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A Review of Little Rock's River Market Public and Farmers Market Operations



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by

The City of Little Rock

and

**Wholesale and Alternative Markets
Transportation and
Marketing Programs
Agricultural Marketing Service**

This research was conducted under a reimbursable cooperative agreement with the City of Little Rock and administered by the U.S. Department of Agriculture (USDA), Agricultural Marketing Service, Transportation and Marketing Programs, Wholesale and Alternative Markets (W&AM), Arthur F. Burns, Program Manager.

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Executive Summary

The River Market in Little Rock, AR, is a downtown Public and Farmers Market operation on the Arkansas River that opened in 1996. City officials approached the U.S. Department of Agriculture (USDA) to review the market's operations with the objective of getting the market off to a strong start. A former public market manager was hired to conduct a management audit/operational analysis of the market, and his observations form the basis of this report.

The key recommendation is to place more emphasis on farmers, farm products, groceries, and fresh food, targeting particular consumer groups as well as instituting management policies to wean vendors off subsidized services.

River Market management needs to clarify, emphasize, communicate, and implement its goals, ideals, and objectives. It should emphasize the sale of fresh, high-quality food sold for use at home. Fast food and ready-to-eat sales, although opportunistic, historically have relegated public markets to

limited lunchtime, weekday use. This limits opportunities for greater access to locally grown products to be consumed at home. Real growth and, ultimately, the success of the market are contingent upon the successful sale of fresh food, locally produced farm items, and other fresh specialty products. More emphasis should be placed on farmers, farm products, and small processors as market occupants. On the demand (consumer) side, the River Market also needs to target consumers who will support these goals. Efforts need to include consumers from various socioeconomic backgrounds.

During the writing of this final report, the Little Rock River Market management has taken steps to initiate the implementation of some of the recommendations outlined in the report, and it continues to investigate the implementation of the remaining recommendations. Moreover, the market's managers have further analyzed their operations and begun to implement additional actions to strengthen the market's prospects.

Introduction

The development and construction of the Little Rock River Market reflect the continued national growth of farmers markets and public markets, selling seasonal foods and having a year-round indoor, fresh food market. Public markets offer opportunities for producers, consumers, and community planners to devise new strategies for improving the distribution of food in areas where consumer access to fresh agricultural products is limited.

The River Market opened with great fanfare in Little Rock, AR, on July 5, 1996. The market is part of a \$300 million riverfront development project designed to utilize the scenic charm of the Arkansas River, the waterfront park, and existing historical structures along the riverfront. Major elements of the River Market District include: the Central Arkansas Main Public Library, the Arkansas Museum of Discovery and Clinton Presidential Center in the Museum Center complex, seven restaurants/bars, specialty retail stores, the Riverfront Park, and the River Market. A residential development is also

underway in the district.

The River Market complex is a year-around, indoor public market encompassing 10,000 square feet as well as an outdoor farmers market with 2 covered pavilions totaling 15,000 square feet. It is a beautiful and elegant structure that fits well with adjoining buildings. The present configuration allows for 16 vendors indoors, 60 farmer vendors under cover outdoors, and 20 vendors in the uncovered outdoor areas.

Little Rock public officials contacted USDA's Agricultural Marketing Service, Transportation and Marketing Programs, Wholesale and Alternative Markets (W&AM) for assistance in reviewing utilization, structure, management, and operation of the market. The objective was to improve these processes to ensure the success of the market and reduce the financial subsidies that the city provides the market.

Background

Like many cities around the country, Little Rock has struggled with the problems of a downtown business district having lost its businesses to the suburbs. After storefronts became empty and some buildings took on a shabby appearance, an attempt was made in the 1970's to reverse this trend by creating a pedestrian shopping area in Little Rock's downtown. Cars were banned, and paving bricks were laid in an effort to create a pleasant "people-friendly" atmosphere. Unfortunately, this failed to resurrect downtown business in Little Rock. It perhaps even accelerated the disappearance of retail firms from downtown.

Construction of the Little Rock River Market evolved through a \$300 million plan that consisted of a comprehensive redevelopment project for an 8-block area adjoining Riverfront Park. It was subsequently renamed the River Market District. The River Market District includes the Museum Center, formerly the Terminal Building, a mixed-use building, which houses the Arkansas Museum of Discovery, offices, and retail space. It also includes the Central Arkansas Library System, which is now located in the old Fones Warehouse. The entire River Market District is defined as the area east of Cumberland Street to I-30 and south of the Arkansas River to Capitol Avenue. The Central Arkansas Transit Authority operates a shuttle service from the downtown business center to the River Market District.

Funding for the \$5 million River Market project was derived from a number of sources, including \$1.2 million from a U.S. Housing and Urban Development grant, \$1.1 million from the Capitol Improvement Bond Fund, \$200,000 from related city street programs, \$170,000 from the Downtown Partnership, \$100,000 from Riverfest programs, and \$80,000 from the Central Arkansas Library System. Additional funds were paid by local property owners and the city to improve sidewalks and lighting in the area. Owners of the Arkansas Democrat-Gazette donated space in their newly renovated Museum Center for the new Arkansas Museum of Discovery.

Current demographics and future tourist growth indicators clearly support redevelopment of this downtown waterfront district. There are 24,811 households within a 3-mile radius and 56,130 households within a 5-mile radius of the River Market District. There are 32,060 people working in the downtown central business district. In 1998, the Central Arkansas Library and the Museum of Discovery anticipated 320,000 and 140,000 visitors, respectively. Further considerations on demographics are discussed in the Assessment section.

A similar model and concept of downtown revitalization were observed in Portland, OR. While the two cities have their differences, such as geographic location and size, both have significant scenic water areas located in their downtown areas. Portland has its seaport and the Willamette River, and Little Rock has the Arkansas River. Both needed a solution for their decaying downtown districts. Through a variety of public and private efforts, Portland has successfully developed its waterfront area into a model of urban life. It implemented strong zoning laws, a highly developed public transport system, and a sound vision of the amenities needed to draw people back to downtown.

The progress achieved by Portland impressed public officials from Little Rock and surrounding localities, including the mayor, city council members, downtown partnership officials, and business leaders. City planners used the Portland model to structure a redevelopment plan for Little Rock's riverfront. The land adjacent to the Arkansas River had been kept relatively open, and significant portions were being used as a park. This is in sharp contrast to other cities, where waterfront areas have become congested with industrial buildings, highways, and other obstructions. Cultural activities in the Riverfront Park were already bringing people to the downtown riverfront area. There was a need for additional attractions, transportation, parking, and businesses, which would complement the natural beauty of the area.

Redevelopment of the River Market District marked the transformation of a blighted warehouse area into a bustling, consumer-friendly entertainment district. One existing feature that had drawn people to downtown was the local farmers market. This market had been in operation for 25 years, operating on Tuesdays and Saturdays. It had developed a loyal following in various downtown locations for 25 years. Farmers markets have been combined with public markets in other American cities, often with great success. Relocation of the farmers market from its central business district location to the River Market District was a high priority for the revitalization efforts.

The sale of locally grown produce is a seasonal business. To generate more year-round traffic, the decision was made to have the farmers sell outside in the covered pavilion and allow year-round businesses to operate in the indoor locations.

Present Market Operations

The Little Rock River Market is owned and operated by the city's Parks and Recreation Department. It is a colorful, exciting environment at the entry to Riverfront Park. It is divided into two distinct areas, the River Market outdoor farmers market and the adjacent Market Hall indoor public market. Farmers and craftspeople use the farmers market areas on a seasonal basis. The Market Hall public market is a permanent, year-round operation. People also use the area to relax and socialize by the riverfront and to enjoy recreation at the market plazas.

Farmers Market

The pavilion area and adjoining paved spaces provide stalls in which farmers may sell their products (figure 1).

- Two pavilions, known as the *Little* and the *Rock* pavilions, provide space for a total of 40 farmers.
- Covered space adjacent to the Market Hall, known as the Tower Plaza, offers customer seating during the week and room for 16 vendor stalls on weekends. The Tower Plaza vendors sell primarily fresh-cut flowers and arts and crafts.
- Additionally, there are two open-air plazas, the *River Plaza* and the *Kiosk Plaza*, designed to accommodate day tables and push carts, as well as outdoor seating for customers. River Plaza can accommodate three vendors.

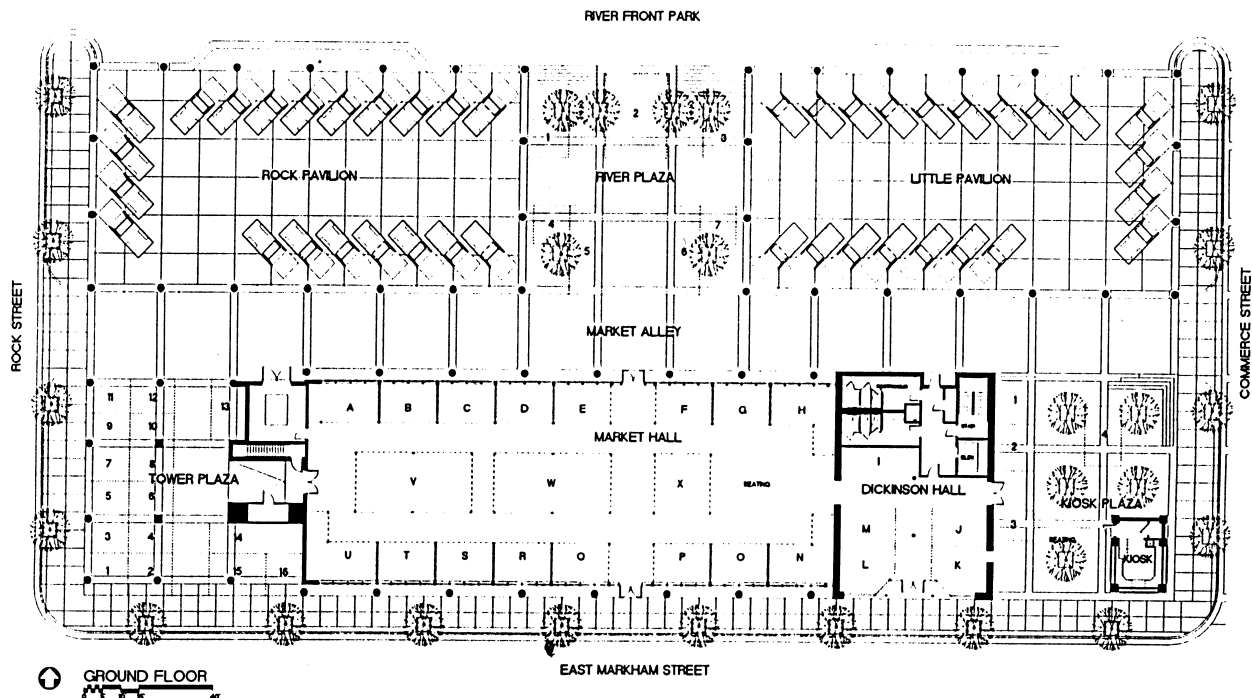
A total of 80 stalls are available for direct farmer sales. The farmers primarily work from the covered Little and Rock Pavilions, which provide shade for the products.

Vehicular traffic along Commerce Street/St. Vincent Plaza is prohibited on weekends. Twenty-three stalls can be set up for arts and crafts vendors.

Farmers stalls located in the pavilions measure 10 feet wide by 20 feet deep to permit farm vehicular parking for tailgate sales or to be used for daily storage. A 22-foot center aisle provides ample shopping space for customers and permits safe and comfortable egress between stalls (figure 1). Vehicles are prohibited in the Tower and Kiosk Plazas, requiring farmers to unload products and park vehicles elsewhere. In practice, the Tower and Kiosk Plazas are used primarily by arts and crafts sellers; farmers prefer to sell in the Little and Rock pavilions, which provide shade. Dimensions of stalls in the arts and crafts area are 8 feet by 7 feet.

The River Market/Parks and Recreation Department manages and operates the farmers market. An on-site farmers market manager handles parking, assignment of stalls, collection of fees, and other routine daily issues. General management of the farmers market is assigned to a market manager who also manages the adjoining public market. The farmers market area is open Tuesdays and Saturdays, from 7:00 a.m. to 3:00

Figure 1. Diagram of Little Rock's River Market



p.m. Farmers and vendors pay a daily rental fee ranging from \$10 to \$15, depending upon location and size of stall and whether it is in one of the two roofed pavilions. Eighty available farmers spaces have a usage rate of approximately 40-70 percent, and of 100 percent on most Saturdays.

Little Rock’s original farmers market opened in 1974. The core group of vendors at the River Market are farmers who initially relocated from the original market. Current rules and regulations governing sales and operations of the outdoor market are structured to allow maximum flexibility in recruitment and retention of famers (appendix A). Prior to relocating at the River Market, the downtown farmers market on Sixth and Scott Streets enforced a producer-only rule and allowed only the sale of Arkansas-grown produce. These rules have been relaxed to allow the sale of products that cannot be grown in Arkansas (citrus, bananas, etc.) as well as products that are out of season. The moderate seasonal climate is conducive to growing a variety of fresh fruit and vegetables that are available at the market daily (table 1). As a result, consumer favorites such as melons, peaches, greens, and tomatoes from outside the State may be sold at the market when locally unavailable. There is currently no “Arkansas product only” rule in place at the River Market.

Little Rock’s major newspaper, *The Arkansas Democrat-Gazette*, provides media coverage as it frequently lists the items available at the farmers market.

Public Market

The River Market’s Ottenheimer Market Hall is a grand space with a barrel vaulted roof rising 40 feet to the top skylight. The main market hall was ceremoniously named in honor of generous contributions from the Ottenheimer Foundation, a

local philanthropic organization. The 11,550-square-foot, fully enclosed, lighted, heated, and cooled Market Hall is currently designed to accommodate 16 vendors selling a variety of fresh foods and specialty products. As of the summer of 1998, there were 15 vendors and one unoccupied stall, with stall sizes ranging from 160 to 512 square feet (figure 1).

The original Market Hall floor plan provided space for 23 stalls. However, as individual entrepreneurial expansion led a few vendors to utilize more than one stall and the cafe opened at the east entrance (which utilizes five stall spaces), the number of rentable stalls has decreased to 16. The stalls are flexible and can be consolidated and divided as necessary. Each stall is equipped with electric power, plumbing service, and floor drains. Vendors are responsible for completing stall build-out, including supplying required fixtures and equipment and connecting to plumbing and electrical services.

Construction of the River Market centered around refurbishment of the existing four-story Dickenson Hardware building that serves as anchor for market development. The building is identified as Dickenson Hall and contains a basement and three levels of useable floor space; each level is 2,400 square feet. The basement provides rentable storage space (cold and dry) for market tenants. On the second floor, above a restaurant and restrooms on the ground level, are offices for the River Market. The third level provides meeting space and additional storage. A demonstration kitchen is under construction on the third floor.

Stalls are arranged in a rectangular pattern with three vendors positioned in the center aisle, which maximizes utilization of floor space. The center-aisle stalls are substantially larger

Table 1 - Products Typically Available at the Farmers Market

Cherries	Greens	Zucchini	Lettuce
Strawberries	Broccoli	Cucumbers	Herbs
Peaches	Cauliflower	Peas	Eggs
Blueberries	Radishes	Shiitake mushrooms	Jams
Blackberries	Cabbage	Beans	Jellies
Apples	Onions	Beets	Honey
Cantaloupes	Potatoes	Tomatoes	Hanging baskets
Watermelons	Squash	Okra	Vegetable plants
Peppers	Rhubarb	Sorghum molasses	Flowers

(two at 512 square feet and one at 267 square feet) than the perimeter stalls, which generally range from 156 to 159 square feet. Corner locations are slightly larger as these stalls form an L-shape to utilize space at the end wall. Currently, 111 interior seating spaces are available for customers to eat near the stalls, with 175 additional seating spaces outside. However, substantial exterior space with tables is available at opposite ends of Market Hall in Tower and Kiosk Plazas. The Andina Cafe has its own seating contained within its stall space. Glassed exterior walls enclose the north and south side of Market Hall, permitting an attractive exterior view of product display and market activity. Restrooms are located adjacent to the restaurant on the ground level in Dickenson Hall.

The Market Hall is open year-round, 7 days per week, closing only for Thanksgiving, Christmas, and New Year's day. The hours vary depending upon the day of the week. Market hours are Mondays - 10:00 a.m. to 3:00 p.m., Tuesdays through Saturdays - 7:00 a.m. to 6:00 p.m., and Sundays - 11:00 a.m. to 4:00 p.m.

Market tenants signed multiyear leases when establishing their businesses. Annual rent charges range from \$9.47 to \$30.77 per square foot. Basic utilities, including heating, general lighting, gas, electricity, water and sewage, trash, and common area janitorial service, are included. Tenants in Market Hall are also assessed a fee for dry and refrigerated storage located in the basement.

The management and operations team consists of a full-time market manager, operations manager, two janitors, a staff assistant, and a special events coordinator. Additional staff is provided by the City of Little Rock as needed.

A Little Rock police substation has been temporarily located in a small building on market property at the corner of Markham and Commerce Streets. Four officers have been assigned to the area. Construction of a proposed permanent police substation nearby will establish a permanent police presence.

The 15 vendors currently operating in Market Hall are concentrated in prepared foods, catering to a growing lunch and tourist crowd. The vendors' mix as of June 1998 is shown in table 2.

Parking

A total of 600 parking spaces are available for customers in pay lots or along the streets in the market district. Farmers, in many cases, are able to park for no additional charge in their rented market spaces. The market is also served by two rubber-tired trolley buses during the weekday lunch period. This service allows downtown office workers and residents to access the market without adding to parking and congestion problems. Trolley fare is a nominal \$0.25.

Table 2 - River Market Vendors as of Summer 1998

VENDOR	SPECIALTY
Andina Cafe	cafe
Emerald Coast	cafe
Big on Tokyo	Japanese food
Cajun Creole Seafood	Cajun food, seafood
Casa Mañana	Mexican food
Double D's BBQ	BBQ
Middle Eastern Cuisine	Middle Eastern food
D&E Enterprises	gourmet products
Donatello at the River	gourmet products, bakery
So Good Bakery	bakery
VK Brown Meat Market	butcher
Shaka Smoke Lodge	smoked meats
Millefleur	flowers
River Market Newstand	newstand
Eyiuche's Accessories	African art/jewelry

Assessment of the River Market

The newly opened River Market has a beautiful Market Hall structure, and the adjoining pavilions are also appealing. The grounds and neighboring structure are well integrated in the design. The mix of businesses, farmers, and farm products is diverse and interesting. The market has benefitted from a great deal of advertising and publicity, both paid and free. The parking situation is adequate for the present level of usage. The neighborhood, River Park, library, and museum add area interest and attract visitors.

Target Audience

While the number of visitors to the Central Arkansas Library and Museum of Discovery are important, they may not draw a significant number of customers to the River Market. There are approximately 6,154 library visitors per week and 2,692 museum visits. Many of the visitors to the museum are likely to be school children.

Visitors to the other riverfront attractions may not necessarily be interested in purchasing food for consumption at home. This supports a thesis that the River Market may need to employ additional strategies to attract visits by area households.

The total population of the Little Rock Metropolitan Statistical Area (MSA) is 552,830 persons (1997). Average household size is 2.59, and median household income is \$35,671 (1997). The population projection for 2002 is 579,872.

Table 3 shows product potential for products in Little Rock. Little Rock is below the U.S. benchmark for consumption of certain types of grocery store products. The area is projected to experience growth in the sales of all grocery products from 1997 to 2002. (table 3)

Research indicates consumers at farmers and public markets tend to have higher than average incomes and levels of education. Targeting more affluent consumers in the Little Rock MSA would enhance the market's profitability. Approximately 30 percent of the households in Little Rock are described as "average age/income blue collar," "younger dual-income families," and "settled couples, low-value homes" (table 4). Changes in vendor/product mix and atmosphere may attract these customer segments to the River Market. These customers are likely to prefer products such as fresh, mainstream, and reasonably priced foods.

To attract more customers from diverse socioeconomic backgrounds, particularly lower income consumers, the River Market can explore several options. It can encourage the Arkansas State Department of Agriculture to expand the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)/Farmers Market Nutrition Program in farmers markets. This may attract lower income consumers to the market. The acceptance of food stamps by all vendors would also benefit the market. In the 1998 "Farmers' Market Rules and Regulations" (appendix A), the management has outlined its goals, including to "work with the state to establish a WIC. . . cross-promotion with the Farmers Market promoting healthy and affordable food." This is a useful first step toward encouraging lower income consumers to utilize the farmers market.

Areas for Improvement

The River Market Hall has been marketed mainly as a luncheon destination selling prepared foods, not a traditional public market profile. Emphasis on the sale of fresh, high-quality food to be sold for use at home would attract additional customers and increase sales among diners as well. The

Table 3 - Little Rock MSA: Product Potential - Within Grocery Stores

Department	1997 total (\$000)	2002 total (\$000)	1997 \$ per capita	2002 \$ per capita	Yearly growth rate total \$	1997 Benchmark index (United States = 100)
Dairy	51,082	55,465	92	96	1.66%	98.2
Dry grocery	281,457	320,532	509	553	2.63%	99.5
Fresh produce	80,901	93,138	146	161	2.86%	95.2
Frozen foods	41,790	47,042	76	81	2.40%	99.5
Meat & deli	169,486	197,143	307	340	3.07%	99.8

Source: MarketQuest. Strategic Mapping, Inc., 1997.

Table 4 - Little Rock MSA - Household Clusters by Percent of Population				
Cluster description	1997 adult population	% of population	1997 households	% households
Average age/income, blue collar	46,265	11.4%	23,709	11.4%
Younger dual-income families	38,964	9.6%	19,235	9.2%
Settled couples, low-value homes	38,817	9.6%	18,953	9.1%
Subtotal	124,046	30.6%	61,897	29.7%
Young white collar singles in apartments	18,080	4.5%	12,268	5.9%
Professional and retirees in apartments/ condominiums	19,144	4.7%	10,667	5.1%
Below-average-income working couples	17,819	4.4%	8,365	4.0%
Average age black families	13,773	3.4%	7,312	3.5%
Suburban married couples	13,613	3.4%	7,127	3.4%
Low-income average age blacks	14,145	3.5%	7,072	3.4%
Total	220,620	54.5	114,708	55.0%

Source: MarketQuest. Strategic Mapping, Inc., 1997.

area for real growth, and ultimately the success of the market as a whole, is the sale of fresh food, locally produced farm items, and groceries. Lunch, fast food, and ready-to-eat food are ancillary sales opportunities. Clarification, emphasis, promotion, and implementation of the objectives of being a traditional public market will help to promote the growth and sustainability of the market.

Vendors – A sufficient number of fast food operations already lease space in the market. The market can broaden its customer base by attracting produce vendors, entrepreneurial processors, and vendors of other fresh agricultural products. Lease terms should clearly indicate what items a vendor can sell, with foods for immediate consumption limited to those vendors who have that specification in their leases. Enforcement of market rules and leases will help to ensure the successful operation of the market. The market’s success can be enhanced by encouraging internal competition (e.g., more than one butcher). It is also recommended that the market identify a year-round indoor produce vendor, who sells local, in-season produce and nonlocal, out-of-season produce.

Rent – Low rental rates can encourage vendors to rent too much space and use it inefficiently. However, it would be suitable to set rental rates for farmers substantially lower than

for fast food vendors, who would ordinarily be assessed a rate commensurate with local commercial rates. This will encourage the type of businesses (produce, farm products, and groceries) that will ensure long-term growth and success.

Lease – The existing lease is a suitable document. However, vendors have not abided by the use clause, which delineates the products and services that can be sold by each vendor. Vendors also have made unauthorized changes to the design and arrangement of their stalls. Lease documents could be more effectively used to address the long-term objectives of market management. A graduated system of rental rates is recommended, with the lowest rate for farmers and vendors of fresh food and agricultural products and incrementally higher rates for prepared food and fast food vendors.

Displays and Merchandising – Product displays, merchandising, signage, and overall stall appearance are important to successful selling. It would be helpful for market management to spend more time with tenants to advise them on the most effective and attractive ways to arrange and display their products. One such effort is the list of “Suggestions for Better Sales” and the monthly meetings described in the 1998 “Farmers’ Market Rules and Regulations” (appendix A). Regular review by management and constructive criticism of

displays are suggested. It would be worthwhile to bring in a marketing specialist from a State university or cooperative extension office to offer a 1-day training program on marketing skills to both indoor and outdoor vendors.

Marketing and Promotion – Advertising efforts around the opening of the market were very effective in generating public notice and large crowds. Sustaining this high level of advertising (\$90,000) is probably not reasonable, but an adequate advertising budget is critical. Funding could come from a monthly advertising fee that vendors are charged as part of their rent. The advertising message would concentrate on promoting the River Market as a “center of Little Rock’s food world,” always filled with the freshest of foods, particularly fresh agricultural products. Advertising should then be targeted to those consumer segments most likely to benefit from the market.

There are very positive growth rates for certain fresh vegetables, meat, and deli products in the Little Rock MSA. The River Market could consider these areas when working on promotions or vendor mix. Promotional concepts, cooking demonstrations, or advertisements could put these products at the forefront (tables 5 and 6).

Management – The management structure is sound; however, it is important for the manager to play a strong role that is focused on the market’s needs, concentrating on: (1) getting

good-quality tenants into the market and (2) promoting the market to attract customers. It is also important for the manager to spend adequate time at the market.

Operations – The market is open a sufficient number of total hours. Saturday is the busiest day for sales. It may be advisable to adjust the hours of operation to allow for consumer preferences. Sunday hours can be extended if needed, while hours for some of the less busy days may be cut. Additional study by management can determine which days and hours to alter. Other possible changes for the market might include:

- adding a night market in the pavilions;
- selling crafts on Sundays in the pavilions;
- improving the trash handling system by adding a compactor, baler, and recycling capabilities; and
- possibly adding a security guard, to be paid by tenants.

Parking – Sufficient parking at the market exists for the present level of business. A parking validation coupon program that would allow 1 or 2 hours of free parking while shopping is an important consideration for customers. Free parking makes shopping more convenient.

Subsidies – Subsidized facilities (trash, utilities, etc.) do not encourage vendors to use services efficiently. Management could consider alternatives to subsidized services.

Products	1997 total (\$000)	2002 total (\$000)	1997 \$ per capita	2002 \$ per capita	Yearly growth rate total \$	1997 Benchmark index (United States = 100)
Apples	7,779	8,087	14	14	0.78%	98.4
Bananas	4,930	5,593	9	10	2.55%	92.6
Lettuce	4,070	4,551	7	8	2.26%	96.5
Oranges	4,014	3,992	7	7	-0.11%	98.4
Other fresh fruit	8,794	8,275	16	14	-1.21%	80.2
Other fresh vegetables	39,130	47,496	71	82	3.95%	97.7
Potatoes	6,238	7,847	11	14	4.69%	102.8
Tomatoes	5,945	7,705	11	13	5.32%	93.9

Source: MarketQuest. Strategic Mapping, Inc., 1997.

Suggestions Concerning General Operations – If the Market Hall’s windows remain unobstructed, they can be used effectively to attract customers. Other suggestions to consider include:

- Install pay telephones
- Put in an automated teller machine (ATM)
- Begin a recycling program for customers
- Redo the size and placement of customer signs

- Put up a public bulletin board
- Keep a portion of the indoor space available for public events
- Install facilities in the restrooms for parents with babies

During the writing of this report, the River Market continued the process of analyzing its operations and developed further goals. They are listed in the 1998 Farmers’ Market Rules and Regulations (appendix A).

Table 6 - Little Rock MSA: Product Potential - Meat/Deli						
Products	1997 total (\$000)	2002 total (\$000)	1997 \$ per capita	2002 \$ per capita	Yearly growth rate total %	1997 Benchmark index (United States = 100)
Bacon	3,680	3,227	7	6	-2.59%	100.1
Beef	46,247	47,104	84	81	0.37%	100.9
Fish/other seafood	8,945	9,658	16	17	1.55%	96.1
Frankfurters	4,069	4,083	7	7	0.06%	100.9
Lamb	1,935	1,747	4	3	-2.02%	92.4
Packaged lunch meat	9,824	10,892	18	19	2.09%	100.9
Pork	11,126	10,216	20	18	-1.69%	104.1
Poultry	23,213	26,466	42	46	2.66%	100.5
Sausage	8,552	8,461	15	15	-0.21%	104.8
Deli service	51,895	77,265	94	133	8.29%	97.5
Market potential	169,486	199,119	307	343		

Source: MarketQuest. Strategic Mapping, Inc., 1997.

Conclusions

The River Market complex, including the Market Hall and its adjoining outdoor pavilions, is an excellent example of a new public/farmers market that fits well in a major urban area. It should be an important component of the urban renewal plans of Little Rock. This review indicates that the market should consider modifying its marketing and management philosophy and implementation as follows:

- Place more emphasis on farmers, farm products, and fresh agricultural products—fewer prepared, ready-to-eat, and fast food items. Consumers from diverse socio-economic backgrounds need to be targeted better.
- Charge low, graduated rental fees for farmers and fresh food vendors.
- Enforce lease provisions that specify the types and quality of goods each merchant agrees to carry.
- Continue advertising and promotion of the market at a sustainable level.
- Find viable alternatives to vendor subsidies.

Appendixes

The following materials are provided as a public service. It is hoped that these examples from an existing market development project can be used to generate ideas or serve as a guide for those interested in organizing a similar enterprise.

Appendix A

Farmers' Market Rules and Regulations River Market's Farmers' Market Effective March 1998-March 1999

Management

The City of Little Rock's Parks & Recreation Department is the operator of the River Market. The Parks and Recreation department is dedicated to the success of the River Market and its Farmers' Market. A well-maintained and operated Market for the sale of high-quality products will benefit the producer, the consumer, and the River Market area.

A River Market Manager, Shannon Jeffery, and an On-Site Manager, Dean Morrow, have been assigned by Parks and Recreation. The Market Manager will be in charge of the overall operation of the Market. The On-site Manager will patrol the Market area to maintain order, security, and decorum. Both the Market Manager and the On-Site Manager have the complete backing and support of the Parks and Recreation Department and the River Market Committee in making the best decisions for the Market and in carrying out their responsibilities. They are your friends as well.

Products

The Farmers' Market is celebrating its 24th year and **is open to:**

- Farmers
- Plant and fresh-cut garden flower vendors
- Arts & crafts
- Antiques & collectible vendors
- Commercial items
- Baked goods
- Non-profit organizations

In order to maintain the integrity and vision of the Farmers' Market, **priority will be given, in this order,** to the following vendors:

- Farmers (100%)
- Farmers with local grown supplement
- Farmers with local and shipped supplement
- Organic farmers
- Locally grown plants and fresh-cut field and garden flowers
- Arts & crafts
- Antiques & collectibles
- Commercial items
- Baked goods (fresh-baked)
- Non-profit organizations

The following items **cannot** be sold in the Farmers Market

- Flea market items
- Products of food vendors (commercial and non-commercial)

Vendors wanting to sell items that are not listed in either category will need to present them to the Market Manager or On-Site Manager for review prior to setup. The Market Manager and On-Site Manager reserve the right to accept or deny the sale of any items that are not listed.

Produce

Vendors are allowed to sell produce that is not native to Arkansas and any high-quality fruits and vegetables. As always, we expect very high-quality produce; any substandard produce will be barred from the Market.

No vendors shall sell produce which is unsound or unwholesome or which fails to meet the standard or requirements of federal, state, or local laws and requirements. All Arkansas regulatory, sanitation, or other legal requirements will be observed by all vendors. In no instance will produce that contains a total of more than 10% decay, shriveling, and/or blemishes be offered for sale. If you do have unfit produce and must weed it out at the Market you must pack it and take it back home with you - no spoiled produce can be left at the Market. Vendors who sell unfit produce will be asked to remove it from their display.

No vendor shall use a 'false pack' which means the topping or facing containers with the best produce exposed and poor produce concealed underneath.

All produce must be graded before it is brought to the Market to minimize the amount of spoilage.

Plants & Flowers

High-quality fresh-cut field/garden flowers and locally grown potted, hanging, and bedding plants can be sold at the Market.

Arts & Crafts

Arkansas arts and handmade crafts that are of high quality can be sold in the Market. Vendors selling arts & crafts must have 75% of their merchandise handmade in order to qualify.

Antiques & Collectibles

High-quality antiques and collectibles can be sold in the Market. Flea Market items will not be accepted.

Commercial Items

Commercial clothing (i.e. t-shirts, ball caps, sweatsuits, etc.), apparel accessories (i.e. jewelry, sunglasses, purses, etc.), home accessories (pots, swings, statues, etc.), and children's toys of high quality can be sold in the Market.

Baked Goods

Only fresh, home-baked goods can be sold in the Market. All items prepared must meet all health department regulations regarding labeling and packaging.

Non-Profit Organizations

Non-profit organizations are welcomed at the Market. Organizations setting up information-only tables will be allowed to set up free of charge. Organizations selling a product in order to raise funds will be charged one-half the normal rental fee for the area.

Quality Control

Quality control is one of the most important factors in the Market. Routine inspections will be conducted. Please do not be offended if the On-Site Manager asks to take a closer look at your product. If your product is found unfit to sell at the Market, the On-Site Manager will ask you to discontinue sales of this item immediately. Vendors who repeatedly try to sell unfit produce will be asked to leave the Market. Do not argue with the On-Site Manager. The Market Manager, River Market Committee, and Parks and Recreation Department respect his opinion and will defer to his decision.

Health Department

Any vendor bringing homemade food items to sell at the Market must follow the requirements set forth by the Health Department. All items must have a label affixed to the packaging. Printed clearly on the label should be the following information. Your name or business name, full address and phone number, weight of product, and a complete listing of ingredients. Unpackaged items cannot be sold even if you keep them under glass or plastic cover.

Hours / Days of Operation

Farmers' Market is open on Tuesday and Saturday only, from 7:00 a.m. until 3:00 p.m., rain or shine. We encourage participants arriving early to please refrain from selling until 7:00 a.m. in order to allow everyone the same opportunity to sell their products. The River Market's hours and days of operation are Monday, 10:00 a.m. - 3:00 p.m., Tuesday through Saturday 7:00 a.m. until 6:00 p.m., and Sunday 11:00 a.m. until 4:00 p.m. The River Market and the Farmers Market are closed on Thanksgiving, Christmas, and New Year's Day.

Weather

Vendors should be prepared for all types of weather including cover for rain or sun and weights for wind. No refunds will be given because of inclement weather or lack of business due to weather.

Reserved Spaces

Reserved spaces are arranged and assigned by the Market Manager and the On-Site Manager and will be based on the past year's assignments, attendance, seniority, and other marketing factors. No more than (2) two spaces can be reserved for Saturday. No exceptions will be allowed. Reserved spaces cannot be sublet.

A 'reserved space' is held until 6:30am each Market day. After 6:30a.m. a vacant reserved space may be rented to another vendor. A vendor with a reserved space who misses (3) three consecutive Market days in a row forfeits that reserved space. The Market Manager and the On-Site Manager will determine whether or not an absence is excused.

Due to low participation until the grand opening and in order to make the Farmers Market look full all vendors will first fill up the west pavilion during the off season (March 1, 1998 through May 1, 1998 and November 1, 1998 through May 1, 1999). During this time reserved spaces will not be recognized, and first come-first serve will apply.

Absences

If you will not be attending the Market, it is imperative that you contact the On-Site Manager by leaving a message ((501) 843-9840 until 9:00 p.m. or (501) 375-3532 after 9:00 p.m.) in order to report your absence so that he can determine if the absence is excused or unexcused and be ready to place another vendor in your space for the day. An excused absence is defined accordingly: illness, family emergency, mechanical failure of equipment, crop failure, miscellaneous reasons to be left to the discretion of the Market Manager and On-Site Manager.

Check-in

During check-in, vendors without a reserved space will be given a number and be assigned according to priority (farmers, plants and fresh cut garden flowers, arts & crafts, antiques & collectibles, commercial items, baked goods and non-profit organizations.) Please wait in line without blocking the alley until your number is called. When your number is called please follow the On-Site Manager or the Market Manager to your assigned space and return the number to him/her. Any vendor on the waiting list that does not respond when his or her number is called will be placed at the bottom of the list.

Vehicles

Vendor vehicles used to transport and sell merchandise to the Market are to be parked within the lines designated for the space they are assigned. If the assigned space is used only to display merchandise, the vehicle may pull up to the space to unload and then must remove it immediately outside of the Market. Personal vehicles of vendors and/or their employees must be moved outside of the Market - Parking is not allowed in the alley. Please note that parking on the street is limited to (2) hours, vendors may receive a parking ticket from the City of Little Rock if they park longer than the time allowed. No vehicles will be allowed in spaces located in the River, Tower, and Kiosk plazas.

Every person operating a vehicle on the property of the River Market shall drive such vehicle in a careful and prudent manner and at a rate of speed so as not to endanger the property, property of another, or do physical harm.

Vendors with vehicles leaking oil or fluids are to provide and place a carpet or cardboard underneath their vehicles while they are at the Market. If oil or fluids leak onto the pavilion flooring you will be charged for the cleanup.

Parking Validation

If you would like to be a part of our parking validation program please contact the Market Manager or On-Site Manager. The parking validation program allows you to purchase parking coupon books. Each parking coupon book costs you \$12.50 and contains (50) fifty coupons worth (1) hour of parking. You may set a limit at your stand in order for customers to receive free coupons, example - free parking validation with \$10 purchase - or you may chose to hand them out to your regular customers or randomly. The parking coupons allow the customer to park for one-hour free of charge in the Allright Parking lot located across from the Market. Please do no send customers inquiring about a validation coupon to another Farmers' Market participant or River Market vendor if you have run out of coupons or chose not to participate in the parking validation campaign. We encourage you to participate in this validation program - just another way we can continue to provide outstanding customer service.

Customer Service / Suggestions for Better Sales

Be friendly and helpful! Customers visit the River Market and the Farmers Market first and foremost because it is an experience they can't get at the grocery store or the Mall. Let's work together to make the River Market a place where people enjoy themselves while they shop, eat, and socialize. When customers have a pleasant experience they will be sure to return. Use signage! To some customers, the Farmers' Market may be a confusing place. You must provide a sign for your booth so customers can remember you, even if you move from week to week. If you don't have a business name, name it after your merchandise, locality, your yourself. Handmade signs about your produce are encouraged, such as 'Homegrown at (name of farm or community)'. If you are selling non-Arkansas produce place a sign that says 'Texas Tomatoes' for example.

Put up prices! Customers are used to seeing prices on merchandise. They may be drawn to some other booth because you are busy with a customer and not available to discuss prices. Don't take the chance. Make price signs neat, clear, and big enough to see from 15 feet away.

Hand out flyers and business cards! Make the customer remember you and what you sell. Hand out flyers to describe your product or promote specials. Flyers can be particularly helpful if you have something unusual or if the cost is too high to appeal to impulse buyers. If you can stand the loss of home privacy or if you have a business phone, give out your number to customers. Allow them to call and place special orders during the week. Customers will appreciate the convenience and may use your card to pass along your number to their friends or neighbors. Try handing out recipes that tie-in with your product, tips on canning, freezing or preparing produce.

Make a presentation! A tablecloth does wonders - just make it long enough to hide everything underneath. Keep trash or storage boxes out of sight. Use clamp-on lights to illuminate your product. Spray your produce or plants to keep everything fresh looking. Arrange produce or merchandise by colors. Use covered boxes or shelving to display more of your produce on different levels. Give customers bags for their merchandise.

Offer to help carry! Many times customers park quite a ways from the Market and end up buying more than they planned - offer to help carry merchandise to their cars to allow them to pull up into the alley for quick and easy loading.

Spaces

Vendors must stay within the lines of their rented space. Vendors should not encroach upon aisle space, common areas, fire lanes, or neighbor's spaces. Leave at least (6) six inches free on either side of your display so that there will be sufficient room to walk between the spaces. If a truck or display extends into a second space, there will be a charge for two spaces.

Signage

Each vendor must provide a sign for their space stating name of business and location in the state - no exceptions. This is how management will make out your receipt and will help customers remember you. If you don't have a business name, name it after your merchandise, locality, or yourself. Signs must be affixed to your space only, not on any of the columns or in the aisles.

Display

Vendor should display all items on well-constructed, well-maintained, clean tables with presentable coverings. Produce must be displayed or stored above the floor.

Equipment

The River Market does not provide any setup equipment or supplies. It is the responsibility of the vendor to provide any and all extension cords, tables, chairs, signage, tape, decoration, and display equipment.

Scales shall be plainly visible to customers such that the customer standing outside the space may easily see the readings on the scales.

Electricity

There will be a \$5 surcharge for electricity used for machines which use a large amount of power; i.e., coolers, pea shellers, etc. There is no charge for using electrical outlets for cash registers or scales. Absolutely no electrical heaters are allowed. It is the sole responsibility of the vendor to provide extension cords and, if necessary, duct tape. Cords must be taped down completely to prevent accidents.

Maintenance & Sanitation

Each vendor will assist in maintaining his or her own space in a clean and orderly manner. Vendors must pick up all loose produce and, if necessary, sweep their space before checkout. Vendors leaving their space unclean will be charged \$5 for cleanup that will be noted and due at the Market the next time the vendor attends.

Trash will be disposed of in a neat and orderly manner. Excess crates, boxes, or containers will be flattened down by the vendor before disposing. Vendors may use the River Market's compactor for disposal. Do not leave trash in the gated area of the compactor. Vendors using the compactor for the first time are encouraged to ask for assistance.

Spoiled or leftover produce may not be disposed of at the River Market and must be taken home by the vendor. Vendors may not use neighboring dumpsters; these are not paid for by the Market and are for the private use of the surrounding businesses. Vendors shall cooperate fully in any efforts to control and/or eliminate pests, including, but not limited to, rodents, insects, and birds.

Vendors may not use the River Market's outside or inside individual trashcans!

Personal Property

The River Market assumes no liability for any personal property belonging to the vendor or any of its employees.

Conduct

Inappropriate conduct or language towards other participants, customers, or management will not be tolerated and can be grounds for immediate dismissal from the Market by the Market Manager and/or the On-Site Manager. All complaints will be investigated thoroughly by management.

Rental Fees

Vendor fees are based on location and the particular time of the season. Fees are non-negotiable - management will not discount or waive fees based on inclement weather or lack of traffic - please do not ask. Management reserves the right to change fee without notice.

Location	High Season Rate	Off Season Rate
	March 15-October 15	October 16-March 14
Rock Pavilion	\$15.00	\$10.00
Little Pavilion	\$15.00	\$10.00
Tower Plaza	\$12.00	\$10.00
River Plaza	\$10.00	\$5.00
Kiosk Plaza	\$10.00	\$5.00
St. Vincent Plaza/Commerce Street	\$10.00	\$5.00

* Non-profit organizations selling a product will be charged one-half normal fee for the area they rent.

Collection

Collection for rented space will begin at 8:00a.m. The Market Manager and/or the On-Site Manager will collect the rental fee from the vendor and provide vendor with a receipt of payment. Keep your receipt. Accepted payment for fees will be cash or a check for the amount only. Make checks payable to the River Market.

Check-Out

The Farmers Market concludes at 3:00 p.m.. Leave your space as you found it! Any and all of vendor's merchandise, including tables, chairs, equipment, signage, display equipment, and trash, must be removed by the designated closing time.

Potluck

The River Market has formed a partnership with Potluck, Inc. The food that Potluck receives/rescues is distributed within the community to help alleviate hunger. If you are interested in becoming a Potluck donor we ask that at the end of the Market day if you have excess produce that you would like to donate please leave it in the west pavilion for pickup. Then notify the Market Manager, On-Site Manager or Emma Morrow that you have left the items. If there is a group of donors, only one needs to report that there are donated items. The River Market staff will then call Potluck for a pickup.

Promotions & Events

The River Market is dedicated to marketing and promoting the River Market and Farmers Market through advertising and special events. Special events will be periodically planned to help increase traffic. Every effort will be made to plan the events so that they will enhance rather than hinder the Market. Whenever possible, a monthly calendar of events will be distributed to participants.

The Grand Opening of the Farmers Market will be on Saturday, May 2, 1998. The 2nd Anniversary Celebration of the River Market will be June 3-5, 1998.

Market Bucks

Market Bucks are specially designed 'funny money' that can be purchased like a gift certificate and used just like real money by the customer. Market Bucks come in \$1.00 increments and can be used to purchase items in the Farmers Market. Vendors who accept the bucks can turn them in to the River Market office and a check will be issued to reimburse you or you can use them to purchase items from other vendors inside and outside.

Lost & Found

Please report and turn in all lost and found items to the River Market office.

River Market Office

The River Market Office is located on the second floor above the Andina Cafe inside the Market Hall and is open Monday through Friday, 8:30 a.m. until 4:30 p.m. Management will be on the premises on Saturday and Sunday and may be in the office, on the Market Hall floor, or out in the Farmers' Market.

Goals & Objectives

The following are the 1998 goals and objectives for the Farmers' Market by the River Market Manager:

- Meet with Farmers' Market participants every other month to inform and discuss market issues.
- Work with farms in a co-op effort with Potluck and food recovery.
- Work with the state to establish a WIC (Women, Infants, and Children) cross promotion with the Farmers' Market promoting healthy and affordable food.
- Continue to provide the media with a weekly listing of in-season produce.
- Install original (long) Farmers' Market signs in both pavilions during the season.
- Re-paint original farmers' market sandwich board signs and establish placement within the downtown area and arrange for setup and takedown of the signs.
- Work with the county and state Extension office to recruit more 'home-grown' farmers to our market.
- Plan and implement entertainment and activities to enhance the Farmers' Market on Tuesdays and Saturdays.
- Coordinate and distribute printed materials promoting the Farmers' Market.
- Plan and implement celebration of the grand opening of the Market in May.

- Encourage participants to offer additional customer service by delivering product to cars and validating parking.
- Work on a system of helping to transport goods to customer's cars - possibly using a golf cart and volunteers during the busy season.
- Design a plastic or paper bag with our logo that can be used by participants.
- Seek an inexpensive source of logo hats for the farmers.
- Work with On-site Manager, Dean Morrow, on participant placement, meetings, rental collections, and rules & regulations.
- Review and update Rules & Regulations. Ensure that all participants have received a copy and abide by these set rules.
- Work with participants on displays, sampling, giveaways, signage, sanitation, and encourage the use of daytables.
- Investigate the source and cost of heaters and tarps for the pavilions for the winter months.
- Work with Operations Manager to ensure that the area is clean and maintained.
- Investigate cost and source of new trashcans for the pavilions.
- Assemble and place additional cigarette butt cans within the area.
- Using the Friends of the Market, survey the customers to find out their needs, ideas, etc., for the Farmers' Market.
- Replace old bicycle barricades with new garden panels - completely eliminating old barricades.

Meetings

A meeting of farmers market participants will be scheduled in the River Market conference room every other month. Attendance is optional but encouraged.

Rules & Regulations

The above rules and regulations will be enforced by the Market Manager and the On-Site Manager and are for the benefit of the Market as a whole, the vendors, and the customers. The set rules and regulations have been approved and are supported by the River Market management, the River Market committee, the Parks and Recreation Department and the City Attorney's office of the City of Little Rock. River Market management reserves the right to change the rules and regulations as needed and without notice. All participants of the Farmers' Market will be required to sign off that they have read and will abide by these rules and regulations - this signoff will occur when they sign and turn in their participation card. Signoff on the rules and regulations will be required prior to setting up at the Market.

Appendix B

RULES AND REGULATIONS for the RIVER MARKET

Operating Hours

Tenants shall be open for business during all Prime Market days and hours as established by the Landlord. Those hours are: Monday, 10:00 a.m.- 3:00 a.m.; Tuesday through Saturday, 7:00 a.m.-6:00 p.m.; and Sunday, 11:00 a.m.-4:00 p.m., designated holidays excepted. River Market Tenants may close their stand for up to 10 business days per calendar year, for vacation purposes. Tenants must notify the Market Manager in writing two weeks prior to the planned closing. Tenants must post signage in their stands informing customers of their intent to close. Tenants shall remain responsible for Rent and all other responsibilities under the Lease. Failure to notify the Market Manager will result in a penalty of \$50.00 per day under the terms of the Lease.

Maintenance

Tenants are responsible for cleaning and maintaining their own booth. Further, Tenants are responsible for taking trash from their booth and placing it in the dumpster provided by the Landlord. Tenants must break down all cardboard boxes before placing them in provided dumpsters. Tenants may not leave trash in the common areas of the Market at any time. All personal trash containers must be stored within the Tenant's leased premises. Fixtures, personal property, equipment, supplies, merchandise, and other items of Tenants are not permitted to be placed outside the leased limits of each individual booth.

Product

The "product line" permitted to be sold at the River Market is set forth in the "Lease Agreement" executed between the Landlord and the Tenant.

The Market Manager (the person designated by the Landlord to oversee the market operations) has the authority to enforce the River Market Rules and Regulations including ensuring Tenant compliance with the product line as defined in the lease. The Market Manager shall give notice, in writing, of any product outside of or not consistent with a Tenant's permitted product line. Failure to comply with the product line will result in an event of default under the Lease Agreement.

Improvements

Modifications and changes to individual booth, including equipment and fixtures, must first be approved in writing by the landlord. A written request for such modifications or changes must be submitted to the Landlord via the Market Manager.

Signage

All signage must have prior written approval by Landlord. Approved business signage must be installed by the first day business is open. A penalty of \$50.00 per day will be assessed for signage not installed in the first day a business is open.

Smoking

Smoking is absolutely prohibited in the Market Hall.

Notice: These Rules and Regulations are a part of the terms of your Lease. Breach of the Rules and Regulations constitutes an event of default of the Lease.

Appendix C Design Criteria

The River Market is a historic city market located in the River Market District of Little Rock on East Markham Street. The design criteria stress visual and physical openness of the Market Hall through the use of low partition walls and open booths. Tenants are encouraged to develop bold and creative designs within a set framework that ensures a lively but orderly character of the entire River District Market. Designs are to focus on and enhance the display of Tenant's products.

Approvals

Each booth will be designed by Tenant and subject to Market Managers's approval. Preliminary drawings will be submitted by Tenant to Market Manager so that the Market Manager may comment and/or recommend changes necessary to meet the set design criteria. Working drawings will then be completed and submitted to the Market Manager for final approval. Compatibility with adjacent and previously approved booths will be considered as one of the criteria for approval.

The names and addresses of all contractors intended to be employed by Tenant shall be submitted to the Market Manager for approval prior to the start of any construction. Tenant shall not employ any unfit person or anyone not skilled in the work he/she is performing, or any workman that is incompatible with the balance of the work forces, or who will cause labor disputes or work stoppages.

Tenant Submission Requirements

Preliminary and working drawings shall be to the scale of 1/4" to 1" and include a plan layout, a section, and an elevation showing the location of all equipment, dimensions, materials, and finishes of booth; any canopy system; and signs.

All communications shall be addressed to:

River Market Manager
The River Market
400 East Markham
Little Rock, Arkansas 72201

Booths

The River Market contains two basic types of booths - Linear and Center.

Linear Booth

Linear booths present only one counter to the public along the straight sections of the Market's aisles and are backed by an existing structural wall. (An obvious exception is a Linear Booth located at an intersection of two aisles; this booth may have two counters fronting on the aisles but is still considered a Linear Booth.) There are no special design criteria beyond the general criteria the general criteria stated.

Center Booths

Center booths are to be as open as possible with counters on two opposing sides, three adjoining sides, or four adjoining sides, forming a rectangle or square. Openness is to be maintained by low or transparent partitions. Solid partitions will have a maximum height of 42 inches measured from the abutting aisle floor. High, transparent partitions may extend to a height of 7'-6".

Materials

Construction materials of vertical surfaces are limited to ceramic or earthen tile, glass, stainless steel, wood, or vertical wood siding; horizontal surfaces are restricted to solid color plastic laminate, stainless steel, natural butcher block, glass, ceramic, earthen tile, or corian.

Signs

Tenant will construct all signs, at Tenant's expense. Prior to fabrication and installation, Tenant must submit a scaled sign drawing to the Market Manager for approval.

All copy must be limited to the Tenant name and logo or a design representing the goods or services

offered for sale. No listing of merchandise or service will be permitted unless it is part of the name.

No animated components, flashing lights, formed plastic, or injection molded plastic signs are permitted.

Two signs are allowed per linear booth, three signs per center booth. One sign shall be parallel to the long axis of the building. Each long aisle adjacent to the booth shall have a sign hung above, perpendicular to the axis of the long aisle.

Floors

It will be each Tenant's responsibility to appropriately maintain the finish of the existing floor within the Booth in accordance with local building and health codes.

Showcases

All showcases and display cases must comply with all height restrictions, as do partitions, and be adequately lighted and vented. Direct visual exposure of incandescent bulbs and/or fluorescent tubes is not permitted.

Lighting

Lighting fixtures in the public areas will be provided by the Market at its expense throughout the entire Market. This lighting will consist of metal halide lamps hung from structural members.

Each Tenant is to install at its expense any required accent display lighting within Tenant's booth. Tenant will provide Lytedrop 8625WH hung from unistrut provided and located by the Market. Other light must be approved by the Market Manager and must be mounted on the provided unistrut. All Tenant fixtures (by their type, location, and mounting) must prevent direct glare from the stall into public areas and into other Tenant's spaces. Fluorescent tube fixtures are allowed only if the tubes are shielded from the view of the public and other Tenants or covered with a lens approved by the Market Manager.

Windows

Booths shall be designed so as not to impede the operation of windows and shutters. Any subject, including but not limited to, signs, shelves, product displays, curtains, stoves, ovens, and refrigerators, shall not block window openings.

Utilities

Tenant must provide to the Market Manager a sketch of all utility lines and hookups. Contractors' names must be submitted for approval before any work begins.

Building Codes

The following checklist is offered for general reference only and should not be regarded as exhaustive.

- State of Arkansas Uniform Construction Code (latest edition).
- BOCA Basic Building Code (1994 edition).
- National Electric Code (latest edition).

Tenants have total responsibility for compliance with all federal, state, and local codes and ordinances for the occupancy type.

A late fee of \$25.00 per day will be charged to TENANT'S account if payment is not received by the tenth day of the month incurred.

It is further covenanted and agreed between the parties hereto as follows:

A. SECURITY DEPOSIT: Upon the execution of this lease, TENANT shall pay LANDLORD the first month's RENT and a security deposit equal to one month's RENT, to be held by the LANDLORD during the TERM of this lease as a security deposit for the payment of RENT in the amounts and at the times specified and for the full, faithful, and punctual performance by TENANT of all other covenants contained in this lease. It is understood that this security deposit may be applied to damages caused by the TENANT. LANDLORD shall return the security deposit less the amount applied to damages without interest and make full accounting to TENANT for sums applied within 30 days after booth is vacated. It is understood that the security deposit is not to be considered prepaid rent, nor shall damages be limited to the amount of the security deposit.

B. POSSESSION: TENANT may take possession on the first day of the TERM, or earlier if the BOOTH is ready for occupancy. If TENANT fails to occupy the BOOTH within 10 days of the commencement of the TERM, this lease will terminate, and TENANT will forfeit the first month's RENT and the security deposit paid to LANDLORD.

On termination of this lease, TENANT agrees to surrender possession of the BOOTH without demand, in as good condition as the BOOTH is now, usual wear or loss or damage by fire or other unavoidable casualty expected. Failing to do so, TENANT shall, in addition to the damages generally recoverable, be liable to LANDLORD for all damages LANDLORD may sustain. Any personal property or inventory not claimed by the TENANT upon termination would be stored for 30 days, after which such property shall be disposed of at LANDLORD'S sole discretion.

TENANT may be relocated at the LANDLORD'S discretion and expense, which would include all relocation costs.

TENANT may request an alternate location upon availability. Requests must be submitted in writing to LANDLORD. A decision to grant or deny relocation of the sole discretion of LANDLORD, and all decisions are final.

C. RENEWAL: TENANT may request to renew this lease by giving LANDLORD 30 day's written notice of TENANT'S intent to renew. Each renewal may be subject to an increase in RENT and final LANDLORD approval.

D. ASSIGNABILITY/SUBLETTING: TENANT may not assign or sublease any interest in the BOOTH without prior written consent to LANDLORD.

E. INSPECTION: LANDLORD or its agents may at any time upon reasonable notice enter the BOOTH for inspection purposes.

F. IMPROVEMENTS: TENANT may paint or decorate the BOOTH only with the prior written consent of the LANDLORD. All permanently installed improvements will become the property of the LANDLORD and may not be removed by TENANT.

G. SIGNAGE: All signage must have prior written approval by LANDLORD. Approval business signage must be installed by the tenth day business is open. A penalty of \$50.00 per day will be assessed for signage not installed during the first day of business.

H. INSURANCE: LANDLORD shall not insure TENANT'S inventory or personal property, and shall not be liable for any losses to person or property. LANDLORD shall carry general liability insurance for the River Market Hall; however, deductibles incurred due to losses attributable to TENANT will be charged to TENANT. TENANT understands and agrees that it is its responsibility to ensure its personal property and inventory. TENANT agrees to hold LANDLORD harmless and indemnified against claims and liability for injuries to all persons and for damage to or loss of property occurring in or about Real Property, Leased Premises or Building, due to any negligent act or failure to act by TENANT, its contractors, agents, or employees, or default by TENANT under lease. TENANT may not open without proof of insurance.

I. UTILITIES: TENANT shall pay any and all costs and expenses associated with the utilities which are attributable to its BOOTH through proration by the LANDLORD. Proration will be based upon type of equipment and monthly utility usage.

J. FIRE: In the event that the BOOTH or any part thereof is substantially destroyed by fire or other hazard, then this lease shall become null and void, and unearned rent paid in advance by TENANT shall be refunded to TENANT by LANDLORD.

K. MAINTENANCE & CONDITION: TENANT shall, at its own cost and expense, keep and maintain the Leased Premises, together with all fixtures attached hereto and any equipment provided to TENANT by LANDLORD (such as fixtures and equipment including, but is not limited to, any sinks, hot water heaters, plumbing, electrical lines, floor drains, and roof structures), in good and clean operating condition and repair, reasonable wear and tear and damage by fire and other casualty expected. LANDLORD shall not be responsible for the repair or maintenance of the Leased Premises, or any fixtures or equipment comprising the Leased Premises.

TENANTS are responsible for cleaning and maintaining their own booths. TENANT shall contract for its own janitorial, trash, and debris removal services at TENANT'S own expense. All personal trash containers must be stored within the TENANT'S lease premises.

It shall be TENANT'S responsibility to keep the Leased Premises, the Building, and the Real Property free and clear of TENANT'S trash and debris and to keep the same in a sanitary condition. TENANTS may not leave trash in the common areas of the Market Hall at any time. If TENANT fails to keep the Leased Premises, the Building, or the Real Property free and clear of trash and debris, LANDLORD may do so at TENANT'S expense plus 15 percent of the cost thereof, which TENANT shall pay to the LANDLORD immediately upon demand of LANDLORD.

LANDLORD shall provide a trash dumpster, at LANDLORD'S sole cost and expense, and TENANT shall be permitted to dispose of a reasonable amount of trash generated by TENANT from TENANT'S business conducted at the Premises in such dumpster. TENANTS are responsible for taking trash from their BOOTH and placing it in the dumpster provided by LANDLORD. TENANTS must break down all cardboard boxes before placing them in provided dumpsters. No trash, crates, pallets, or refuse shall be permitted anywhere on the Real Property outside of the Building except in locations approved by LANDLORD.

L. USAGE: The BOOTH shall be occupied by the TENANT and used only for the sale of food or goods at retail. TENANT expressly agrees not to display or sell items other than those included in the product line. Merchandise shall be displayed in a neat and professional manner. Fixtures, personal property, equipment, supplies, merchandise, and other items of TENANT'S are not permitted to be placed outside the leased limits of each individual BOOTH. LANDLORD shall have the right of final approval of all goods offered for sale. TENANT shall not use the BOOTH for engaging in any unlawful or improper activity or any activity contrary to any applicable law or municipal ordinance or any activity which might create a safety hazard or which may damage the Market Hall or its contents. It shall be the duty if the TENANT to keep the BOOTH in a clean condition.

TENANT product line shall be:

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The Market Manager, the person designated by the LANDLORD to oversee Market operations, has the authority to ensure TENANT compliance with and quality of the product line is maintained as defined in the lease. The Market Manager shall give notice, in writing, of any product outside of or not consistent with TENANT'S permitted product line. Failure to comply with the product line will result in an event of default under the Lease Agreement.

M. PRICING: TENANT must clearly mark the price of all items it offers for sale.

N. SALES & USE TAXES: TENANT shall be responsible for the collection and disbursement of all sales and use taxes, employment taxes, and worker's compensation taxes if applicable.

O. OPERATING HOURS: The River Market Hall will open for business from 10:00 a.m. to 3:00 p.m. on Monday, 7:00 a.m. to 6:00 p.m. (with flextime for opening until 9:00 a.m.) Tuesday through Saturday, and 11:00 a.m. to 4:00 p.m. on Sunday. LANDLORD may change operating hours without notice and may close on certain holidays. TENANT shall be present or staff the BOOTH with an employee at all times during operating hours.

TENANTS may close their BOOTHS for up to ten (10) business days per calendar year for vacation purposes. TENANTS must notify the Market Manager in writing a minimum of two (2) weeks prior to the planned closing. TENANTS must post signage in their BOOTHS informing customers of their intent to close. TENANTS shall remain responsible for rent and all their responsibilities under the Lease Agreement. Failure to notify the Market Manager will result in a penalty of \$100.00 per day under the terms of the lease.

P. ADVERTISING: LANDLORD reserves the right to utilize photographs or other images of TENANT'S merchandise and name in advertisements. Tenant may not display any "going out of business" signs.

Q. IDENTIFICATION OF LANDLORD: TENANT assumes all risks of and liability for injury or damages to persons or property arising during the TERM of this lease and agrees to save LANDLORD

harmless from any failure on the part of TENANT to perform or comply with any covenants of TENANT contained in this lease and on account of or based upon the act, fault, negligence, or misconduct of any person whomsoever other than LANDLORD or its agents.

R. TENANT'S RIGHT TO TERMINATE: TENANT shall have the right of early termination of this lease with 30 days' advance written notice to LANDLORD and payment of a penalty equal to 2 months' RENT. In the event of early termination, TENANT will forfeit the security deposit to LANDLORD in addition to the two months' RENT.

S. LANDLORD'S RIGHT TO TERMINATE: If TENANT shall default in the performance of any covenants contained in this lease other than the payment of RENT in the amounts and at the times specified, LANDLORD may give to TENANT five (5) business days' notice of intention to end the TERM of this lease, and thereupon at the expiration of such five (5) days, the TERM of this lease shall expire fully and completely, and TENANT shall then quit and surrender the BOOTH to LANDLORD, but TENANT shall remain liable as hereinafter provided.

If TENANT shall default in the payment of RENT in the amounts and at the times specified or if the notice provided for the above shall have been given and five (5) business days shall have elapsed or if the BOOTH becomes vacant or deserted, LANDLORD may re-enter the BOOTH and remove all persons and property therefrom; and TENANT hereby expressly waives the service of any notice in writing of intention to re-enter. In case of such re-entry, TENANT shall pay the LANDLORD on demand, as damages, all legal and other expenses incurred in removing TENANT, the commissions for reletting the BOOTH, the cost of repairing the BOOTH, and such other expenses as LANDLORD may incur in connection therewith.

LANDLORD may terminate lease "FOR CAUSE," such as noncompliance with rules and regulations, operating hours, or any other requirements set by the LANDLORD. If the TENANT has five (5) or more checks per calendar year returned because of insufficient funds, LANDLORD retains the right to terminate lease immediately.

T. LIEN: A lien is hereby created and granted by the TENANT in favor of LANDLORD, as security for the payment of RENT in the amounts and at the times specified and for the performance for all other covenants contained in the lease, upon all of the property of TENANT which may, at any time during the TERM of this lease, be in the BOOTH. If LANDLORD shall exercise its right of re-entry as provided for above, LANDLORD shall have the power to sell such personal property at public sale and to apply all amounts realized therefrom to the payment to the accrued rent or to the claim of LANDLORD for damages. Before making such a sale, LANDLORD shall publish five (5) business days' notice thereof by the insertion in the daily newspaper published in the City of Little Rock of such sale that shall be for cash, LANDLORD may bid at the sale as any third person might do, and TENANT hereby waives any and all rights of redemption granted by the laws of Arkansas.

U. NOTICES: Any notices provided for herein to be given by one party to the other shall be delivered or mailed by first class mail, postage prepaid, to the address set forth above.

V. BUILDING PERMITS: TENANT must provide a builder's permit to include the name of each licensed contractor used. Building permit must be placed in the BOOTH and be visible to the public. The TENANT must supply a layout plan and list of all equipment to be used to LANDLORD within ten (10) business days of executing the lease.

W. PARKING: TENANT shall not park any trucks or trailers, loaded or empty, on the Real Property. TENANT may use the alley for loading and unloading of merchandise or supplies with a twenty-minute time limit, at which time TENANT shall move the vehicle from the Real Property.

X. SECURITY: LANDLORD will provide and maintain a security system that will monitor the Market 24 hours a day. TENANT will be assessed monthly for the security system with the price based upon square footage of its booth. Assessment will be added to TENANT'S monthly rent statement, and TENANT shall be responsible for paying this expense in full each month.

The covenants herein shall extend to the successors and assigns of the parties hereto.

The parties hereby make this lease effective by signing as shown below.

LANDLORD: **The Downtown Partnership**

By: _____
Shannon M. Jeffrey

Title: River Market Manager

Date: _____

By: _____
Shannon Reynolds Torbett

Title: Executive Director
The Downtown Partnership

Date: _____

TENANT: _____

By: _____

Title: _____

Date: _____

