



THE FEASIBILITY OF ESTABLISHING A HAWAII FARMERS' MARKET

A Study to Assess the Feasibility of Establishing a World-Class, Hawaii Farmers' Market as an Economic Strategy to Showcase the State's High Quality Agricultural Products

Prepared for
The Twenty-First Legislature
Regular Session of 2001
State of Hawaii
Per House Concurrent Resolution
No. 24, H.D.1, S.D.1

by the

State of Hawaii
Department of Agriculture
Agricultural Development Division
Market Analysis and News Branch

April 30, 2001

Executive Summary

The number of farmers' markets across the United States has grown rapidly, increasing by 63% in the past six years. A steady increase of fresh fruit and vegetable consumption and a growing number of farmers with small to medium sized operations has contributed significantly to the rapid growth of the farmers' markets. Recognizing this national trend and the potential economic gains from the establishment of such a farmers' market in Hawaii, the State Legislature 2000 had commissioned a study to evaluate its feasibility. This study was prepared in response to the State Legislature's request (H.C.R. No. 24. H.D.1, S.D.1), and as part of an overall economic development strategy to showcase the States' high quality agricultural products

The study entailed: 1) identifying key elements for a successful, world-class farmers' market; 2) analyzing demand, supply and merchandise mix to determine market feasibility to establishing a farmers' market in Hawaii; and 3) developing an initial business plan which includes potential private sector partnership, an appropriate site, and a financial plan for successful implementation.

Some of the key elements identified for a successful, world-class farmers' market in this study are as follow: 1) a wide selection of fresh food and non-food products available (not limited to local products); 2) a special atmosphere created by interactions between vendors and shoppers or by presentations of farm-fresh produce; and 3) year-around activities and special events to promote the market place and to attract different consumer segments. In general, successful world-class farmers' markets offer a wide selection of sightseeing, shopping, dining, educational events, and other social activities.

The above-mentioned features can be made available in Hawaii. This study concludes that the establishment of a Hawaii world-class farmers' market, as an economic strategy to showcase the State's high quality agricultural products, and its complementary value-added products has considerable potential as a viable community development project, as well as, a sustainable, sub-segment of special interest, agricultural-tourism.

Table of Contents

Executive Summary.....	i
List of Tables	iii
I. Introduction	1
II. Key Elements to a Successful World-Class Farmers’ Market.....	2
<i>Broad Selection of Food and Non-Food Products</i>	2
<i>Interaction and Presentation</i>	4
<i>Activities and Special Events</i>	4
III. Market Feasibility to Establish a Farmers’ Market in Hawaii	5
<i>Demand Analysis</i>	5
Demand from Local Residents.....	5
Demand from Visitors	7
<i>Supply Analysis</i>	9
<i>Merchandising Mix</i>	10
Fresh Items Offering	10
Prepared Foods and Drinks Offering.....	11
Handicrafts, Wood Products and Other Value-Added Offering.....	11
Presentations and Audience Participation.....	11
Other Activities and Special Events	12
IV. Initial Business Plan	12
<i>An Appropriate Site</i>	12
Criteria for a Appropriate Site.....	12
Alternative Sites that Meet the Criteria	12
<i>Potential Private Industry Partners</i>	13
<i>Market Design and Management Issues</i>	13
<i>A Financial Plan</i>	13
V. Conclusion.....	14
Appendix A. House Concurrent Resolution No. 24, H.D.1, S.D.1.....	16
Appendix B. Product Mix in Seattle’s Pike Place Market	18
Appendix C. Product Mix in Granville Island Public Market.....	18
Appendix D. Product Mix in the Los Angeles’ Farmers Market.....	19
Selected References	20

List of Tables

<u>Table</u>	<u>Page</u>
1. Retail Sales by Major Business in the Pike Place Market, 1999.....	3
2. Visitor Expenditures by Category, 1998.....	8

THE FEASIBILITY OF ESTABLISHING A HAWAII FARMERS' MARKET

I. Introduction

The number of farmers' markets across the United States has grown rapidly, increasing by 63% in the past six years¹. A steady increase of fresh fruit and vegetable consumption and a growing number of farmers with small to medium sized operations has contributed significantly to the rapid growth of the farmers' markets. In the past decade, farmers' markets have functioned as an important outlet for agricultural producers and provided thousand of consumers with an easy access to fresh and nutritious foods. Beyond that, many such markets have become popular gathering places and reflect a vibrant component of local community life and culture. The current study, requested by Hawaii State Legislature 2000 (H.C.R. No. 24. H.D.1, S.D.1; see Appendix A), is to evaluate the feasibility of establishing a farmers' market in Hawaii.

There are different types of farmers' markets. Many farmers' markets are small, and operate once or twice a week in open-air areas and commodities in these markets are usually limited to local products. Some farmers' markets operate on a daily basis and have a permanent in-door site. Some of the better known markets in this category include the Pike Place Market in Seattle, the Granville Island Public Market in Vancouver, the Los Angeles' Farmers Market at the corner of Third Street and Fairfax Avenue, and the Faneuil Hall Market in Boston. All these markets offer a wide selection of farm-fresh produce, various specialty foods, craft and art shops, entertainment activities, and special events. These farmers' markets with a permanent in-door site not only serve as a center of local community life and culture, but also become a tourist "must-see" attraction. The farmers' market to be evaluated in this study falls into the later category, a world-class, farmers' market.

¹ USDA-AMS, "Facts about Farmers Markets," *USDA-AMS Online* [home page on-line]; available from <http://www.ams.usda.gov/farmersmarkets/facts.htm>; accessed 24 April 2001.

The objectives of this study are as follow: 1) to identify the key elements for a successful world-class farmers' market; 2) to assess the market feasibility of opening a world-class, farmers' market in Hawaii; and 3) to discuss an initial market development plan which includes potential private sector partnership, an appropriate site, and a financial plan for successful implementation of a Hawaii farmers' market.

II. Key Elements to a Successful World-Class Farmers' Market

Several farmers' markets in North America, including the Pike Place Market in Seattle, the Granville Island Public Market in Vancouver, the Los Angeles' Farmers Market, and the Faneuil Hall Market in Boston have operated successfully for many years. By identifying key elements, which have contributed to the success of these markets, we can then formulate the criteria for establishing the Hawaii farmers' market. The common characteristics of these markets identified are as follow: 1) a wide selection of fresh food and non-food products available (not limited to local products); 2) a special atmosphere created by interactions between vendors and shoppers or by presentations of farm-fresh produce; and 3) year-around activities and special events to promote the market place and to attract different consumer segments. In general, a successful world-class farmers' market should offer a wide selection of shopping, sightseeing, dining, educational events, and other social activities.

Broad Selection of Food and Non-Food Products

To many people, a traditional appeal of a farmer's market is direct access to locally grown, farm fresh products. A broad selection of fresh food, including but not limited to fresh fruits, vegetables, fish/seafood, meats, dairy/cheese, bakery products (scones, cookies, muffins, rolls and other pastries), specialty coffee, cut flowers, and plants can be found in the world-class markets. Since each fresh food category is carried by a specialty store or by separate vendors, customers have access to a broad selection of offerings in different varieties, colors, taste or origins.

On the other hand, an individual market may focus on special agriculture/aquaculture products, which originate from its surrounding areas. For example, Pike Place Market is

famous for fresh fish, particularly salmon, while the Granville Island Public Market emphasizes on seasonal fresh fruits and vegetables from all across North America.

Besides fresh food for home consumption, the world-class farmers’ markets mentioned, also offer other attractions, such as restaurants, gift/jewelry shops, art galleries, craft fairs, antiques/collectibles, cookware, stationery/cards and clothing. The Pike Place Market generated some \$56 million retail sales in 1998 (see Table 1). About half of the retail sales came from non-fresh-food stores.

At the Pike Place Market, the food basket category, which includes produce, meat, fish, dairy, & specialty groceries, generated 46% of all the market retail sales. This is highly significant, considering that only 20% of retail space in the Market falls into this category. A complete product mix by category of the Pike Place Market, the Granville Island Public Market, and the Los Angeles’ Farmers Market are illustrated in Appendix B, C, and D respectively.

Table 1. Retail Sales by Major Business in Seattle’s Pike Place Market, 1998

Categories	Retail value	
	\$ million	%
Food Basket (produce, meat, fish, dairy, & specialty groceries)	25.9	46%
Dinning Out	15.6	28%
Mercantile	14.4	26%
Total	55.9	100%

Source: Pike Place Market Preservation and Development Authority (PDA) Website; available from <http://www.pikeplacemarket.org/bullboard/>

Successful farmers’ markets usually attract a large number of pedestrian traffic and are naturally an attractive location for consumer advertisements. According to the Pike Place Preservation and Development Authority (PDA), the Pike Place Market attracts an

average daily pedestrian traffic of 20,600 on weekdays during the winter and spring seasons. On Saturdays, it attracted 37,800 visitors. During the summer season, the Pike Place Market draws an even larger number of visitors. The PDA estimates that some 27,000 individuals visit the market on normal weekdays and the count rises to 40,100 on Saturdays.

Interaction and Presentation

What is the difference between shopping at a farmer's market and shopping at a supermarket? Many consumers often mention the availability of fresh food and direct contacts with farmers as their primary reasons for visiting farmers' markets. Others like the unique set-up and atmosphere in the farmers' markets. A farmers' market researcher from University of California finds that the unique atmosphere of farmers' markets offers a marketable experience for tourists². Indeed, many visitors frequent the Pike Place Market in Seattle to shop for its famous fresh salmon and other seafood. Although the Pike Place Market is not the sole place for visitors to buy fresh salmon, it is perhaps the only market, which allows them to see the salmon they are buying, being thrown literally over their heads! Some vendors display pictures to show the origins of their produce or the fruit trees with fruits, before they were harvested and shipped to the market. These interactions between customers and vendors create unique and long-lasting impressions for many shoppers and visitors. Within a climate of change favoring supermarkets, it is important for farmers' markets to reinforce and strengthen the unique services and experiences that they can deliver to potential customers³.

Activities and Special Events

In the few world-class farmers' markets discussed above, there are not only a lot of things for visitors to buy, but also a lot of things to see and to do. Since the farmers' market itself or other facilities close-by may provide complementary activities, such as entertainment, restaurants, and artisan workshops, the market itself becomes a venue

² Heather Podoll, "A Case Study of the David Farmer's Market: Connecting Farms and Community," (2000): 6, available from Sustainable Agriculture Research and Education Program, University of California, <<http://danr010.ucdavis.edu/cdpp/Davis.htm>> (accessed 24 April 2001).

³Ibid., 8.

where local residents and visitors can spend an entire day, shopping, sightseeing or participating in various activities.

Beside daily activities, special events or festivities can be held in these world-class, farmers' markets. For example, the Pike Place Market hosts special events like the "Daffodil Day" to celebrate the first day of spring and egg hunts on Easter day. The Faneuil Hall Marketplace is also unique and distinguishes itself from other markets by its festival-like atmosphere. Faneuil Hall is renowned for its outdoor entertainment, and is host to world-class jugglers, clowns, mimes, acrobats, magicians, storytellers, and musicians. Alternately, the Vancouver Writers and Readers Festival and the Vancouver International Comedy Festival are held annually on Granville Island, where the public market is located. These events become an integral part of market promotion to inform, draw and retain shoppers.

III. Market Feasibility to Establish a Farmers' Market in Hawaii

The overall market feasibility of establishing a world-class, farmers' market in Hawaii depends on the adequacy of demand and supply elements to support such a market. This study evaluates potential consumer demand from both local residents and tourists, and also analyzes the feasibility of supply and possible merchandising mix to develop a unique farmers' market in Hawaii. It is generally believed that the establishment of a world-class, farmers' market in Hawaii will spearhead a new economic strategy to showcase the State's high quality agricultural products and its complementary value-added products.

Demand Analysis

Demand from Local Residents

People in Hawaii are enthusiastic consumers of locally grown produce and fresh food. The per capita seafood consumption in Hawaii is approximately 41.2 pounds a year, a figure which is nearly three times higher than the national average of 15 pounds per

person per year, based on 1996 data⁴. A large proportion of the seafood consumption in Hawaii is locally harvested fresh seafood⁵. Fresh fruits and vegetables consumption in Hawaii also appears high. Based on the information collected by Market Analysis and News Branch of Hawaii Department of Agriculture, per capita fresh fruit and vegetable consumption (not including potatoes and sweet potatoes consumption) in Hawaii was estimated at 270 pounds in 1999. This figure is a conservative estimate since it only includes the fresh fruits and vegetables sold through wholesale market channel and it does not include the produce distributed directly from farmers to consumers or retail stores. In addition, fresh produce consumption has been growing continuously for the past two decades. Per capita fresh fruits and vegetables consumption increased by 17% between 1990 and 1999⁶.

In addition, Hawaii is widely known as a place of great ethnic and cultural diversity. The universality of the market experience is one of the features that make markets readily identifiable and comfortable gathering places for ethnically diverse communities. Therefore, a farmers market is an ideal place for assembling and distributing different ethnic foods (including fine wines, exotic spices and imported delicacies), and for demonstrating ethnic cooking and tasting ethnic foods. Although the produce market is currently a competitive one, farmers' market can appeal to customers with its fresh, high quality, broad selection of products, lively interaction with farmers, and the unique shopping experience.

At present, there are small-scale farmers' markets operating in Hawaii, some of these farmers' markets, like the People's Open Market in Honolulu (operated in open-air) were established to sell off-grade produce⁷. The stalls and stores in Honolulu's China Town were set up in a similar fashion but with a permanent site. But for some historical

⁴ M. Pan, "Multilevel and Multiobjective Programming Model for Hawaii Fisheries Management" (Ph.D. diss., Department of Agricultural and Resource Economics, University of Hawaii at Manoa, 1998), 3.

⁵ W. K. Higuchi and S. G. Pooley, "Hawaii's Retail Seafood Volume," (Honolulu: United States Department of Commerce, NOAA, National Marine Fisheries Services, Honolulu Laboratory, Administrative Reports, H-85-06, 1985).

⁶ United States Department of Agriculture, Economic Research Service, *Food, Consumption, Prices, and Expenditures*, 1970-1999 (Washington D.C., 2000), Table 16 and Table 24.

⁷ City and County of Honolulu, "The People's Open Market Program," *City and County of Honolulu Online* [home page on-line]; available from <http://www.co.honolulu.hi.us/parks/programs/pom/index.htm>; accessed 24 April 2001.

reasons, many of these stores or street-stalls in Honolulu's China Town became a market to dump off-grade produce. Limited parking spaces, narrow streets, a low-income, high-crime neighborhood, are often cited as primary barriers for Honolulu's China Town to transform itself into a higher-end marketplace. Hence, there is currently an absence of a farmers' market, which offers a wide selection of high-quality fresh foods, and is convenient and accessible to potential consumers (including restaurants' chefs, visitors and local consumers) in Hawaii. Likewise, for Hawaii farmers, there is a glaring absence of a farmers market, which could serve as an outlet to sell their top-grade produce and value-added products.

Finally, the proposed farmers' market (with its diverse offerings of products and public amenities) may fill a market niche to provide a one-stop shopping trip for many busy families in Hawaii. With increasing parental participation in their children's school, sports and extracurricular activities, many families (particularly those with two working parents) are facing increasing stress levels in their daily lives. With limited time and greater demands for family activities, they are increasingly looking for wholesome experiences, which are more enjoyable, less stressful and time efficient. A farmers' market may offer such an experience for the local family – a place to eat, purchase groceries, shop for household items, learn new things from special events and family entertainment.

Demand from Visitors

Each year, millions of visitors around the world, attracted by the natural beauty of our islands, visit Hawaii. In 1998, tourists collectively spent \$10.3 billion on their visits to Hawaii (see Table 2). More than 40% of total tourist expenditures went to shopping, food, and beverage. However, tourist purchases of agriculture goods were limited to only \$153 million or 6.6% of total shopping expenditures. A world-class, farmers' market offers a perfect place for the visitors to taste the unique products from our islands and to experience our diversified ethnic foods and cultures. It may also offer them another attraction (reason) to extend their stay on the islands.

Table 2. Visitor Expenditures by Category, 1998

Expenditure Type	Expenditure	
	\$ million	%
Lodging	3,038	29.5%
Shopping	2,306	22.4%
Food & Beverage	1,976	19.2%
Transportation	1,282	12.4%
Entertainment	868	8.4%
Other/Miscellaneous	728	7.1%
Personal Services	73	0.7%
Communications	37	0.4%
Total	10,309	100%

Source: Hawaii Visitors and Convention Bureau and State of Hawaii, DBEDT.

Although non-resident visitors are light consumers of unprocessed food products, they nevertheless may wish to frequent the farmers' market. Hence, product offerings in a world-class, farmers market in Hawaii should not be limited to only fresh produce but extended to include diversified food and crafts -- with bakeries, confectioneries, restaurant outlets, sidewalk cafes, ornamental and floral booths, gift and souvenir shops, book stores, and entertainment. Visitors are more likely to purchase unique island gift items, souvenirs, wood products, place mats, and other value-added, food items such as cookies and candies. Several farmers' markets including the Pike Place Market in Seattle, the Granville Island Public Market in Vancouver, the Faneuil Hall Marketplace in Boston, and the Los Angeles' Farmers Market are operating successfully in this manner, and continue to attract millions of non-resident visitors annually⁸. The farmers' market in Hilo, which operates on Wednesdays and Saturdays, has become an increasingly popular tourist attraction. The scale of the Hilo farmers' market, however, remains small and attracts a limited number of visitors.

⁸ Faneuilhall Marketplace, "Faneuilhall Marketplace Facts," *Faneuilhall Marketplace* Online [home page on-line]; available from <http://www.faneuilhallmarketplace.com/facts/history.htm>; accessed 24 April 2001.

Local restaurants are primary caterers of gourmet cooking and fine foods in Hawaii. They tend to reinforce food as important focal point of Hawaii's contemporary society and also reflect the islands' diverse cultural heritage. The many chefs of these local restaurants are a source of potential buyers to a world-class, farmers' market in Hawaii. In general, the demand for high quality, farm-fresh produce is anticipated to come from high-end restaurants, high income local residents with increasingly sophisticated preferences, and to a lesser extent, tourists with a shopping appetite.

Supply Analysis

While it appears that there is sufficient demand for a world-class, farmers' market in Hawaii, the State also appears to have an abundant supply of resources to support such a proposed market. First, Hawaii has many products, unique to our island state and rarely grown on the U.S. mainland. Hawaii is the only state, which produces pineapple, coffee, papaya, and macadamia nuts (96% of the total production in U.S.). Hawaii is also one of a few states that produce tropical fruits, like banana, mango, star fruits, and rambutans, and tropical/exotic flowers and plants. Second, the long planting season and various climate patterns allow Hawaii's farmers to produce a wide-range of agricultural products, from common fruits and vegetables such as honeydew, watermelon, strawberry, broccolis, head lettuces, and celery, to Asian vegetables such as Choy Sum, and Chinese mustard cabbage. Third, some 37 million pounds of fresh seafood are harvested in Hawaii annually⁹, and farm fresh shrimps and other aquaculture products are also available throughout the year. Fourth, the mix of ethnic and cultural diversity has introduced into Hawaii various ethnic foods, and over time, has transformed itself into a "melting-pot" of regional Pan-pacific cuisine of Hawaii, a delightful blending of Eastern and Western flavors. Finally, traditional Hawaiian culture can add unique elements and special ambiance to the proposed Hawaii farmers' market. Visitors who come to Hawaii from non-tropical regions may find a farmers' market with tropical fresh foods and floral and a Hawaiian setting to be appealing and a very attractive place to visit and shop.

⁹ Estimates from National Marine Fisheries Service, Honolulu Laboratory.

Eventually, a world-class market becomes a showcase for Hawaii's products. With the rapid development of diversified agriculture and a growing number of farmers, an alternate market channel like the proposed world-class farmers' market would greatly facilitate the development of a viable agricultural industry in Hawaii.

In addition to the local products, Hawaii also has access to the fresh foods around the world since Hawaii is connected to many Eastern and Western countries by direct flights. This will facilitate the proposed farmers' market in Hawaii to also offer high-quality fresh foods from different geographic regions throughout the year.

Merchandising Mix

The merchandising mix and set-up of the Hawaii farmer's market should satisfy the key criteria discussed above. The proposed market should have superior amenities, combined with an unique Hawaii atmosphere and offering a broad selection of high quality, well packaged produce, merchandise and services, fine foods and good entertainment, making it a "must-see" and must "experience" tourist attraction. Based on the uniqueness of Hawaii's market (demand and supply), this study suggests the essential components for merchandising mix for the Hawaii farmers' market are as follows:

Fresh Items Offering

- Tropical fruits (pineapple, papaya, mango, guava, watermelon);
- Tropical & exotic flowers and plants;
- Asian vegetables (available year-around);
- Fresh or prepared aquaculture seafood (farm fresh shrimp and abalone);
- Fresh landed and prepared seafood such as *sashimi & poki*;
- Fresh meats (pork, beef, chickens);
- Dairy products and eggs;
- Specialty produce (Mushrooms, herbs/spices, tomatoes, potatoes, peppers, lettuces, coffee);
- Organic fresh foods; and
- Packed and export-ready, Hawaii-grown onions, fruits, and flowers.

Prepared Foods and Drinks Offering

- Fresh baked bread (various ethnic styles);
- Malasadas, mochi, cream puffs and other local pastries;
- Freshly squeezed fruit (pineapple, guava, mango, orange) and vegetables juices;
- Chocolate covered fruits;
- Specialty coffee, tea and cocoa;
- Made in Hawaii wine and spirits; and
- Ethnic gourmet food (Asian, including but not limited to Chinese, Indian, Filipino, Japanese, Thai and Vietnamese; Western, including but not limited to Continental, French, Italian, Greek; and Pan-pacific, including Hawaiian).

Handicrafts, Wood Products and Other Value-Added Offering

- Local paintings, souvenir sculptures, and lauhala hats, bags, mats and baskets;
- Hawaiian jewelry, kukui nut necklaces, and quilts;
- Koa wood carvings, picture frames, bowls, and other decorative items;
- Assorted fruit jams and jellies;
- Dry fruits, processed nuts and desiccated meats; and
- Truffles and assorted chocolates.

Presentations and Audience Participation

- Vegetable or fruit carving demonstrations (for example, showing how to cut a fresh pineapple or a papaya);
- Cooking demonstrations (for example, on site cooking shows on various Asian, Western, Pan-pacific cuisines);
- Teas brewing and serving ceremonies (Japanese/Chinese traditions);
- Floral arrangement demonstrations (Hawaiian, Japanese and Chinese styles);
- Lei making demonstrations or make your own lei sessions; and
- Handicraft displays, story telling and novel readings.

Other Activities and Special Events

- Hawaiian music and hula dancing;
- Ethnic festivals (such as St. Patrick's Day, Chinese New Year, Boys' Day, Girls' Day, Cinco De Mayo, Oktoberfest, and others)
- Food festivals (for example, Taste of Honolulu with differing restaurant offerings, Wine Tasting and Taste of Cheese around the World).

IV. Initial Business Plan

An Appropriate Site

Oahu is perhaps the ideal location for the Hawaii world-class farmers' market since Oahu has 75% of the state population and 46% of the total visitors to Hawaii. However, a farmers' market can also be built on any neighbor islands where there is adequate demand for such a facility from both local residents and tourists. Since the volume of demand varies from island to island, the feasibility criteria of the island specific markets may deviate from Oahu's in terms of size, style and product offerings.

Criteria for a Appropriate Site

- Close proximity to an existing tourist attraction or a entertainment center;
- Accessible by foot, car, and public transportation (City bus and Handivan);
- Convenient and inexpensive parking spaces; and
- Safe and clean neighborhood.

Alternative Sites that Meet the Criteria

- Kakaako Waterfront Area;
- An extension of the Aloha Tower Market Place;
- Ilalo produce distribution center (the center may be moved to somewhere else);
- Farm land (i.e. area close to Dole Plantation); and
- Kona area (close to the fishing port and coffee growers).

Potential Private Industry Partners

Naturally, such a farmers' market provides business opportunities to diversified agricultural farmers, aquaculture farmers, both fast food and high-end restaurants, and food manufacturers and producers of Hawaii. Additionally, merchants, handicraft artisans, painters, entertainers and financial intermediaries may also wish to participate in such a farmers' market. It is envisioned that a merchants or vendors association will eventually materialize to represent participants in the market place. Many existing farmers' markets, including Seattle's Pike Place Market has such an association. Finally, it is also possible to have a private management firm run the daily operation of the farmers' market.

Market Design and Management Issues

- Year around, permanent, and in-door site;
- Combined with open-air and sales booths (which gives direct sale opportunity to small and median farmers, art and craft vendors, creates casual environment to the market, provide start-up opportunity to new businesses);
- Private management but the State may enter into a limited partnership agreement if the farmers' market is built on the State land.

A Financial Plan

A detailed financial plan is not feasible until a specific site is selected. However, the basic cost items are included as follow:

- 1) Site Acquisition costs;
- 2) Hard Construction costs
 - Site work (parking, landscaping, et. al.)
 - Exterior Building
 - Interior Infrastructure
 - Exterior Graphics and Signage;
- 3) Soft Development Costs
 - Start-up costs (Opening promotion, general start-up)
 - Legal/insurance/accounting.

V. Conclusion

The establishment of a world-class farmers' market in Hawaii as an economic strategy to showcase the State's high quality agricultural/aquaculture products and its complementary value-added products has considerable potential as a viable community development project, as well as, a sustainable, sub-segment of special interest, agricultural-tourism. Hawaii's conducive environment for producing an array of tropical fruits, vegetables, tree-nuts and other agricultural and aquaculture products make it a suitable candidate to offer a world-class farmers' market. The same conducive physical environment of Hawaii, made up of its climate, natural attractions, and resort accommodations attracts some seven million tourists with relatively high purchasing power to the islands. Additionally, the establishment of a farmers market will facilitate an important public service by providing Hawaii agricultural producers with an additional market outlet and simultaneously providing thousands of Hawaii consumers with easy access to local produced, fresh and nutritious food.

For a world-class farmers' market to be established in Hawaii, certain key concepts must be considered. They include the following five areas:

- 1) Sufficient demand and supply elements to support such a market;
- 2) Appropriate mix of product offerings, presentations and special events in the proposed farmers' market, combined with an exciting and aesthetic atmosphere must be developed;
- 3) Appropriate site which would contribute to optimal producers/consumers participation and revenue;
- 4) Active cooperation by the state and local governments in establishing policy, regulation through certification of operators, permitting of concessionaires, and monitoring of public access. In addition, operating a world-class market will require that policy be determined through a consensus building process that includes farmers, retailers, restaurant owners, manufacturers, tourism promoters, banks, other participants and local communities; and
- 5) Functional market design, which allows customers to experience fully the uniqueness of the proposed Hawaii's farmers' market.

Within the limited scope of this study, it is recognized that further analysis and development work will need to be done before the Hawaii farmers' market can be established. In particular, there is a need to know the extent of farmers' and other vendors' participation in this proposed market. On the demand side, there is also a need to know the magnitude of local consumer and tourist support towards this market and what their interests are. With more accurate information on both producers and consumers, the detailed process of developing the market design, product mix and market site can proceed forward and hence elevate the Hawaii farmers' market one step closer to reality.

Appendix A. House Concurrent Resolution No. 24, H.D.1, S.D.1

HOUSE OF REPRESENTATIVES
TWENTIETH LEGISLATURE, 2000
STATE OF HAWAII

H.C.R. NO. ^{ADD} 24
H.D. 1
S.D. 1

HOUSE CONCURRENT
RESOLUTION

REQUESTING A STUDY ON THE FEASIBILITY OF ESTABLISHING A HAWAII
FARMER'S MARKET.

- 1 WHEREAS, a strong and viable agricultural industry is a
- 2 fundamental component of Hawaii's economic base; and
- 3
- 4 WHEREAS, it is imperative that every effort be made to
- 5 aggressively pursue innovative projects and undertake economic
- 6 development efforts to best showcase the State's unique and
- 7 quality agricultural products; and
- 8
- 9 WHEREAS, Hawaii's agricultural industry can serve as a
- 10 catalyst to move Hawaii's economy forward in a systematic and
- 11 expeditious manner; and
- 12
- 13 WHEREAS, Farmer's Markets are ideal for local producers and
- 14 farmers to promote and market their attractive array of
- 15 agricultural and aquacultural products from all islands in the
- 16 State; and
- 17
- 18 WHEREAS, a Farmer's Market would also enable consumers to
- 19 shop for a wide selection of fresh, seasonal products and
- 20 regional specialties from a central location; and
- 21
- 22 WHEREAS, the establishment of world-class Farmer's Market
- 23 would be an economic asset to the State by attracting residents
- 24 and visitors to sample and indulge in our islands' varied and
- 25 locally-produced foods and products; and
- 26
- 27 WHEREAS, the State would also benefit from the
- 28 establishment of Farmer's Market through the creation of new
- 29 jobs and business opportunities; and
- 30
- 31 WHEREAS, in many cities throughout the world, such as
- 32 Florence, Paris, Mexico City, Vancouver, Seattle, Tokyo, Hong
- 33 Kong, and San Francisco, Farmer's Markets are a vital part of
- 34 the rich cultural life and varied ethnicity of that area; now,
- 35 therefore,
- 36
- 37 BE IT RESOLVED by the House of Representatives of the

2000-2059 HCR24 SD1 SMA

I do hereby certify that the within document
is a full, true and correct copy of the original
on file in this office.

James Chin
Chief Clerk
House of Representatives
State of Hawaii

1 Twentieth Legislature of the State of Hawaii, Regular Session
2 of 2000, the Senate concurring, that the Department of
3 Agriculture is requested to conduct a study on the feasibility
4 of establishing a Farmer's Market in the State; and
5

6 BE IT FURTHER RESOLVED that the study include the potential
7 of including both agricultural and aquacultural products, such
8 as produce, meat, and fish, in the development of a Hawaii
9 Farmer's Market; and
10

11 BE IT FURTHER RESOLVED that the study include;

- 12 (1) Potential private industry partners; and
13
14 (2) Potential site locations for a Hawaii Farmer's Market;
15 and
16
17 (3) A financial plan for the development of a Hawaii
18 Farmer's Market;
19

20 and
21
22

23 BE IT FURTHER RESOLVED that the Department of Agriculture
24 is requested to submit a report of its findings and
25 recommendations to the Legislature no later than twenty days
26 prior to the convening of the Regular Session of 2001; and
27

28 BE IT FURTHER RESOLVED that certified copies of this
29 Concurrent Resolution be transmitted to the Chairperson of the
30 Board of Agriculture; the Director of Business, Economic
31 Development, and Tourism; the Director of the Office of
32 Planning; the Executive Director of the Hawaii Community
33 Development Authority; the Mayors of the several counties, and
34 the Chairpersons of the several county councils.

Appendix B. Product Mix in Seattle's Pike Place Market

Category	Permanent Businesses	
	Number of vendors	%
Produce, Apiaries, Nuts	15	30.6%
Bakery	9	18.4%
Art Gallery	7	14.3%
Spice, Coffee, Juice, and Tea	6	12.2%
Gourmet Food	4	8.2%
Theater	2	4.1%
Jewelry	2	4.1%
Florists	2	4.1%
Clothing	2	4.1%
Others (Poster/greetings cards, internet, et. al.)	11	22.4%
Total	49	100%

Source: Pike Place Market Merchants Association Website; available from <http://www.seattlespublicmarket.com/pages/foodandshops.asp>

Appendix C. Product Mix in Granville Island Public Market

Category	Permanent Businesses	
	Number of vendors	%
Restaurants	10	21.3%
Specialty Foods	9	19.1%
Take Home Foods	6	12.8%
Produce and Plants	6	12.8%
Meats and Poultry	5	10.6%
Confectionery	5	10.6%
Seafood	3	6.4%
Bakery	3	6.4%
Total	47	100%

Source: Urban Land Institute, *Public Markets and Community Revitalization*, 1995.

Appendix D. Product Mix in the Los Angeles' Farmers Market

Category	Permanent Businesses	
	Number of vendors	%
Gift & Specialty Shops	42	37.5%
Restaurants & Beverages	27	24.1%
Grocery & Specialty Shops (including fresh produce)	22	19.6%
Services & Offices	16	14.3%
Magazines & Books	2	1.8%
Clothing & Accessories	2	1.8%
Art Gallery	1	0.9%
Total	112	100%

Source: Los Angeles' Farmers Market Website; available from <http://www.farmersmarketla.com>

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