacksburg posts flyers in Goodwill or YMCA thrift stores and provides cooking demonstrations (with farmers' market products) at local food banks. The market also works with the Department of Social Services to disseminate information regarding using SNAP and the markets' cash matching program. These are examples of relatively low cost methods to ensure local low income populations understand the potential health and financial benefits of shopping at the farmers' market. Finally, markets with SNAP benefits struggle with getting EBT customers to use their benefits, due to perceived social stigma. This can be avoided with vendor training/awareness of market policies regarding SNAP so that customers using SNAP don't hold up the line or bring attention to themselves.⁴⁰

Funding Sources

The primary sources of funding for new markets are sponsorship, grants and fees. If the market is sponsored by a single organization, the founding organization will likely provide some donated labor funding for start-up. The market or sponsor organization may also be eligible for grants through government agencies or non-profits. It is recommended to search for grants related to nutrition, agricultural marketing and community development. There may also be local funding available through the chamber of commerce, local banks, United Way, service organizations and religious groups. Vendor payments of stall fees or membership dues can also be a significant source of funding for markets.⁴¹ Many farmers' markets in the country are self-sustaining through vendor fees. Those that aren't rely on

³⁹ Project for Public Space (2013), *Farmers' markets as a Strategy to Improve Access to Healthy Food for Low-Income Families and Communities*. Retrieved from: <http://www.pps.org/reference/farmers-markets-as-a-strategy-to-improve-access-to-healthy-food-for-low-income-families-and-communities/>

⁴⁰ Virginia Tech Cooperative Extension Family Nutrition Program- <http://www.joe.org/joe/2015august/a3.php>

⁴¹ Jolly, D. (2005). *Starting a New Farmers' market: Farmers' market Management Series, Vol. 1*. Retrieved from <http://sfp.ucdavis.edu/files/144703.pdf>

alternative funds such as community foundations, operating through an existing government/nonprofit program, or business sponsorships. Floyd Farmers' Market, for instance, is completely self-sustaining through vendor fees, business sponsorships, volunteers and support from its fiscal agents, Sustain Floyd. Those focusing on reaching lower-income residents often rely on grant funding, however, even these organizations are attempting to find more sustainable options. A more thorough description of funding sources, along with eligibility requirements, is included in Appendix B.

Figure 8. Challenges Reaching Low-Income Shoppers

A USDA study titled "Farmers' markets Survey Report" found that the two primary challenges for markets are location and competition, and that markets sometimes fail due to an oversaturation of alternative produce vendors during the growing season. In another study conducted in 2010 in a rural region in New York State, authors identified many challenges that rural market organizers face, including lower average household incomes, higher child poverty rates, spatial issues (distance to farmers' markets as a barrier), and low value of direct-to-consumer farm sales. The following four key planning recommendations were found to best address these challenges:

1. Establish larger, centrally located markets with public sector contributions,
2. Target variety in products and vendors,
3. Prioritize attention to marketing and promotion
4. Reduce cost burdens to underserved, low-income residents.

ACTIVATING PUBLIC SPACE FOR THE FARMERS MARKET AND OTHER USES

One key challenge for farmers' markets is attracting and retaining shoppers. Part of this challenge relates to the public space in which the farmers' market is situated. If the space is not noticeable or recognized as a place of congregation, chances are many people will not come or stay once they are there. The physical nature of the space does matter in this case.

- **Image and Identity** – As stated in the Best Practices Enhancing Market Atmosphere section of this report, beautification of the space helps make the space more welcoming and gives it an identity. For instance, a community mural provides color and vitality to a space. It can also reveal a community's character and history, adding to the uniqueness of the space. Landscaping with trees, bushes and flowers can frame a space while also offering color and vitality.
- **Amenities** – A space may have amenities to make it more comfortable for people to use, for instance a bench or waste receptacle. These amenities should appeal to a variety of people in different ways. They may encourage interaction such as a small playground. As an amenity, lighting can make a space more welcoming and unique while highlighting specific activities, entrances and pathways. Amenities can be permanent or temporary, but their purpose is to attract and engage people.
- **Access** – A public space must also be easy to get to and allow for easy pedestrian activity. These spaces should ensure fluidity between pedestrian spaces by incorporating pathways, crosswalks, and lights for pedestrians. For instance, the proposed farmers' market space should have a path from Main Street, to the farmers' market space, and continue to the Beaver Dam Creek Walking Trail. Paths to the market should be well-defined through signage, arches, shrubbery, and lighting so that they entice and increase pedestrian traffic to the space. Public spaces should be cordoned off from car traffic permanently or during pedestrian-heavy times. Measures should be taken to slow traffic around these spaces.
- **Flexible Design** – Research has found that activities that take place in public spaces change from day to day, month to month, and year to year. As such, the space must be flexible in its design. Project for Public Space suggests, "Instead of a permanent stage, for example, a retractable or temporary stage could be used. Likewise, it is important to have on-site storage for movable chairs, tables, umbrellas and games so they can be used at a moment's notice."⁴²
- **Management and Maintenance** – To maintain their vitality and welcoming aura, these spaces must be well-maintained. All trash should be removed. Any features beautifying the space such as murals or shrubbery should be well-kept.

However, the physical elements of a space do not guarantee its success. People and the activity they create in a public space "activate" that space, making it appealing to others. The more activity that takes place in that space—whether it be a farmers' market, small town concert, or flea market—the more a community will recognize it as a place to linger, socialize and enjoy on a regular basis. A farmers' market, for instance, with a noticeable number of people will attract the attention of others and help to

⁴² Project for Public Spaces. 10 Principles for Successful Squares. Retrieved from <http://www.pps.org/reference/squaresprinciples/>.

multiply that number of shoppers. In contrast, a set of vendors but only a small handful of customers will not encourage vendors or customers to come, stay or return.

Thus, before so much attention is paid to physical amenities, many communities often experiment with temporary ways of activating a public space to see the response of residents. The *Lighter, Quicker, Cheaper* (LQC) approach to public space making, for instance, has been used by many rural communities to help the community develop a space in a cost-effective and collaborative manner. LQC projects are usually seasonal or one-off events that help communities envision uses of an open space, generate interest from diverse stakeholders and potential investors, and breakdown resistance to change. Different groups within a community can take the lead in hosting events within the space, integrating art and designing the space in different ways to see its potential. These approaches help communities to understand what works and what doesn't work with the space before making any large financial investments. Some examples include the following.

Hallam, NE (pop. 218). The Town of Hallam wanted to revitalize its downtown, incorporate a more unified theme and improve the overall pedestrian experience. To test out some of its ideas, different groups organized an LQC project for the annual Hallamfest in 2015, when crowds actually come downtown. With help from volunteers, the town put up temporary curb extensions using mulch and planters to slow traffic; created temporary public mini-spaces for activities such as a "reading nook" with shade and seating; decorated the downtown with red hearts for its motto "The Little Town with a Big Heart" to deliver a unifying theme and sense of identity; and added benches made of 4x4s and concrete blocks.⁴³

Restaurant Day – Everywhere. Restaurant Day is a world-wide food carnival taking place four times a year with thousands of people starting up one-day restaurants in public places. "The idea of the day is to have fun, share new food experiences and enjoy our common living environments together. The event is facilitated by a team of volunteers who also maintain this website. All restaurateurs are personally responsible for all actions related to running their restaurants." To know more, visit <http://www.restaurantday.org/en/>.

Morristown, VT (pop. 5,227). The Morristown Alliance for Commerce & Culture sponsored a public "chair-art-able" project, asking local residents to paint Adirondack chairs that were then placed around downtown. The project raised awareness of local talent, added character to downtown, and increased walkability. Plus, the chairs were auctioned at the end of the summer to raise funds for future activities.⁴⁴

Walkill, NY (pop. 2,288). The large lawn in front of the Walkill Public Library was well-maintained, but no one ever set foot on it. To change that, the library installed colorful lawn chairs and signs inviting people to relax and enjoy the green space. This easy effort changed

⁴³ Citizens' Institute of Rural Design (2015), Putting Lighter, Quicker, Cheaper into Action in Hallam and Bennet, Nebraska, Retrieved from <http://rural-design.org/blog/putting-lighter-quicker-cheaper-action-hallam-and-bennet-nebraska>

⁴⁴ Horose, C (2016), 5 Small Town Stories of Lighter, Quicker, Cheaper Community Action, Retrieved from: <http://www.communitymatters.org/blog/5-small-town-stories-lighter-quicker-cheaper-community-action>

people’s perceptions of the space. It now serves as a gathering place for kids and families to play, have lunch, and socialize. Walkkill and other libraries have also taken advantage of the skills of local gardeners and landscape architects to create temporary or permanent sensory gardens. These gardens often have wind chimes and other sound making devices, colorful flags and structures, as well as plants arranged in interesting ways or with interest textures.⁴⁵



Source: <https://www.pinterest.com/explore/sensory-garden/>

Better Block – Everywhere. “Better Block began as a weekend-long project in one Dallas neighborhood (think Extreme Home Makeover on steroids). Now it’s taking the country by storm. Using temporary demonstrations to test out pop-up businesses, create more inviting public spaces and add life to a tired block, Better Block projects transform scruffy, underused streets into vibrant and walkable places. These locally driven demonstration projects bring neighbors together to envision and experience an area’s potential.” Check out <http://teambetterblock.com/> and <http://betterblock.org/>.

Community Garden – Everywhere. Community gardens can be LQC projects and are natural complements to a farmer’s market space. A community garden would give locals without access to suitable land the ability to grow their own produce.



Source: <http://www.nicolesgarden.org/we-were-featured-on-cnn/>

⁴⁵ Ibid.

Some gardeners may opt for flowers and other non-edible plants, adding to the beautification of the space. A garden could also be used by the agricultural program at Carroll County High Schools or by the middle school, just up the street from the proposed site. Potential spring/summer programs could grow produce for sale at the market, providing students with an educational opportunity and a chance to get involved. Events associated with community gardens include nutrition classes and organic gardening.

Other LQC projects could include: temporary gardens done through make-shift planters, large chess/checker boards, or waterworks made from pvc piping or water hose for hot summer afternoons. Pinterest has a variety of LQC ideas: https://www.pinterest.com/pps_placemaking/lighter-quicker-cheaper/. Events in the space could also include Christmas tree lighting, fall festivals, summer concert series, or Crooked Road Jams. During the warmer months, the area could also be leased out (or offered) to community organizations as a meeting space. Already, the local Historical Society and Arts Council are working to hold cultural events such as the drama centered on the historical Carroll County Courthouse shooting. A farmers' market space could serve both uses. Other existing events to consider are the Memorial Day Flea Market & Gun Show, the VFW Arts and Crafts Show, the Hillsville Fourth of July Celebration, and other regular summer concerts and shows. Many of these events attract as many as 2,000 attendees. The farmers' market can also serve as an LQC project, with the Town of Hillsville setting up tents, tables and lawn chairs to see how a market would function in the designated space.

Another good resource for small towns and rural communities who are considering how to strengthen their economies and communities through public space is the Citizens' Institute on Rural Design (CIRD). CIRD offers resources to communities that may help them:

... to convert their own good ideas into reality. CIRD works with communities with populations of 50,000 or less, and offers annual competitive funding to as many as four small towns or rural communities to host a two-and-a-half day community design workshop. With support from a wide range of design, planning and creative placemaking professionals, the workshops bring together local leaders from non-profits, community organizations, and government to develop actionable solutions to the community's pressing design challenges. The community receives additional support through webinars, conference calls, and web-based resources.

CIRD offers funded workshops and online resources to support asset-based development in communities. For more information, please visit: <http://www.rural-design.org/about>.

Takeaways: To truly “activate” the farmers’ market space and develop it into a place where residents regularly go, just to see what’s happening, MRHD and the Town of Hillsville should work to maximize the use of the farmers’ market space by incorporating alternative community activities during off market days. The goal should be to integrate the space into as many community events, programs, and organizational gatherings as possible. MRHD and the Town should consider temporary “Lighter, Quicker, Cheaper” projects that allow residents to experiment with the space and understand its best uses and physical design. Such project will increase buy-in from different groups, build consensus and allow for a slower evolution of the space towards its most useful form.

PROPOSED FARMERS' MARKET SITE

Figure 9. Downtown Hillsville Map with Proposed Farmers' Market Site



The proposed farmers' market site is located in downtown Hillsville, behind the Hale-Wilkinson-Carter Home on Main St. The space is approximately 25,200 sq. ft., and sits on a 8.9% gradient going from the northwest corner to the southeast corner of the parcel. It is accessed by car either through the Main Street entrance to the south of the Hale-Wilkinson-Carter Home, Pine Street on the east, or via the adjacent parking lot behind the Family Shoe Store and Carroll County Historical Society and Museum.

Figure 10. Proposed Farmers' Market Space and Walkway connecting it with Main Street



Currently used for downtown parking, this space is the second largest town-owned parcels in downtown Hillsville. At present, the only other open space for gathering downtown is a parking lot behind the Hillsville government offices. It is adjacent to the town-owned downtown parking lot. The current space offers a small covered performance area for concerts and plays. This space has become very popular, so much so that the Town is now renting it out to groups for certain occasions. The current gathering space is about three-fourths the size of the proposed space and is a bit more confined in its development.

Figure 11. Existing Public Space with Covered Performance Area



Figure 12. Town-Owned Parking Lot Adjacent to Covered Performance Area



This new proposed space would allow for growth of other Town events such as Hillsville’s play depicting the Carroll County Courthouse shooting, the Memorial Day Flea Market & Gun Show as well as other well-attended events. It would be a convenient spot to set up booths and food carts during festivals, as well as offer music and a place to set up lawn chairs for resting. It also provides a nice view of the county and mountain vista. If developed, the space would serve as a bridging point between downtown Hillsville and Beaver Dam Trail, providing improved walkability for pedestrians in the area.

Figure 13. Proposed Farmers' Market Vista



Figure 14. Pathway from Main Street to Farmers' Market and Beaver Dam Trail



At its current state, the space would need to be graded so that the ground is more level, and repaved. A sidewalk similar to the one shown in figure # would go along the north end of the site to connect with the path leading to Beaver Dam Trail. According to a preliminary architecture report provided by The Lane Group, costs for grading, paving and the sidewalk to the farmers' market would cost \$114,750.

This site still could allow for parking during the week if the Town requires. However, for pedestrian use during the farmers' market and other events, additional measures should be taken to add to walkability, safety and aesthetics.

- Consider framing the space with signage, trees and other landscaping foliage to offer a means of better defining the parcel as a public space, providing shade from the sun and creating more welcoming space.
- Consult a landscape architect to discuss some sort of wind-break, perhaps on the south-western end of the parcel.
- Clearly designate entrances and exits for cars while creating easy barriers to cars during events.
- Develop signage on Main St. showing where farmers' market is located. Consider other methods of increasing the space's visibility.
- Consider methods of slowing traffic along Pine St.

Constructing a Farmers' Market Structure

When planning for a permanent farmers' market structure, the town must consider a variety of factors to ensure its viability as a market and community space. For the farmers' market, vendor and customer preferences must be considered. To ensure vendors can set up quickly and efficiently, each stall should be clearly marked and the space should be designed so vendors can unload their goods as close to their designated spots as possible. The structure should protect both customers and vendors from the elements, specifically wind and rain. Careful attention should be paid to how wind typically blows through the potential sight, as one farmers' market in the region built a permanent structure that exacerbated wind, creating a "wind tunnel" that is uncomfortable for both vendors and customers.

When possible, the permanent structure should complement or blend with local architecture. This will make the space more welcoming and further encourage its use as a community space, even on non-market days. In the plans provided by The Lane Group, special care was to be taken to mimic certain design aspects of the Historic Carroll County Courthouse, Bank Building, and Hales-Wilkinson-Carter Home. Also, a trail was planned to connect the space with Main Street and the Beaver Dam Trail. If these efforts are carried out for this site, the permanent farmers' market structure will tie-in well with the Town of Hillsville and provide an additional venue for existing community events.

Based on the budget proposed in the Preliminary Architectural Report by the Lane Group, the cost of construction was estimated at \$848,719. This would cover grading and paving the proposed site, adding in the connecting sidewalk to the Beaver Dam Trail, and constructing a permanent structure. The budget also covers fees and estimates the cost of potential contingencies in construction. This does not include the construction of the adjacent restroom building, which was estimated to cost an additional \$108,817.

A farmers' market's atmosphere usually benefits from a well-designed, permanent structure that also acts as a community space. However, a consistent customer and vendor base should be cultivated before a farmers' market funds the construction of a permanent structure.

Most farmers' markets with structures in the region did not receive funding from any government agency. Instead, they undertook fundraising efforts and received money from community members, businesses, community banks and local government. The Blacksburg farmers' market received materials donations from a local timber company and a large sum of money from the Blacksburg National Bank. Similarly, the Floyd Farmers' Market structure was constructed thanks to private funding and donations of supplies (e.g. the wood), equipment and labor. They essentially hosted the equivalent of a barn raising. However, one market in Stuart, VA received funds from the Tobacco Commission for their permanent structure.

Regionally, most markets wait a few years before building a structure, according to interviews with market managers. This period allows for the market to grow, develop a regular set and number of vendors, and better understand how its vendors or shoppers function within the space. The market in Blacksburg operated for close to 20 years prior to constructing their structure in 2009. The newly organized market in Christiansburg purposely avoided a permanent structure to ensure the market could be successful before investing a large sum of money.

Virginia Tech OED suggests using an alternative site (existing space depicted in Figure 14) and delaying the construction of a permanent structure until a successful farmers' market can be established. The

Town of Hillsville should focus their efforts on funding a market manager position, either full-time, part-time, or compensating a volunteer, to maximize initial investment in the market as a good market manager is cited most often as the key to a successful farmers' market (discussed in more detail in the following section). Once that funding is secured and a relatively successful farmers' market is established, the Town can look to constructing a permanent structure.

Takeaways: Begin slowly. Start a farmers' market in the existing public space behind the Hillsville Town offices to establish demand. Initial funding should go towards creating a market manager position, either full-time or part-time (or a well-compensated volunteer). In the meantime, raise money via grants and fundraisers to grade and repave the proposed farmers' market site (See funding appendix).

Once graded and repaved, the town should host the farmers' market and other activities to establish best uses and design of the site. When possible, other revenue-generating opportunities should be pursued (i.e. renting out the site).

PROPOSED OPERATIONAL BUDGET

OED estimated a first year budget for the proposed farmers' market in the Town of Hillsville through interviews with local market managers and from published sources. Typically, primary sources of revenue for markets come from vendor fees and grant funding. In terms of expenses, most markets focus their budgets on marketing/advertising and market manager salaries. **This budget should only be used as a rough estimate to give the Town an idea of what to consider. It is suggested that farmers' market leadership come up with a detailed budget and plan for annual operation. This should include a monthly estimate of revenue and expenses three years in advance, accounting for growth. For an example of a market budget sheet, go to Appendix D.**

Marketing managers can be paid or deemed volunteers. If possible, hiring a part-time or full-time market manager with a salary is ideal, as paid managers usually prove indispensable to a market's long term success. Funding for their salaries could come from a variety of sources, discussed more in depth in Appendix B. Salaries range from \$650 to 35,000 per year, with smaller markets typically falling on the lower end. Managers that earn less than \$2,000 per year are considered volunteers.

As this market is just starting out, it is suggested to find a volunteer manager (until funding for a salary can be secured) to run the day to day operations. If possible, this volunteer manager should be compensated anywhere from \$700-2,000 for about 10-15 hours per week of their time (including market days) during market season.⁴⁶ Once the market is up and running, organizers should consider finding a salaried position for a market manager.

Most markets surveyed in the region spend about \$300-500 annually on marketing and advertising. OED suggests the Hillsville market focus their budget on local radio and through flyers and handouts at community centers and areas for congregation in the ten mile radius surrounding the market location. Marketing efforts should also be focused on the zip code areas highlighted in Figure 6 to reach typical farmers' market shoppers, in terms of demographic characteristics. Local newspapers could be engaged to write an article about the farmers' market and highlight special events, providing a free form of publicity and promotion. Once the market begins, money should be allotted for a monthly newsletter during market season to be mailed or emailed to a market contact list and placed in local businesses and community centers.

In total, the markets' first year operating budget could range from as little as \$1,000 to as much as \$2,500. This assumes that the Town of Hillsville will assume fiscal responsibility for the maintenance of the site or permanent structure and the landscaping needs of the property.

Takeaways:

- For the first year, \$1,000 should be set aside for compensating a volunteer market manager (if funding cannot be found for a part-time/full-time position).
- \$500 should be allotted for advertising, as it would be important to get the word out about the new market. Free publicity should be targeted (newspaper pieces, partnering with local businesses for cross promotion). Local radio ads and posters/handouts in community gathering places should also be utilized but budgeted for carefully.
- For the first year, special events should be (cooking demos, kids activities, live music) should come from local volunteers to save on costs.

RECOMMENDATIONS

The proposed farmers' market in the Town of Hillsville has the potential to increase households' access to fresh and local food, promote regional farm businesses, and contribute to the larger community and economic development efforts of downtown Hillsville. The market could focus on reaching low- to middle-income families in Carroll County to increase their consumption of healthier, affordable foods and address regional dietary health concerns such as obesity and diabetes. A clear concern based on feedback from other regional markets is the availability of a sufficient number of vendors. Since most farms in the region are larger wholesalers, a goal of the farmers' market would be to foster smaller, niche farmers in the area through market-sponsored educational programs and business development assistance. Funding for such programs is located in Appendix B. To support this vision, Virginia Tech OED recommends the following:

- ***Set realistic expectations for the farmers' market, beginning small at the existing public site behind the town offices and allowing time to raise funds, revamp the proposed site, and grow the market.*** Farmers' markets often start with only a few vendors and shoppers. To establish need for the farmers' market, it is recommended to set up a temporary market in the existing public space behind the Hillsville town offices. Initial success will prove to funders that their funding will be worthwhile. The Town and market organizers can then raise funds to prepare the proposed space for the farmers' market and other events. ***Until the farmers' market is well-established and stakeholders have a better understanding of how the space is used and the specific needs of vendors and shoppers, the construction of a farmers' market structure should be delayed.***
- ***Reach out to community partners who will show their support through their promotion of the market and their active membership on the farmers' market Board of Directors.*** Community partners may include town and county government, chambers of commerce, key farm and business representatives, the Farm Bureau, Cooperative Extension, likeminded nonprofits, school boards, health associations, police and fire stations. Each of these partners can play a role in promoting the market to potential vendors and shoppers. Construct a Board of Directors to oversee setting policy, making rules, governing finances, and hiring or firing staff. Members on this board include farmers, local business people, community officials, sponsors, and potential consumers. Board members will identify and elect the farmers' market manager to oversee day-to-day operations.
- ***Select a farmers' market manager who is charismatic, driven, and adept at convening different groups of people and developing a clear vision of the Hillsville Farmers' Market for stakeholders.*** Markets may begin with a vendor serving as manager who leads market-day set up and operations. The farmers' market manager will be responsible for the bulk of market administrative duties such as supervising volunteers, managing budgets, enforcing rules, collecting vendor fees, collaborating with city officials, planning and coordinating advertising efforts, and planning special events (to name just a few).
- ***Avoid potential competition with neighboring farmers' markets, and instead partner with them.*** Since vendors in the region, specifically fresh produce growers, are limited, the market should be scheduled for a different day than those markets already operating in the region. Available timeslots would be Sunday, Saturday afternoon or weekdays beginning at 4-5pm. This will minimize

competition for vendors (and potential customers) with other markets. Furthermore, develop working relationships with the three farmers' markets already in the region, particularly Hillsville's closest neighbor, the Southwest Virginia Farmers' Market. Partner markets can co-promote and share vendors.

- ***To distinguish the market from other regional farmers' markets and address a regional health/food access need, target low-income families as a core mission for the farmers' market.*** Particularly for lower income households, farmers' markets must be accessible physically and financially. Focusing on the population within the ten mile radius of the farmers' market is key in this case. The market must also rely heavily on partnerships with local organizations serving this population for market promotion and on the local government to provide financial and other contributions, making the market convenient and affordable to this population. Cater to these households by providing SNAP/cash match and working with the Town to initiate a rural ride-sharing to get people to the market. Typically, customers from low income groups have been more likely to spend more intensely than other income groups as they tend to shop for the entire week.
- ***When marketing the farmers' market, consider the shoppers' demographic you are trying to reach and adjust promotion tactics.*** OED identified three key market segments in the region. Based on these segment definitions, a farmers' market could appeal to shoppers' desires to buy American and support local business. The face-to-face, in-person interactions that take place at a farmers' market would also engage these consumers. Marketing the farmers' market as a good way to save money on food and quality products could also resonate with these shoppers, as would incorporating ready to eat food. Table 2 on page 7 of this report lists major deterrents to visiting the market and possible remedies including clear, frequent promotion of the day, time and place of the market.
- ***Get the word out.*** Develop community partnerships with organizations and businesses for increased advertising. Attend community events, sharing flyers and market information. Disseminate a newsletter detailing upcoming events and highlighting vendors. Make flyers and information packets available at community gathering places (churches, businesses, library, schools, etc.)
- ***To differentiate the farmers' market experience from shopping at a grocery store, focus on creating an inviting atmosphere and entertaining experience.*** Different type of vendors with a variety of product should be present, and special events should be planned. Weekly events, such as a cooking demonstration or live music, should be incorporated. Consider ways to beautify the community space and allow opportunities to linger such as places to sit. Along these lines, consider including vendors who sell prepared food so customers can "make a day/night of it."
- ***MRHD and the Town of Hillsville should work to maximize the use of the farmers' market space by incorporating alternative community activities during off market days.*** The goal should be to integrate the space into as many community events, programs, and organizational gatherings as possible so that it becomes a well-known community space. Consider temporary "Lighter, Quicker, Cheaper" projects that allow residents to experiment with the space and understand its best uses and physical design. Such projects will increase buy-in from different groups, build consensus and allow for an evolution of the space towards its most useful form.

APPENDIX A: POTENTIAL VENDORS

OED looked for produce vendors, located in the Twin Counties region or adjacent counties that already sell at farmers' markets. A more comprehensive list of growers in the area can be obtained from Suzanne Slack, the VCE agent for this region. The following list of compiled from the Southwestern Virginia Local Foods Guide (http://nrvc.org/Agritourism/SWVA_Local_Foods/). This list is by no means exhaustive, and should be expanded with information from local VCE agents and Farm Bureau.

- **Grayson County**
 - Heart Moss Farms, Emi Jones: (276) 655-3752, heartmossfarm@gmail.com
 - Grass-fed lamb, pastured chicken, eggs from organic-fed hens, rabbit meat, pork
- **Wythe County**
 - Omega Lane Farm, Suzanne Capone: (276) 686-5843, scapone@wildblue.net
 - Specialize in the organic production of heirloom and rare produce
 - Chestnut Ridge Berry Farm, David Carroll: (276) 617-8360, chestnutridgeberryfarm@gmail.com
 - Blueberries, Blackberries, Asparagus, Sugar Snap Peas, Lettuce , Onions, Rhubarb, Green House Tomatoes, Field Tomatoes, Potatoes, Beets, Kale, Yellow Squash, Zucchini, Pole Beans, Brussel Sprouts, Bell Peppers, Carmen Peppers, Jalapeno Peppers, Pablano Peppers, Local Honey, Berry Jams, Pickles, Loofah
- **Floyd County**
 - Gnomestead Hollow Farm and Forage, Jenna Kuczynski: (804) 240-6901, gnomestead.hollow@gmail.com
 - A wide variety of cultivated and wild mushrooms, vegetable ferments (Krauts and Kimchi), Raw Cacao-Medicinal Mushroom Truffles, Dried Wild Mushroom Soup Mixes, Medicinal Mushroom Tea
 - Indian Valley Farm, Lynn Chipkin: (540) 789-4259, lynnchipkin@hotmail.com
 - Four season producer of fresh vegetables, eggs and honey
 - Merry Peas Garden, Mary Predny: (540) 998-9461, msmerrypea@hotmail.com
 - Non-certified organic produce
 - Waterbear Mountain Organic Farm, Richard Ursomarso: (540) 577-9178, waterbearorganicfarm@yahoo.com
 - Certified organic, biodynamic produce and grass-fed pork
 - Riverstone Farm, Kat Johnston: (650) 814-6426, riverstone@swva.net
 - Fresh organic veggies, berries, pasture raised lamb, pork, beef and eggs
 - Seven Springs Farm, Polly Hieser: (540) 651-3226, pollyheiser@gmail.com
 - CSA grower
 - Weathertop Farm, Sarah and Cedric Shannon: (540) 651-2010, info@weathertopfarm.com
 - Chicken, rabbit, pork, duck, turkey, sheep and eggs are all pasture-raised in a rotational system
 - Happy Rooster Farm, LLC. Greg Sazonov: (804) 387-5175, happyroosterfarm@gmail.com
 - Beef, pork, whole chickens, lamb, chicks, laying birds, and eggs
 - Wild Hill Farms, David and Agatha Grimsley: (504) 651-2697, wildhillfarms@gmail.com

- Veal, lamb, and pasture-raised pork and eggs with no added hormones or antibiotics
- **Patrick County**
 - Three Falls Farm, Vicki Wilson: (276) 930-2221, vicksin2006@gmail.com
 - Dedicated Certified Organic grocery
- **Pulaski County**
 - Pear Tree Hill Farm, Amy Tanner: (540) 250-6444, peartreehillfarm@icloud.com
 - Seasonal produce

APPENDIX B: FUNDING SOURCES

PUBLIC SPACE CONSTRUCTION AND DEVELOPMENT

Community Development Block Grant (DHCD)

Grading, repaving and initial landscaping of the potential farmers' market site could be funded through a Virginia CDBG grant. The Virginia Community Development Block Grant (CDBG) program provides funding to eligible units of local government for planning and implementing projects that address critical community development needs, including housing, infrastructure and economic development. The goal of the CDBG Program is to improve the economic and physical environment in Virginia's communities through activities which primarily benefit low- and moderate-income persons, prevent or eliminate slums and blighting conditions or meet urgent needs which threaten the welfare of citizens.

Under this program, eligible localities may apply for Planning Grants for project development or Community Improvement Grants for project implementation.

The Town of Hillsville could contact Tamarah Holmes (Tamarah.holmes@dhcd.virginia.gov) for more information and how best to frame its application or go to <http://www.dhcd.virginia.gov/index.php/business-va-assistance/blighted-structures/community-development-block-grant-cdbg/10-community-development-block-grant-cdbg.html>.

Appalachian Regional Commission

The Appalachian Regional Commission (ARC) has funded business site development and community facility construction and improvements, including farmers' market sites, in recent years. In 2015, the provided \$20,000 in matching funds to support Somerville, Alabama's effort to construct a farmers' market. To see if this is a possibility for Hillsville, contact:

Tamarah Holmes, Associate Director
Policy and Strategic Development
Virginia Department of Housing and Community Development
Main Street Center
600 East Main Street, Suite 300
Richmond, VA 23219
804.371.7056
Email: tamarah.holmes@dhcd.virginia.gov

USDA Community Facilities Direct Loan & Grant Program

This program provides affordable funding to develop essential community facilities in rural areas. An essential community facility is defined as a facility that provides an essential service to the local community for the orderly development of the community in a primarily rural area, and does not include private, commercial or business undertakings.

Those eligible to apply for funding are public bodies and community-based non-profit corporations. Priority is given to small communities with a population of 5,500 or less, and low-income

communities having a median household income below 80% of the state nonmetropolitan median household income.

Funds can be used to purchase, construct, and / or improve essential community facilities, purchase equipment and pay related project expenses. Examples of essential community facilities include:

- Health care facilities such as hospitals, medical clinics, dental clinics, nursing homes or assisted living facilities
- Public facilities such as town halls, courthouses, airport hangars or street improvements
- Community support services such as child care centers, community centers, fairgrounds or transitional housing
- Public safety services such as fire departments, police stations, prisons, police vehicles, fire trucks, public works vehicles or equipment
- Educational services such as museums, libraries or private schools
- Utility services such as telemedicine or distance learning equipment
- Local food systems such as community gardens, food pantries, community kitchens, food banks, food hubs or greenhouses

Funding may come in the form of low interest direct loans, grants, or a combination of the two.

For more information, go to <http://www.rd.usda.gov/programs-services/community-facilities-direct-loan-grant-program>.

Virginia Community Capital - Fresh Food Loan Fund

Consider consulting with Virginia Community Capital, who collaborated with Glade Springs to redevelop its downtown with a healthy food focus. VCC played a part in helping Glade Springs to acquire multiple sources of funding to redevelop its downtown, open a farmers' market, and support several local businesses including Glade Green Grocers

(<http://www.vacommunitycapital.org/index.php/news-item/virginia-fresh-food-loan-fund-first-deal>).

For information on VCC's VFFLF contact Wayne Waldrop, Small Business Manager, at 804.793.0986 or wwaldrop@vccva.org.

OPENING AND OPERATING A FARMERS' MARKET

USDA Community Food Projects Competitive Grants Program

Provides grants to project that:

- Meet the food needs of low-income individuals through food distribution, outreach to increase participation in federally assisted nutrition programs, or improving access to food as part of a comprehensive service;
- Increase self-reliance of communities to meet their food needs;
- Promote comprehensive responses to local food access, farm, and nutrition issues; or
- Meet specific state, local, or neighborhood food and agricultural needs including equipment necessary for the efficient operation of a project, planning for long-term solutions, or innovative marketing activities that mutually benefit agricultural producers and low-income consumers

There are three types of projects that the program serves: 1) Community Food Project, 2) Planning Projects, and 3) Training and Technical Assistance. The grant can financially support farmers' markets, providing \$125,000 in a single year or \$300,000 over five years.

Applicants must have experience in one or more of the following areas: (1) community food work, particularly concerning small and mid-sized farms, including the provision of food and development of new markets in low-income communities, (2) job training and business development experience for food-related activities in low-income communities, or (3) efforts to reduce food insecurity, including coordinating and improving access.

For more information, visit <http://nifa.usda.gov/funding-opportunity/community-food-projects-cfp-competitive-grants-program>.

Local Foods, Local Places (EPA)

Several farmers' markets have received funds through the Local Foods, Local Places grant; for example, the Christiansburg Farmers' Market received \$20,000 in programmatic funds. Local Foods, Local Places helps people create walkable, healthy, economically vibrant neighborhoods through the development of local food systems. The program is sponsored by the U.S. Department of Agriculture (USDA), EPA, the Centers for Disease Control and Prevention (CDC), the U.S. Department of Transportation (DOT), the Appalachian Regional Commission (ARC), and the Delta Regional Authority (DRA), with support from the White House Rural Council.

Local Foods, Local Places aims to boost economic opportunities for local farmers and businesses, improve access to healthy local food, and promote childhood wellness. In selecting Local Foods, Local Places partner communities, special consideration is given to communities in the early stages of developing local food enterprises and creating economically vibrant communities. Partner communities in Appalachia and the Delta region are eligible to receive financial assistance to help them implement their local food and community revitalization plans.

Local Foods, Local Places builds on the ARC-EPA-USDA Livable Communities in Appalachia partnership, which worked to promote economic development, preserve rural lands, and increase access to locally grown food in Appalachian towns and rural communities.

Representatives of communities (including neighborhoods or main street districts) anywhere in the United States are eligible to apply. In the past, applications have been due in the early Fall. Follow this link to view the 2015-2016 application: <https://www.epa.gov/smartgrowth/forms/local-foods-local-places-2015-2016-application>.

For more information, visit <https://www.epa.gov/smartgrowth/local-foods-local-places>.

Special Crop Block Grant Program (USDA)

If framed in the right way—a farmers' market with the objective of helping regional farmers' enhance their ability to grow specialty crops—a farmers' market may be able to gain funding from the Special Crop Block Grant Program. USDA's Specialty Crop Block Grant Program (SCBGP) is designed to solely enhance the competitiveness of "specialty crops", including fruits, vegetables, tree nuts, and horticulture and nursery crops. SCBGP can be used to support a wide array of projects, including marketing and market development, technical innovations, plant breeding,

disease resistance and other projects that improves production efficiency as long as they address the competitiveness of specialty crops.

The department of agriculture in each state administers the block grant, under guidance from USDA's Agriculture Marketing Service. Projects can focus on a variety of outcomes. A farmers' market could meet these following potential outcomes outlined by the grantee:

- Increasing nutritional knowledge and specialty crop consumption;
- Enhancing food safety;
- Promoting the development of good agricultural, handling and manufacturing practices while encouraging audit cost-sharing for small farmers and processors;
- Establishing local and regional food systems;
- Expanding access to specialty crops in underserved communities; and
- Developing school and community gardens and farm-to-school programs.

USDA allocates SCBGP grants to state departments of agriculture, which administer the funding to support projects that meet Federal requirements. The projects are approved through the State run competitive process. Grants can supplement existing programs or start new projects. All projects must focus on specialty crops.

Grant funds cannot be used to solely benefit a single organization, institution, or individual but rather must be used for projects that impact and produce measureable outcomes for the specialty crop industry and the consuming public.

For more information, visit <https://www.ams.usda.gov/services/grants/scbpgp> and <http://www.vdacs.virginia.gov/sales-specialty-crop-competitive-grant-program.shtml>

Mobilize Your Board to Raise More Money

The Farmers' market Coalition, a national nonprofit supporting farmers' markets through promotion and information sharing, offers a one hour webinar describing how farmers' market organizers can raise funds and financially support their markets.

Go to <https://farmersmarketcoalition.org/resource/mobilize-your-board-to-raise-more-money/>

MARKETING A FARMERS' MARKET

Farmers' market and Local Food Promotion Program

The Farmers' market and Local Food Promotion Program (FMLFPP), administered by USDA's Agriculture Marketing Service, is designed to help promote domestic consumption of agricultural commodities by expanding direct farmer-to-consumer and intermediated marketing opportunities.

With \$30 million annually the program provides \$15 million in funding to direct-to-consumer projects, such as farmers' markets, and \$15 million in funding for local and regional food enterprises involved in intermediated marketing such as food hubs, aggregators, distributors, community kitchens, etc.

For both direct marketing and local food enterprise projects, eligible entities are:

- agricultural businesses and cooperatives;

- producer networks and associations;
- community supported agriculture (CSA) networks and associations;
- local governments;
- nonprofit corporations;
- public benefit corporations;
- economic development corporations;
- regional farmers' market authorities; and
- tribal governments.

For both direct marketing and local food projects, USDA gives priority to projects that:

- primarily serve low income/low food access communities as defined by the USDA in its ERS Food Access Research Atlas map; or
- involve Promise Zone Lead Applicant Organizations.

At least 10 percent of funding will be awarded to these priority projects.

For more information, visit <https://www.ams.usda.gov/services/grants/fmpp>. Michelle Prigden, manager of the Independence Farmers' Market, is overseeing a grant from this program currently and can provide additional information as well.

Food Insecurity Nutrition Incentive Program

This program could potentially be used as a tool to incentivize and reach out to low-income households using SNAP benefits. A proposed project would have to go beyond the scope of the farmers' market, however.

The Food Insecurity Nutrition Incentive program (FINI) provides competitively awarded grants for projects that increase the purchase of fruits and vegetables by low-income consumers participating in the Supplemental Nutrition Assistance Program (SNAP) by providing incentives at the point of purchase. A cash or in-kind match, in an amount equal to 50 percent of the total cost of the project, is required.

Priority will be given to projects that:

- Maximize the share of funds used for direct incentives to participants;
- Test innovative or promising strategies that would increase understanding of ways to increase fruit and vegetable purchases by SNAP participants;
- Develop innovative or improved benefit redemption systems that could be replicated or scaled;
- Use direct-to-consumer sales marketing;
- Demonstrate a track record of designing and implementing successful nutrition incentive programs that connect low-income consumers and agricultural producers;
- Provide locally- or regionally-produced fruits and vegetables, especially culturally-appropriate fruits and vegetables for the target audience;
- Are located in underserved communities, particularly Promise Zones and StrikeForce communities.

All FINI projects must (1) have the support of a state SNAP agency; (2) increase the purchase of fruits and vegetables by low-income consumers participating in SNAP by providing incentives at the point of purchase; (3) operate through authorized SNAP retailers, and be in compliance with all relevant SNAP regulations and operating requirements; (4) agree to participate in the FINI comprehensive program evaluation; (5) ensure that the same terms and conditions apply to purchases made by individuals receiving SNAP benefits as apply to purchases made by individuals who are not SNAP participants; and (6) include effective and efficient technologies for benefit redemption systems that may be replicated in other states and communities.

For more information, go to <http://nifa.usda.gov/program/food-insecurity-nutrition-incentive-fini-grant-program>.

FARMERS' MARKET SHOPPER ASSISTANCE AND INCENTIVES

Senior Farmers' market Nutrition Program

When low-income seniors buy local produce at farmers' markets or from CSAs, they increase farmers' revenue, enjoy nutritious food, and socialize with their community. The Senior Farmers' market Nutrition Program (SFMNP) provides coupons to low-income seniors that can be exchanged for fruits, vegetables, herbs, and honey from authorized farmers, farmers' markets, roadside stands, and community supported agriculture programs (CSAs). The goal of the program is to increase low-income seniors' access to nutritious, local foods and to help expand and develop local markets.

SFMNP was created in 2001. The USDA Food and Nutrition Service (FNS) provides cash grants to state agencies to administer the program, disbursing coupons to low-income seniors and authorizing farmers, farmers' markets, roadside stands, and CSAs to accept them. The majority of the grant funds must be used to support the costs of food, though state agencies may use up to 10 percent of their grants to support administrative costs.

Seniors are eligible if they are at least 60 years old and have household incomes at or below 185 percent of the federal poverty line. Qualifying seniors may receive no less than \$20 and no more than \$50 per year, though state agencies may supplement those levels with state, local, or private funds. SFMNP receives \$20.6 million a year in mandatory farm bill funding.

Currently, 42 states administer SFMNP. To accept SFMNP benefits, farmers, farmers' markets, roadside stands, and CSAs must become authorized by state agencies, typically the Departments of Agriculture, Health, or Aging. Vendors who exclusively sell produce grown by someone else, such as wholesale distributors, cannot be authorized.

To learn more, go to <http://www.fns.usda.gov/sfmnp/senior-farmers-market-nutrition-program-sfmnp> and <http://www.vda.virginia.gov/sfmnutrition.asp>

Farmers' market Nutrition Program

The Farmers' market Nutrition Program (FMNP) is part of the larger Special Supplemental Nutrition Program for Women, Infants and Children, popularly known as WIC, that provides supplemental foods, health care referrals, and nutrition education at no cost to low-income pregnant and postpartum women and to infants and children up to 5 years of age who are found to be at nutritional risk.

FMNP provides low-income pregnant and postpartum women with coupons or electronic benefits to buy fresh produce from authorized farmers and farmers' markets. FMNP also teaches WIC participants how to select, store, and prepare fresh produce to improve their families' diets. The goal of the program is to increase low-income mothers' and children's consumption of healthy local produce and to expand the awareness, use of, and sales at farmers' markets.

FMNP has been increasing low-income families' access to farmers' markets and investing federal dollars in local economies since 1992. The USDA Food and Nutrition Service provides cash grants to state agencies, which support 100 percent of the food costs and 70 percent of the administrative costs of the program. State agencies administer the program, authorizing farmers, farmers' markets, and roadside stands to accept coupons or electronic benefits and signing up, educating, and disbursing benefits to low-income mothers. Mothers may receive no less than \$10 and no more than \$30 per year. However, state agencies may supplement the benefit levels with state funds.

Currently, 36 states administer FMNP. To accept FMNP benefits, farmers, farmers' markets, and roadside stands must become authorized by state agencies, typically Departments of Agriculture or Health. Authorized vendors are selected based on WIC participants' geographic concentration in the area and access to the marketplace. Vendors who exclusively sell produce grown by someone else, such as wholesale distributors, cannot be authorized. Benefits cannot be redeemed for prepared foods.

To learn more, go to <http://www.fns.usda.gov/fmnp/wic-farmers-market-nutrition-program-fmnp>

SUPPORT INDIVIDUAL FARMERS' MARKET VENDORS

Direct Farm Ownership and Operating Loans

The purpose of the Farm Service Agency's (FSA) direct farm ownership (DFO) and operating loan (DOL) programs is to provide financing and assistance to family farmers and ranchers to establish farms and ranches, achieve financial success, and graduate to commercial credit or self-financing.

DFO loans may be used to purchase a farm or ranch, make capital improvements, pay closing costs, and pay for soil and water conservation improvements, including sustainable agriculture practices and systems. DOLs may be used to pay the costs of reorganizing a farm or ranch, buy livestock or equipment, annual operating expenses, finance conservation costs, pay closing costs, comply with OSHA requirements, pay tuition for borrower training classes, refinance farm related operating loans, and family living expenses.

Farmers must be unable to obtain credit elsewhere through commercial lenders, have sufficient education/training/experience, have an acceptable credit history, and be an owner or operator of a family-sized farm, at loan closing.

Such a program could support farmers in their efforts to diversify their production for local consumption. For more information, go to <https://www.fsa.usda.gov/programs-and-services/farm-loan-programs/farm-ownership-loans/index>

Farm Storage Facility Loans

For farmers hoping to store or add value to their products for the farmers' market. The Farm Storage Facility Loan Program, administered by USDA's Farm Service Agency, provides low-interest loans for producers to build or upgrade permanent facilities to store commodities, including fruit and vegetable cold storage, washing, packing, and handling buildings and equipment. The following commodities are eligible for farm storage facility loans:

- Corn, grain sorghum, rice, soybeans, oats, peanuts, wheat, barley or minor oilseeds harvested as whole grain
- Corn, grain sorghum, wheat, oats or barley harvested as other-than-whole grain
- Pulse crops - lentils, chickpeas, dry peas
- Hay, renewable biomass, honey, and fruits (includes nuts) and vegetables

Among the eligible cost items are site preparation, installation, appraisals, legal fees, purchase price, sales tax, shipping and delivery, and off-farm paid labor. The local FSA county committee must approve all loans. Among eligible uses are:

- Grain storage cribs, bins, and silos, and related electrical equipment
- Equipment to maintain, improve, or monitor stored grain quality
- Grain drying equipment
- Hay and biomass storage structures
- Cold storage buildings and equipment

Packing sheds and handling equipment Portable equipment, used bins, and used equipment are not eligible.

For more information, go to <http://www.fsa.usda.gov/programs-and-services/price-support/facility-loans/farm-storage/index>.

Microloan Program

The purpose of the Farm Service Agency's (FSA) microloan program is to meet the smaller credit needs of small, young, beginning, socially disadvantaged, and veteran farmers (see page 57 for criteria) through a simplified loan application process. This program may also be appropriate for farmers serving local and regional food markets, including urban farmers.

Microloans may be used to cover farm purchases, such as seeds, animals, small equipment, or other investments that young and other beginning farmers require for their operations. Microloan repayment schedules and loan terms are similar to those of Direct Operating Loans (see page 28). Loans may be made for up to \$50,000.

To learn more about this program and how it could align with certain vendors' needs, please visit <http://www.fsa.usda.gov/programs-and-services/farm-loan-programs/microloans/index>.

Organic Certification Cost Share Program

For produce vendors wishing to become organic certified, The National (NATL) Organic Certification Cost Share Program (OCCSP) and Agricultural Management Assistance (AMA) OCCSP Program are noncompetitive reimbursement programs that help defray the costs of organic certification for

organic operators. These organic cost share programs provide reimbursements of up to 75 percent of certification costs, up to a maximum payment of \$750 per certification scope.

The Agricultural Marketing Service of the USDA manages both NATL and AMA OCCSP. Reimbursements are generally made available to operators through State Departments of Agriculture. Organic operators should contact their State Departments of Agriculture (please see the websites below) to apply for reimbursement under these costs share programs. Recipients must be certified organic by a USDA accredited certifying agent under the National Organic Program Regulations.

Visit <https://www.ams.usda.gov/services/grants/occsp> to learn more.

Value Added Producer Grant Program (VAPG)

The Value-Added Producer Grant (VAPG) program provides grants on a competitive basis to individual independent agricultural producers, groups of independent producers, producer-controlled entities, organizations representing agricultural producers, and farmer or rancher cooperatives to create or develop value-added agricultural products. These ventures help increase farm income and marketing opportunities, create new jobs, contribute to community economic development, and enhance food choices for consumers.

The term “value-added” includes an agricultural commodity or product whose value has been increased by undergoing a change in physical state (e.g., turning fruit into jam, etc.), being produced, marketed, or segregated for its special character or identity (e.g., GMO-free, organic, grass-fed, etc.), being aggregated and marketed as a locally-produced food (e.g., as part of a Buy Local campaign, state-produced branding or labeling effort, etc.), or linking farmers with local and regional supply networks in which they are equal partners (e.g., farm to school or other mid-tier value chain, etc.).

Entities eligible to apply for VAPG funds are:

- individual agricultural producers;
- groups of agricultural producers;
- majority-controlled producer-based business ventures;
- organizations representing agricultural producers; and
- farmer or rancher cooperatives.

Agricultural producers include independent farmers, ranchers, and harvesters, including fishermen and loggers, who engage in the production or harvesting of an agricultural commodity.

For more information, visit <http://www.rd.usda.gov/programs-services/value-added-producer-grants>. Also contact your Rural Development Office:

Basil I. Gooden, PHD, State Director
Culpeper Building, Suite 238
1606 Santa Rosa Road
Richmond, VA 23229
Voice: (804) 287-1550
www.rd.usda.gov/va

APPENDIX C: ADDITIONAL RESOURCES/CONTACTS

- Suzanne Slack, VCE agent
 - Email:
 - Phone:
- Meredith Ledlie, Project Associate, The Food Security Project Family Nutrition Program (EFNEP and SNAP-Ed) VCE
 - Email: meredil@vt.edu
 - Phone: (540) 231-1704
- Claudia Jackson (SNAP Machine funding), VA Department of Social Services
 - Email: Claudia.jackson@dss.virginia.gov
 - Phone: (804) 726-7346
- Sandy Stoneman, Food Safety Extension Agent
 - Email: sandyst@vt.edu
 - (276) 223-6043
- Michelle Prigden, Independence Farmers' Market manager
 - Email: independencefarmersmarket@gmail.com
 - Phone: (276) 768-0597
- Kim Niewolny, Associate Professor at Virginia Tech with extension responsibilities in beginning farmer training and program development as well as community food system program development.
 - Email: niewolny@vt.edu
 - Phone: (540) 231-5784

APPENDIX D: SAMPLE BUDGET SHEET

Farmers Market Budget
Fiscal Year _____

Budget Category	Budget	1 st Quarter	2 nd Quarter	3 rd Quarter	4 th Quarter	Year End
Income						
Earned Income	\$	\$	\$	\$	\$	\$
Membership Fees						
Stall Rents						
Sales of Market Materials						
Total Earned Income	\$	\$	\$	\$	\$	\$
Contributory Income						
Sponsorships						
Grants						
Donations						
Fundraising Activity/Events						
Total Contributory Income	\$	\$	\$	\$	\$	\$
Total Income	\$	\$	\$	\$	\$	\$
Expenses	\$	\$	\$	\$	\$	\$
Payroll:						
Salaries						
Payroll Taxes						
Payroll Insurance						
Total Payroll Expenses	\$	\$	\$	\$	\$	\$
Advertising & Promotions:						
Media Advertising						
Promotional Activity						
Special Events						
Total Advertising and Promotions	\$	\$	\$	\$	\$	\$
Insurance:						
Commercial General Liability						
Directors and Officers Liability						
Total Insurance	\$	\$	\$	\$	\$	\$

Facilities:						
Site Rental						
Permits—site & operating						
Site Improvements						
Port-a-johns						
Fees for service						
Utilities						
Supplies						
Total Facilities Expenses	\$	\$	\$	\$	\$	\$
Office Expenses:						
Office Space						
Office Utilities						
Supplies						
Printing & Mailing						
Office Equipment						
Total Office Expenses	\$	\$	\$	\$	\$	\$
Professional Development:						
Membership/Dues						
Manager Training						
Total Professional Development	\$	\$	\$	\$	\$	\$
Programs:						
EBT Service Fees						
Nutrition Education						
Other Programs						
Total Program Expense	\$	\$	\$	\$	\$	\$
Total Expenses	\$	\$	\$	\$	\$	\$