

Michigan Municipal League

Rust Belt Market



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Better Communities. Better Michigan.



PROJECT DETAILS:

NAME:

Rust Belt Market

DATE:

2010–Present

CATEGORIES:

Markets, Repurposing
Commercial Buildings,
Incubator, Community
Event Space

THE GIST:

Rust Belt Market is a “living market” featuring artists, collectors, local food products, musicians, and community events and gathering space in a repurposed big box commercial building. When selecting vendors to participate, the managers focus on quality local craftsmanship and potential for growth into standalone independent businesses.



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PROJECT SCOPE:

The Challenge:

How can we support local artisans and entrepreneurs with a year-round safe haven for launching their businesses, while simultaneously enlivening a vacant downtown commercial space?

Inspiration:

Market owners Chris and Tiffany Best were searching for a way, during the height of the recession in the late 2000s, to combat the “outsourcing epidemic” and support those who make things locally and by hand with viable business opportunities. They loved going to art and craft fairs and wondered why that model couldn’t work year-round. After a visit to Artists & Fleas in New York City, they talked to the owners of that business and decide to try to replicate it in metro Detroit.

Overview:

Located at a highly visible intersection (Woodward Avenue and Nine Mile Road) in downtown Ferndale, the Market is an adaptive reuse of a vacant commercial building that formerly housed a national big-box chain store. The Bests’ vision melded nicely with the needs and desires of the Ferndale Downtown Development Authority (DDA), which had been looking for creative approaches to fill a keystone property that was becoming an eyesore. With support from the city, the property owner and the Bests gave the building a refreshed look. It has now

become a signature anchor that, according to Ferndale Mayor David Coulter, is the “face of downtown” and both reflects and accentuates the district’s “funky, independent culture.”

Inside, the building houses 50 to 70 independent vendors each week who sell everything from coffee beans to furniture. The vendors pay rent and are individually vetted by the Market owners who emphasize quality and a careful mix of business types. Since many of the vendors have other jobs, the Market was initially only open on weekends, but has since expanded to limited hours on other days of the week. Thanks to a successful Kickstarter crowdfunding campaign, the Bests have also re-designed the Market to create more public space, with a special event area, a larger stage, and more seating for visitors.

Accomplishments:

- Changed the dynamics of a commercial district that, despite many successes, was being dragged down by the presence of such a large vacant place in a prominent location.
- Positive spillover impact on other downtown Ferndale businesses, which, according to Ferndale DDA Director Cristina Sheppard-Decius, have seen an increase in patronage on Market days.
- Incubated two businesses that are opening up their own storefronts.
- Created a high-quality community events and gathering space.
- Raised over \$20,000 via Kickstarter to expand and rebuild the space.
- According to Mayor Coulter, created a healthy sense of competition in the downtown and forced other business owners to “step up their games.”

Organization:

Chris and Tiffany Best, with support from donors, tenants and volunteers, have plans to create a more formal advisory board made up of key supporters.

Budget:

Startup costs were \$23,000. Each month they pay rent to the property owner plus marketing and other recurring costs.

Funding:

Banks thought the model was too risky, so the Bests were unable to get a traditional loan. They relied on personal savings and personal loans from family members for the startup costs. Much of their revenue from rent and special events has been reinvested in the Market. Hundreds of individual donors contributed through a Kickstarter campaign to fund the 2013 renovations. The Bests do not have any sort of revenue-sharing arrangement with vendors.

Participants:

Local artisans, DDA, city leadership, general public

Actions Taken:

1) CONNECT TO THE LOCAL ARTIST COMMUNITY

The Bests spent significant time visiting artists at fairs and other events to build a contact list and informally survey them about the need and appetite for a physical market space. That gave them confidence that, from the vendors' perspective, this was a worthwhile endeavor and that they had a readily available set of lessees.

2) DEVELOP A BUSINESS PLAN

Even if, as in the case of Rust Belt Market, a business plan is unsuccessful in swaying banks to financially support the endeavor, it is still crucial in building confidence among other key supporters who may be skeptical of a market concept, such as city leaders, the DDA, and the property owner(s).

3) FIND THE RIGHT SPACE

Chris Best believes the Rust Belt business model would be more difficult if the location weren't in the heart of a walkable downtown district that was already a shopping destination for many. While it could work in a less-visible location, according to Best it would need to invest a significant budget market to "almost immediately become a destination."

4) WORK CREATIVELY WITH HOST CITY TO GET THE PERMITS

The city initially raised questions about how the independent vendors would be treated from a permitting and inspection perspective. The Bests, the DDA, the City Community Development staff, and the Fire Marshall worked together to develop a mutually beneficial solution: provided each vendor meets certain uniform safety standards and falls under agreed-upon categories of vendor type, they are authorized under one blanket permit. Additional complexities arise when food production and other specialty uses come into play.

5) ADAPT THE SPACE

The building was configured for a traditional big-box retailer and the primary entrance was oriented to the parking lot behind it, not the sidewalk foot traffic. The Bests made significant modifications to upgrade the exterior aesthetics and to accommodate security, loading areas, and other practical considerations for the vendors inside. Each vendor exchanges money with customers and takes care of their merchandise individually, so the vendors need their own secure space.

6) CURATE A QUALITY MIX OF VENDORS THAT REFLECTS THE HOST COMMUNITY

Chris Best believes the right mix of vendors in such a market will vary by community. Downtown Ferndale is proud of its funky, independent reputation and so the vendors reflect that. The Bests require interested vendors to apply and they carefully vet possible additions to the market. This protects the overall quality of the market from degrading, which would undermine the attraction for many customers.



7) BUILD THE HYPE

Rust Belt Market had an active Facebook presence before it opened and invested heavily in marketing in the early days. A laudatory article in Crain's Detroit Business was also crucial to creating a buzz in the region.

8) CONNECT TO LOCAL ORGANIZATIONS AND BUSINESSES

Both the mayor and DDA director emphasize the importance of the Market owners getting involved early and often with Ferndale businesses and community organizations to partner in success. This included hosting events and joining forces on advertising.

9) CREATE A COMMUNITY

Chris and Tiffany Best view themselves as the mayors of the Market community, with each vendor as an important resident. Many vendors are immensely invested in the success of the Market, contributing volunteer hours to improve the space or develop new ideas for programming. The community vibe has proven important to engendering customer loyalty. Without that, says Chris Best, "it's just another store."

Lessons Learned:

- A customer's experience with any individual vendor reflects on the entire market, therefore customer service and professionalism are just as important as quality products.
- Surrounding businesses can benefit from a market's presence, even if the products offered are similar.
- The market's success also depends on a healthy surrounding business district.



- Community gathering space is important, but must be balanced against sufficient space for vendors.
- Develop and maintain credibility in the local art community—it's important that potential vendors can personally identify with the market owners.
- Input from vendors and other stakeholders is important, but don't jump into a formal board structure until you develop trusted working relationships.
- Trust your instincts about people.
- Get a good tax consultant!
- Your time is limited and valuable, don't spend it performing labor-intensive tasks (like cleaning) that you can hire out.

Similar Projects:

Artists and Fleas, New York
North Market, Columbus, OH
Stockyards Mercantile, Oklahoma City

Experts:

Chris Best, chris@rustbeltmarket.com, 810-441-0956
Cristina Sheppard-Decius, cristina@downtownferndale.com, 248-760-9265

The Center for 21st Century Communities

Building 21st century communities

Experts from around the world—in academic, business, and public sectors alike—agree that investing in communities is a critical element to long-term economic development in the 21st century. Michigan's future depends on its ability to attract and retain knowledge-based workers. Central to attracting this priceless commodity is *place*. Research proves that successful 21st century communities effectively leverage the assets summarized in this brochure. Learn more and stay engaged at mml.org.

Who we are...

The Michigan Municipal League is the one clear voice for Michigan communities. We are a nonprofit, but we act with the fervor of entrepreneurs; our people are dynamic, energetic, and highly approachable, passionately and aggressively pushing change to achieve better communities and a better Michigan.

What we know...

Never before have so many diverse interests, from academic researchers to the business community to government leaders, shared a single conclusion: Michigan's future depends on its ability to attract knowledge-based workers. And what is central to attracting this priceless commodity? *Place*, specifically vibrant 21st century communities.

What we offer...

Through its Center for 21st Century Communities (21c3), the League provides education, technical assistance, public outreach, and unprecedented access to experts and resources. The 21c3 is a "one-stop-shop" for communities interested in creating and sustaining livable, desirable, and unique places that attract the highly skilled, creative, and talented workforce of the next century.



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