Wrangell Medical Center of Wrangell, AK, received $70,730 to purchase and install renewable energy technology for year-round local food production that will also generate revenue to support a new farmers market and other local agriculture-related activities.

Final Report FY10

2w2010 FMPP Final Performance Report

Date: *June 19, 2013*

Recipient Name: *Wrangell Medical Center*

Title of Project: *Wrangell Farmer's Market and Food Access Program*

Grant Number: *G-1128*

Location: *Wrangell, Alaska*

Project Summary The Wrangell Farmer's Market and Food Access Program was a two-part project, proposed as part of the work being done to develop food-security for this island-community of roughly 3,200 people that, for the most part, are dependent on weekly barge deliveries of food. The idea was to develop a local Farmer's market that would encourage gardeners to plant more than they could use in order to have fresh produce available from a local source. The second part of the plan was to develop a wind-turbine power source which could provide heat and light to a community greenhouse (building the greenhouse is the goal of another grant through USDA). The first part, developing a Farmer's Market Business Plan, was completed through work with community members (particularly folks interested in being vendors and customers of a Farmer's Market), and the University of Alaska School of business. Getting the wind turbine portion of the project completed was not possible for a number of reasons so those funds were not used. The benefits accrued from the work done to develop the Farmer's Market Business Plan included actually starting a once-monthly farmer's market which took place a total of 5 times (May through September) last year (2012) and has already taken place twice this year (April and May), with a plan to continue the market on the third Saturday of each month through September 2013. The market has included as many as 23 vendors at a time, and has made a positive impact in people 'planning' to grow more produce in order to have extra to sell (according to verbal discussions with vendors at the end of the 2012 market season). It also served as a place for children involved in the 'Kids Gardening' program (affiliated with Wrangell's Community Garden) to sell the produce they'd grown – and educate the community about the Kid's Gardening program.

Project Approach

- The general goals of the project were to provide renewable energy technology (wind turbine) to power a year-round community greenhouse, and develop a business plan for a Farmer's Market which could support existing farmers and encourage new farmers by providing for market space, public education and outreach with regards to Wrangell's 'food security' – all of which would also help Wrangellites eat better, fresher food in the long run.
- A strategy in trying to get the wind turbine up and running was to work with the local power agency and City of Wrangell's Public Works Dept. to develop a plan

which would allow the wind turbine to be set up in a location further from the site of the greenhouses, but better for wind-power production and reverse-meter the turbine so the greenhouses could pull power directly from the grid – up to the amount generated elsewhere by the wind turbine. Though in the long run, this did not work.

- Developing the business plan for the Farmer's Market included the strategies of 1) working with local consumers and suppliers through town meetings, surveys and a 'test' market season to determine local needs, supply issues and the like with regards to growing and selling produce, and 2) taking the results of the local work to the University of Alaska for technical assistance in developing a business plan for the market.
- Activities included: town meetings, surveys (available in paper format at the grocery stores and online) for vendors and consumers, consultations with the University about the business plan, meetings with Southeast Alaska Power Agency (SEAPA) representatives and working through the City of Wrangell's Public Works department to develop a plan for installing a wind turbine.

Goals and Outcomes Achieved

- The first Town Meeting (Oct 2011) to present the Consumer/Vendor survey results had 15 in attendance.
- A market business plan was completed in September 2012
- The numbers of vendors at the market grew from 13 at our first test market in May (2012) to 23 at the final market in September (2012), with a total of 40 different vendors taking part throughout the season. (Tracking attendees/consumers is more difficult, but that number grew through the summer as well)
- Advertising (for surveys, meetings and the market itself) is done in the local paper (Wrangell Sentinel, radio station (KSTK) and on various bulletin boards and businesses in the community. Adds currently run the week prior to the market on radio and in paper, and are monthly on the bulletin boards/businesses.
- The May 2013 market saw 3 vendors with plants & veggie/flower starts for sale (though it is still too early for produce at that time)

Beneficiaries.

- One new business has begun, in part due to support from Wrangell's Farmer's Market customers, Garden of Eats – supplies flower, berry and veggie starts and plants to the community since spring of 2013.
- In Spring of 2013, the Hospital Auxiliary moved their annual plant sale to 'Market Day', and became part of the market – thanks to the readily-available crowds. The Auxiliary offered veggies, herbs, berries and flowers this year.
- On those times that the market has been held at the Nolan Center, the museum gift shop reported increased traffic.
- The Community Garden has at least three members who are now growing 'extra' in order to sell produce at the Market.
- The Children's Gardening program was a vendor/educator at the 2012 markets, earning funds to purchase supplies for their garden and educating their members and the community. (18 of Wrangell's children and youth participated in 2012)

Lessons Learned.

- The biggest lesson was to not get involved in production of power – the Wind Turbine portion of the grant. It was much messier than we had originally suspected, and changes in the Southeast Alaska Power Agency during the grant period made it difficult to get the Wind Turbine portion of the program off the ground. So, if doing it over again, we would focus energies more on other means of encouraging gardeners/growers in the community to increase their production (such as tunnels and raised-bed cultivation – things they could do with space they already had to make it more productive, rather than trying to centralize production in one area).
- Strategies that worked well for getting people in the community involved in the Farmer's Market planning process included: word of mouth, the advertising (radio and paper), and the fliers. The 'Town Meetings' (three total) prior to the first market season gave vendors an opportunity to weigh in on the final market 'regulations' and the location/times/frequency of the market so at the end of our first season we found the only thing we'd had to adjust was the hours of the market. Another strategy which helped was going to the University of Alaska for their expertise in writing the business plan, based on community feedback and our first market season.
- One strategy for 'prepping' for market day which hasn't worked as planned is a 'vendor registration form' which we'd hoped would be filled out prior to market day so the Market Steering Committee would be better able to advertise what could be found at each market. However we're finding that vendors are still showing up without the 'pre-registration'. I doesn't work to turn them away for not pre-registering (there are enough doing this that we would end up with no market), so we are relaxing that requirement, however it is an issue that we would like to work on and try to develop a more stable 'core' of vendors.
- The Kid's Gardening was one of the greatest positive results in that the market gave them a place to sell their produce, have conversations with the community about their learning as gardeners – and eaters of produce – and see the results of their work. It was probably the one group who came closest to meeting the goals of 'increasing availability of local produce' and 'educating the community' about the importance of eating fresh produce.

Additional Information:

- A number of 'artifacts' were developed during the process of creating a Farmer's Market Business Plan, including the plan itself (attached). Other tools included:
  - Vendor and Consumer surveys
    - http://www.surveymonkey.com/s/wrgfmproducersurvey
  - Vendor 'Packet' (including registration form, regulations, info on state regs for sale of various items)
  - Various ads and fliers to promote the events
  - Listings on various websites:
    - http://www.wrangell.com/community/community-market-0
    - https://www.facebook.com/WrangellCommunityMarket
    - http://dnr.alaska.gov/ag/Marketing/FarmersMarketBrochure.pdf
- The City of Wrangell's Parks and Recreation Department was a critical partner in the development of the actual market – without their donation of space, the market would have been off to a difficult start, and the low vendor fee may have been much higher –

perhaps prohibitively so – in other locations.

- The City of Wrangell also provided meeting space and some copying/office supplies as the Market Steering Committee worked towards that first market season.
- The Wrangell Medical Center also supplied staff time and office supplies to help get the market underway, including ad development and coordination of Steering Committee work.
- Mention on KSTK and in the Wrangell Sentinel:
    - http://www.kstk.org/2011/11/01/wrangell-looks-to-develop-farmers-market/
    - http://www.kstk.org/2012/05/22/wrangell-holds-first-community-market/
    - http://www.wrangellsentinel.com/story/2012/04/19/about-town/community-markets-to-begin-next-month/165.html
    - http://www.wrangellsentinel.com/story/2012/05/24/about-town/farmers-market-begins-in-wrangell/238.html

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WRANGELL COMMUNITY MARKET

Business Plan

September 2012

Prepared for the City and Borough of Wrangell

By the University of Alaska, Center for Economic Development

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I. Statement of Purpose

With funding from the USDA's Farmers Market Promotion Program, the Wrangell Medical Center and the City and Borough of Wrangell started work on the creation of a farmers' market in Wrangell. The farmers' market, now called the Wrangell Community Market, began operation in the summer of 2012 due to the work of a core planning group of volunteers along with the support of professional staff from the City and Borough of Wrangell and the Wrangell Medical Center.

The purpose of this business plan is to serve as a guide for the management transition and expansion of the Wrangell Community Market in Wrangell, Alaska. A description of the area and project, review of the market and competition in the area, overview of the Community Market's vision, management, staffing, and expansion options, and financial projections follow.

The University of Alaska Center for Economic Development was consulted to support the writing of this study. Staff from the center met with professionals from the City and Borough of Wrangell in June and July 2012 to review the vision for the Community Market and how it relates to the City and Borough's other proposed development strategies. While the center was retained to support the business planning effort, Wrangell's staff provided previous business planning data, clearly articulated options for expansion of the Community Market, and actively engaged in the development of the business plan study.

II. EXECUTIVE SUMMARY

The City and Borough of Wrangell is home to economic and health initiatives aimed at increasing the production and consumption of local products. The Wrangell Community Market seeks to build on these initiatives by creating a venue for vendors to sell and consumers to buy such products. Beyond the retail opportunities for locally made products are the community goals of promoting entrepreneurship and economic development, increasing local food production, and improving the quality of food products on offer in Wrangell. The goals for the Community Market are to provide healthy, locally grown food for residents and visitors and educate all on the economic and health value of eating local food.

For the Community Market to achieve these goals, the market will need to formalize management, reach out to potential partners, and expand the vendor and consumer base. These steps are crucial for the market's continued growth

This plan describes how the Community Market will transition to a volunteer-run operation that is capable of increasing its market base and product diversity. During this time, the market must either rely on outside funds and support or proceed at a slow pace of expansion. The plan also identifies the issues that should be considered for future growth and expansion.

III. Organizational History and Current Status - Wrangell Area

A. Historical Background

Situated on the Northwestern corner of Wrangell Island, the City of Wrangell has a long history that predates the arrival of Europeans. The Stikine Tlingit people inhabited the area for centuries prior to the first contact with Russian explorers and fur traders in the early 19th century. With its position near the mouth of the Stikine River, the site of the present city offered access to salmon runs and other marine life, abundant wildlife, and sheltered waters. In the 1830s, the Russian-American Company built a fort near the settlement, which eventually took the name of Wrangell after Baron Ferdinand Petrovich Wrangel, head of the company. For nearly three decades, the British Hudson Bay Company leased the fort.

Following the American purchase of Alaska in 1867, Wrangell became an important military, mining, and commercial fishing hub, serving as an access point to the Stikine River. Stampeders traveled through Wrangell and up the river to reach the Klondike gold fields in the 1890s, and a vibrant salmon fishery developed with the city hosting several canneries. Shrimp and crab also contributed to the local economy in the 20th century. Located in the Tongass National Forest with abundant timber resources, the first sawmill operation started in 1889 and the peak of the timber and wood product industry in Wrangell was seen in the mid 20th century. Changes in state and federal policy along with uncertain and insufficient supplies of timber and wood products in the early 1990s was the beginning of the industry's steep decline in Wrangell and all of Southeast Alaska. The Alaska Pulp sawmill, Wrangell's largest employer, closed in late 1994. Despite efforts to continue operation under new ownership, the mill was dismantled in 2010.

B. Current Economic Status

Today, the timber industry continues in the form of several small mill operations in Wrangell, but the economic mainstays are now in local government, tourism, and seafood processing. As of 2010, 214 residents held commercial fishing permits. The area has three seafood processing operations and one custom smoke and packaging facility, which serve commercial and sport fishers who use the region's fisheries. Two of these processing plants are top employers and support a collection of ancillary businesses in the city. The city's deep-water port and multiple docks and harbors enable cruise ships, yachts, and commercial and recreational fishing vessels of all sizes to dock. In 2006, Wrangell opened the Marine Service Center to provide repair and haul out services as well as storage facilities for commercial and recreational vessels in the port. The waterfront is filled with businesses set up to repair and store marine vessels. Improvements and expansions to the infrastructure of the Marine Service Center, notably the upgrade of the haul lift from 150 tons to 250 tons, puts Wrangell in a position to draw additional business to the waterfront. The City and Borough of Wrangell hosts over 60 businesses that serve, fully or partially, tourists. The dip in the Alaskan tourism industry caused by national economic troubles has impacted local economies in Southeast Alaska due to their reliance on cruise tourism, recreational boaters, and independent travelers. Wrangell has support from the community to continue marketing the area as a prime travel destination for Southeast Alaska in travel industry circles and alternative marketing outlets.[1]

[1] (City and Borough of Wrangell, Comprehensive Plan, 2010)

In 2010, more than 40% of the jobs in the city were government positions at the local, state, tribal, and federal levels. These are year-round jobs that contribute substantially to the economic vitality of the city. Over the past few years, the area has been the site of a number of large capital upgrade projects with the Marine Service Center construction, Heritage Harbor construction, Alaska Island Community Services medical clinic, and the proposed hospital in 2013.[2] These construction projects have brought temporary residents and economic benefits. Prominent projects are health facilities, which improve the quality of life for residents and build infrastructure and training facilities in an area expected to be the fastest growing occupation sector in Alaska through 2016.[3]

Mirroring trends in rural Alaska, the city's population experienced a slow decline in the 1990s and early 2000s. The long-term decline in the fishing and timber industries was a factor in the city's contraction, but since 2007 the city's population decline has slowed, even reversing course. This is likely the result of large capital projects over the past five years. Though the population gain may not be permanent, the city's "Open for Business" economic strategy has succeeded in attracting and supporting local business, especially around seafood processing and marine services. This, combined with the "Buy Local" campaign, is part of the city's creative efforts to address unemployment.

Compared to state averages, Wrangell's economy and population stand out. The 2010 per capita personal income in Wrangell was $34,316 compared to the state average in the same year of $44,233. In 2011, the City and Borough of Wrangell posted an annual unemployment rate of 8.6%[4], at a time when the annual rate for the Southeast Alaska Economic Region was 7.3%, and the state annual average was at 7.6%. The City and Borough of Wrangell had a median age in 2011 of 46 compared to 33 for the state of Alaska. The area has long had an older population than the rest of the state. [5]

Table 1: Wrangell & Statewide Facts

	Wrangell	Alaska
Population (2011)	2,411	722,190
Alaska Native	16.2%	14.8%
Two or More Race	9.4%	7.3%
Female	47.6%	47.96%
Male	52.4%	52.04%
Under 18	26.93%	26.07%
Over 65	15.8%	7.26%
Per Capita Income	$34,316	$44,233

Source: Census Data, 2010 and Alaska Dept. of Labor and Workforce Development, Research and Analysis Section. 2012

Unconnected to the North American highway system, Wrangell relies heavily on marine and air transportation with most food and consumer goods arriving by barge. Regular air access to Wrangell

[2] (Wrangell Capital Projects List, 2012)
[3] (City and Borough of Wrangell, Comprehensive Plan, 2010)
[4] This figure is not seasonally adjusted. The Alaska Department of Labor and Workforce Development - Research and Analysis Section does not seasonally adjust regional data.
[5] (Alaska Department of Labor and Workforce Development, Research and Analysis Section, 2012)

is via the Alaska Airlines twice daily jet service to Anchorage, Juneau, and Seattle. Regular marine access is via the Alaska Marine Highway ferry service. Air and water taxi services connect Wrangell to communities throughout Southeast Alaska. The Rainforest Islands Ferry, scheduled to expand operation in the spring of 2013, will provide regular service between Wrangell, Petersburg, Ketchikan, and Coffman Cove on Prince of Wales Island three to four times a week depending on the season.

The City and Borough of Wrangell was created in 2008 when voters approved a measure to dissolve the City of Wrangell, expand its boundaries, and incorporate as a consolidated city-borough. This entity provides police, planning, fire, port management, and other vital services. The Wrangell Cooperative Association serves as the federally recognized tribal council, and the Wrangell Public School District operates three public schools. The Wrangell Medical Center, Wrangell Public Health Center, and Alaska Island Community Services through the TideLine Clinic attend to the healthcare needs of the community.

C. FUTURE PLANS

Wrangell promotes the city's "Open for Business" attitude as instrumental in supporting new and expanding current businesses. Critical to the city's efforts on this front are periodic "Buy Local" campaigns, which encourage residents to support the local economy by buying locally produced goods. Wrangell's 2010 Comprehensive Plan identifies local food production as a key part of the Buy Local campaign, encouraging public events and business sales of locally produced food. The Community Garden is one such successful initiative supported by the City and Borough of Wrangell. The garden opened in 2010 and is currently into its third growing season.

For over a decade, the City and Borough of Wrangell's actions to improve the business environment in the city has touched a range of businesses with significant effort going into the waterfront and downtown areas. In the 2010 Comprehensive Plan, the city and borough designated five areas for waterfront development to encourage land uses and activities that are water dependent, water-oriented, or promote enjoyment of the waterfront. Recent and continuing capital projects include road and utility improvements for the Front Street Downtown Revitalization. A prime development location is 3.4 acres of tideland between the Marine Service Center and the barge landing. Whether this land is filled with additional marine service facilities, green space and attractions for the nearby Nolan Convention Center and Wrangell Visitor Center, or a mixture will depend on public input and local government decisions. Regardless of the exact nature of the development, the city is committed to continue development of the waterfront and downtown space.

Wrangell expects the Community Market to focus attention and action into a bundle of economic and health goals while also offering a successful event capable of expanding use of the waterfront and downtown area. Key to this is a suitable downtown space opening up.

The goal of this business plan and the activities surrounding this market are centered on

- Establishing a time, venue, and organization for local vendors to sell locally grown and produced goods,
- Supporting the development of local food production from household gardens, small community gardens, or small extended season structures (greenhouses, hoop houses, or

tunnel houses) by creating a dependable demand for locally produced fruits and vegetables,

- Creating a community space for education on health and nutrition between local residents, and
- Building a sense of importance around buying and producing locally as a way to support the Wrangell economy.

IV. Description of Community Market in Wrangell

A. Community Market Description

The Wrangell Community Market is a volunteer-organized market promoting the sale of locally produced goods and services, providing a place for area groups to advertise local causes and activities, and offering education and entertainment for the community. A key element of the market is providing a space for vendors to sell fresh produce and other healthy foods with the goal of raising interest in the retail opportunities for community crafts and garden and greenhouse food products. The funding received by the Wrangell Medical Center and administered by the City and Borough of Wrangell for the strategic and business plan development of the market has provided the impetus, direction, and long-term planning necessary for the market to determine how to become sustainable and valuable to the community.

The volunteer-run Core Planning Group has taken on management of the Wrangell Community Market. The primary responsibility for organizing, marketing, and managing the market previously rested with professional staff from the City and Borough of Wrangell. With the start of market operation, the volunteer group has begun taking over the management responsibilities that were initially carried out by city and borough staff and Wrangell Medical Center staff. The Core Planning Group collects vendor fees, organizes and documents planning meetings, and is responsible for setting short, mid, and long-term goals for the market.

The business model of the community market is likely to be an independent non-profit organization closely aligned with other community entities with similar interests in local business, local agriculture, and local crafts. At present, the market is managed by an informally organized group and the intention is to keep the planning organization small until such time as the organization is formalized and permanent volunteer management is brought on to maintain materials, finances, and develop and expand connections with groups in Wrangell and nearby communities.

The Wrangell Community Market is currently held once a month at an outdoor covered basketball court. A rotating group of vendors sell locally grown and produced food, crafts, and music. Organizations, such as the US Forest Service (USFS), also set up tables and offer educational and outreach materials. The Community Market provides the venue and attracts customers while individual vendors bring the equipment and goods for sale. In keeping with the local focus of the market, the timing and location of the market is designed to connect with and attract local residents, rather than being set-up as a destination solely for visitors to the area.

To ensure sustained development, the Core Planning Group and city and borough staff working on the market decided to initially narrow the scope of the market and focus on providing regular and reliable market operation. The immediate goal is to give vendors the confidence to invest in the production of food or crafts for sale during the 2013 market season. The addition of a community education element will happen once the regular operation of the Community Market is established and connections are made with community organizations already working to increase awareness about fresh fruit and vegetable consumption, including the Healthy Wrangell Initiative, Community Garden, and the Southeast Alaska Regional Health Consortium (SEARHC) Traditional Food Program.

B. Facilities and Equipment Description

The Wrangell Community Market does not have, nor does it anticipate acquiring, a permanent structure for the market. The current market location is at the City of Wrangell Parks and Recreation Department's covered basketball court across from Evergreen Elementary School. The location is outdoors, fitting with the input from the majority of residents interested in a community market. The covered space is used infrequently for other activities; market organizers were easily able to coordinate the use of the area once a month between May and September. The arrangement with the Parks and Recreation Department allows the market to use the space for the 2012 season without paying a fee. The market does not have a dedicated space or office for market management. There are no plans to change this situation.

The location is close to residential and recreation areas and the space itself is paved, adjacent to a ballpark and park, and flush with a large gravel parking lot, ensuring the space is accessible. The open sided cover allows the market to operate in rain or shine without investing in tents. Vendors also have the option to sell their goods out of their vehicles – tailgate service. The location is convenient for this due to the proximity of the parking lot. The location's limiting factors include few utility hook-ups (one outlet for electricity and none for water) and nearby yet offsite restroom facilities that are locked for the last month of the market season. The limited utility hook-ups make it difficult to set up food booths, which must be entirely self-contained and separate from other vendors. Setting up hand washing stations is also difficult. Though close to a residential area, the location is not on a business thoroughfare and the Core Planning Group maintains the option of re-locating to a site downtown for future market seasons. The final market of the 2012 market season and the first market of the 2013 season will be held at the Nolan Convention Center. The site is indoors, providing shelter from inclement weather as well as proximity to the visitor center.

The Wrangell Community Market was expected to offer a small market venue with fewer than 30 vendors. The first two markets held in May and June 2012 hosted 14 vendors and 11 vendors respectively. The third and fourth markets saw an increase to 17 in July 2012 and 20 in August 2012. The site of the market is sufficient for this number of vendors. A new arrangement and potentially new location will be determined prior to the start of the 2013 market season.

Planning members and vendors have expressed interest in encouraging public performance of music and other events as a way to showcase local talent and add to the festive atmosphere of the market. The current location is not ideal for this due to the lack of electrical hook-ups and absence of other structures.

The Community Market does not provide equipment or furniture. Vendors are responsible for tables, chairs, signs, refrigeration (if needed), and payment processing (cash, check, or electronic).

C. Operations

Dates and Hours

The Wrangell Community Market opened for business on May 19, 2012. The market is open the third Saturday of the month from May to September. The hours of operation were reduced from 10 am - 2pm to 10am - noon due to the drop in pedestrian traffic experienced during the last two hours of the first Community Market. The days and hours of operation are geared to residents of Wrangell.

Table 2: 2012 Dates and Hours of Operation

May 19, 2012	10 am to 2 pm
June 16, 2012	10 am to 12 pm
July 21, 2012	10 am to 12 pm
August 18, 2012	10 am to 12 pm
September 15, 2012	10 am to 12 pm

Vendor Registration and Logistics

The Wrangell Community Market has a packet for vendors, which includes vendor registration sheets, market rules and responsibilities, resale regulations, and contact information for staff at the Alaska Department of Environmental Conservation.

Vendors may register up to the day of the market, and the payment for registration (see Appendix A) may be paid no later than 10am on the day of the market.

Set-up for the market is from 9am to 10am and takedown is noon to 1pm. Vendors are expected to arrive no later than 9:30am on the day of the market and are also requested not to begin sales until the official opening of the market at 10am. Vendors are responsible for set-up and takedown.

Vendors may request to share a table at the time of registration. Shared vendor tables are managed on a voluntary basis by one of the vendors. When sharing the table, the vendor is still responsible for labeling each item with the price and the vendor's name, setting-up, clearing off the table, and settling the payments with the table manager at the designated time.

The Wrangell Community Market charges flat fees for participation in the market on a daily basis or seasonal basis. A discount is offered to vendors who sign up for the entire season. Fees are paid to the volunteer vendor coordinator and are used to pay for advertising in Wrangell. Money received from the fees is kept in a cash box. This will continue until the Core Planning Group establishes itself as a legal entity with a bank account.

Table 3: Market Fee Schedule

Single Market Day	$5

Season (5 Market Days)	$20
Day Managing Shared Table	Free

Activities at the Market

Vendors from Southeast Alaska may sell locally produced goods and services. Raw food products such as fruits, vegetables, wild harvested berries, eggs, and seafood must be obtained from within the State of Alaska. Products manufactured in Alaska using raw material from outside of the state, such as baked goods made from purchased flour, t-shirts imprinted with a resident's original art, and knitted items made from yarn ordered online, may be sold at the market. There are exceptions to this rule including the sale of items hand made outside of the state by a vendor's friend or family member. Community Market vendors may sell local services as well, such as bike repair or professional massage.

Local groups may set up a table to draw new membership or advertise an event. Also, individuals or groups are encouraged to provide education, services, or entertainment in conjunction with the market, including art, dance classes, horseback riding lessons, a tour of native plants on nearby trails, and live music.

Staffing

Volunteers manage all market activities: vendor registration, fee collection, table set-up and take down, posting market signs, and vendor coordination during the market. Volunteers also post fliers and are taking on an expanded advertising role.

D. REGULATORY CONSIDERATIONS

Food Safety Regulations

Food safety at small farmers' and community markets is regulated by the Alaska Department of Environmental Conservation (DEC). Whole and/or raw products are exempt from state food permits including:

- **Raw produce.** Produce must be in its "natural state" and may be rinsed with roots or stems removed, but may not be chopped or peeled.
- **Raw honey**.
- **Whole eggs**. Must be sold directly from producer to consumer.

According to DEC standards (18 AAC 31.012) revised in June 2012, individuals wishing to sell non-potentially hazardous food are exempt from permit requirements if

- Gross sales are less than $25,000 in a calendar year.
- Products are sold directly to the consumer.
- Processing, preparation, packaging, and sale take place only in Alaska.
- Signs or labels are clearly placed on products, stating they are not subject to state inspection.

Prepared foods that may be sold at a farmers' market without permit include:

- **Syrups, jams, and jellies**.
- **Kettle popcorn**.
- **Pickles.**
- **Bread, tortillas, fry bread.**
- **Dry herbs, teas, and herb vinegar**.
- **Nuts**. Shelled nuts may be glazed or roasted on-site and sold directly to the public without a permit. They may not be processed in bulk and brought to the market.
- **Baked goods**. Muffins, pastries, waffle cones, and the like without cream or other filling that require refrigeration.
- **Trail mix and granola.**

The Wrangell Community Market does not hold a permit variance; all liability for prepared foods rests with the vendor. The Wrangell Community Market places the responsibility on vendors for obtaining any required permits and complying with all local, state, and federal regulations associated with their sales. The vendor packet (Appendix A) includes a description of some of the more common permit requirements. This information is important for those selling edible products. For those selling food items that do not require a permit, such as baked goods, guidelines for appropriate handling of these goods are included in the vendor packet. The sale of home-canned, low acid vegetables and all meat, poultry, and seafood are not included in this exemption. Vendors would have to contact the DEC to identify if any of the above are permitted for sale at a farmers' market and then secure the appropriate permit.

Insurance and Liability Factors

The Wrangell Community Market is currently, and expected in the future, to take place on property owned by the City and Borough of Wrangell, meaning the market is covered by Wrangell's existing liability policy. The market is not a formal organization and no steps have yet been taken to carry additional liability insurance. The Core Planning Group will need to re-visit insurance requirements at the start of each market season.

An additional consideration is product liability insurance, which protects the policyholder from liability resulting from harm caused by a product sold to a consumer. A producer always faces the risk that edible products could result in someone getting sick, who could then hold the vendor or the market liable. Though the Wrangell Community Market does not require vendors to show proof of product liability insurance if they plan to sell edible items, all product liability will rest with the individual vendors. Since the market is loosely organized and not a legal entity, steps have not yet been taken for the market to acquire product liability insurance. Organizers recognize this will need to be addressed as the market expands and takes steps to formalize its structure.

E. Future Development Plans

The focus of the Wrangell Community Market is currently on securing its place as a regular and well-attended event that local producers can count on to sell their goods to residents in Wrangell. The market's long-term plan is to serve Southeast Alaskans, but in the short-term the focus is on meeting Wrangell's needs. To meet this long-term goal, the market will need to expand its footprint

in Wrangell and strengthen connections with businesses and organizations in the area. Future development plans from an operational side include:

- Purchase of tents, tables, and a generator to be rented to vendors as part of the registration fee.
- Re-locate market downtown to increase the pedestrian traffic and connect with visitors from outside the region or with residents from nearby communities. Sites considered downtown in an earlier stage of market development were on Lynch Street between the Front Street of downtown and the waterfront, a city-owned vacant corner lot being converted into a parking lot near the Nolan Center, indoors at the Nolan Center, and the vendor shelters located adjacent to the turn-around by City Dock. Re-locating the market offers a chance to tie in with another area of the city's economic development plan and take on a more visible role in Wrangell's downtown development.
- Increase market days from once a month to two times a month.

To make the operational changes feasible and beneficial, the market will need to

- Increase the amount of vegetables, especially leafy greens, available early in the season. The market will not be directly overseeing a greenhouse, as was proposed in the initial grant request; however, market vendors are investigating other options such as grants for hoop house food production or intensive household gardening.
- Develop ties to other community food initiatives such as the Community Garden and the SEARHC Traditional Foods Program.
- Expand the reach of the market by heavily advertising in the surrounding communities of Petersburg, Ketchikan, Coffman Cove and other communities on Prince of Wales Island. Targeted advertising to bring vendors and consumers will begin once the Rainforest Islands Ferry expands service in Spring 2013. This will connect the communities with regular ferry service and enable coordination between the farmers' markets in Petersburg and festivals in the other communities.
- Work closely with the Wrangell Convention and Visitor Bureau, Chamber of Commerce, and visitor service organizations to promote the market to visitors.

F. Critical Development Factors

The Wrangell Community Market will need to tie its activities into the City and Borough of Wrangell's Comprehensive Plan. The plan identifies the promotion of local business and food production as a key part of building the economy, pointing to a critical obstacle and opportunity in this area. Consumption of local goods, particularly of local food, is low because the majority of food and other consumer goods in Wrangell are not produced in the community. Though not able to drastically shift this reality, the Community Market will be able to support the development of local production and will benefit from such production.

G. Project Impact

The mid and long term goals of the market are not simply to serve as a venue for local sales, but as an engine for local production, especially in the agricultural sector. Linking with the city and borough's ongoing "Buy Local" Campaign has the potential to have a multiplier effect for materials purchased in Wrangell to produce local products. A potentially greater impact, though less direct, is found in the initial health goals of the project. As the market develops and connections are made with local

organizations working on traditional food consumption and community gardening, the project will serve as a venue for raising community awareness and changing the decisions residents make about where to buy food and what type of food to buy.

V. Community Craft and Agriculture Market Overview

A. State and National Level

Recent years have witnessed a growth in initiatives to boost the share of locally grown foods in the average American diet. Support for local and regional foods come from a variety of sources including:

- Economic development efforts that encourage buying local and support local entrepreneurship.
- Health initiatives that connect local food with better health outcomes.
- Community building efforts aiming to increase residents' interaction around local markets.[6]

Farmers' markets are integral to the rising awareness about local produce. Nationwide, the number of farmers' markets tripled between 1994 and 2009.[7] Over roughly the same period (1992 to 2007), the number of farmers participating in direct to consumer sales increased by 58% and the constant dollar value of sales increased 77% to $1.2 billion.[8]

In Alaska, most agricultural production takes place in the Matanuska-Susitna Valley near Palmer with the Tanana River Valley, Kenai Peninsula, and other regions also supporting small-scale farming. Although the state's cold climate and short growing season present serious obstacles to farming, producers have managed to grow vegetables profitably for years.[9] Potatoes, carrots, lettuce, cabbage, and other leafy vegetables grow especially well in the sub-Arctic conditions, and farmers grow specially bred varieties of barley in the Interior. By one rough estimate, 5 percent of Alaska's food consumption is produced locally, but the exact figure has not been verified.[10]

Although agricultural output in Alaska is small compared to most other states, interest in locally grown produce remains strong. As of 2012, forty-five farmers' markets have registered with the Alaska Farmers Market Association, including markets in Wrangell's neighboring communities: Petersburg, Juneau, Sitka, and Prince of Wales Island (see Table 4). The farmers' markets in this list encompass a varied group of seasonal (May to September) and occasional markets (in association with a single festival) all of which offer a range of local products. Most farmers' markets in Alaska are unable to offer even moderate quantities of fresh produce in May, but they are able to offer other locally produced items including eggs, baked goods, jams and jelly, crafts, music, and other items. This is more pressing when markets define local as regional, not simply as Alaskan grown.

[6] (Jensen, 2010)
[7] (King, et al., 2010)
[8] (Low & Vogel, 2011)
[9] (Cooperative Extension Service, 2009)
[10] (Richardson, 2010)

Indeed, selling Alaska Grown[11] produce from the Mat-Su Valley is not particularly "local" by the time it reaches Southeast Alaska. The combined ferry/highway distance between Palmer and Wrangell is roughly 1000 miles (although shorter by air or marine-only routes). This distance is actually greater than the 850-mile trip via ferry to Seattle, Washington.

The presence of farmers' markets in other Southeastern communities helps confirm the viability of community markets or farmers' markets in isolated regions. Of the markets closest to Wrangell, only the markets in Petersburg, Juneau, and Sitka post a regular seasonal presence in June, July, August, and September. The market on Prince of Wales Island rotates locations monthly between island communities. The experience in Sitka is instructive. In operation since 2008, the Sitka Farmers' Market is part of a Sitka Local Food Network promoting local food production. Sitka community gardens supply some of the produce for the farmers' market.[12] The expanded interest in local small-scale food production in Southeast Alaska along with the success of farmers' markets in nearby, albeit larger communities are signs of the viability of additional markets in the area.

Table 4: Alaska Farmers' Markets – 2012

Community	# of Markets	Population (2011)
Anchor Point	1	2,002
Anchorage	11	296,197
Bethel	1	6,228
Coffman Cove	1	170
Copper Valley (Glennallen	1	485
Craig	1	1,240
Delta Junction	1	991
Dillingham	1	2,376
Ester	1	2,533
Fairbanks	2	30, 547
Haines	1	1,806
Hollis	1	106
Homer	2	5,051
Houston	1	1,945
Hydaburg	1	406
Juneau	1	32,290
Kasaan	1	66
Kasilof	1	468
Kenai	1	7,110
Ketchikan	1	8,142
Klawock	1	813

[11] The "Alaska Grown" label is a marketing program from the Alaska Department of Natural Resources, Agriculture Division. Upon meeting criteria on the source and growing location, growers in Alaska are able to use the logo and marketing support from the Division of Agriculture.

[12] (Sitka Local Foods Network, 2012)

Kodiak	1	6,312
North Pole	2	2,115
Palmer	1	6,087
Petersburg	1	3,030
Sitka	1	8,985
Soldotna	1	4,284
Thorne Bay	1	496
Valdez	1	3,992
Wasilla	1	8,064
Willow	1	2,156
Wrangell	1	2,411

Source: Alaska Farmers Market Association & Dept. of Labor and Workforce Development, Research and Analysis Section

B. Market Dimensions

The Wrangell Community Market will initially target the retail market in the City and Borough of Wrangell. No other seasonal markets featuring local produce, baked goods, eggs, and crafts currently operate in Wrangell. Though isolated, the City and Borough of Wrangell with a population of 2,411 has residents who are interested in a local market and who have the economic resources to participate. Initial efforts are focused on building relationship with residents, but the Community Market has the opportunity to expand the market area to visitors arriving on large cruise ships and via small tour operations or independent travel. The data for the immediate market area and for surrounding communities show significant points about the economic resources of the area.

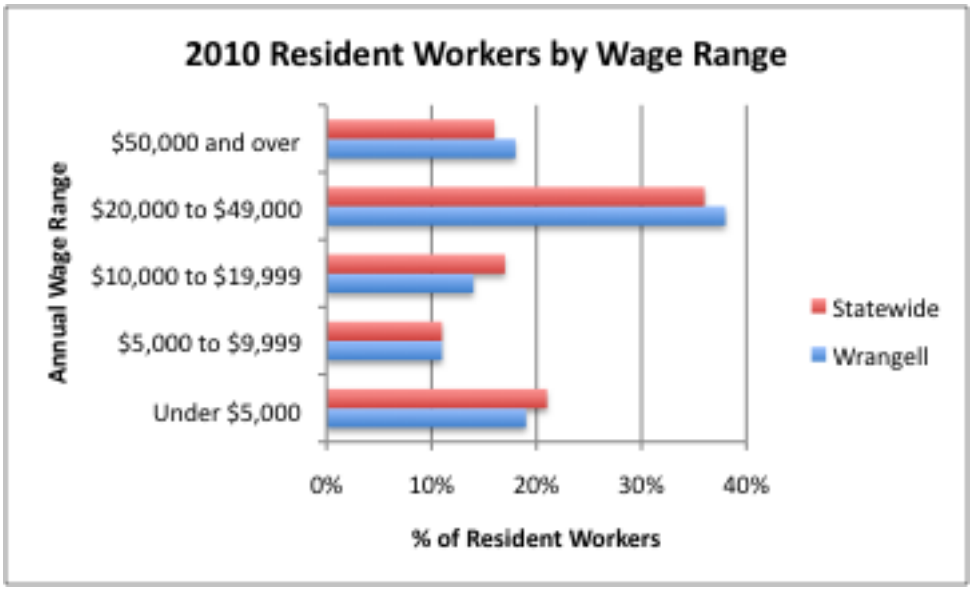
The median family income in Wrangell is significantly lower than in the nearby communities of Petersburg and Ketchikan. This points to the importance of expanding marketing to these areas that have larger populations with, likely, larger disposable incomes. Meanwhile, Wrangell does not suffer from high levels of poverty and the wage distribution of individual residents in Wrangell is comparable to statewide figures, even showing slightly higher percentages of workers with wages in the two highest wage ranges ($20,000 to $49,999 and above $50,000).

Table 5: Market Area 2010 Census Data

Area	Population	Households	Median Family Income	% in Poverty
Wrangell - City and Borough	2,338	996	$ 53,688	8.3%
Surrounding Area				
Ketchikan - City	8,050	3,259	$ 73,168	10.8%
Petersburg - City	2,934	1,205	$ 77,382	8.9%
Prince of Wales – Hyda - Census Area	5,559	2,194	$ 51,000	14%
Sitka - City and Borough	8,894	3,729	$ 70,875	7%

Source: Dept. of Labor and Workforce Development, Research and Analysis Section and Census Data, 2010

Figure 1: Wage Comparison



Source: Alaska Department of Labor and Workforce Development, Research and Analysis Section

The City and Borough of Wrangell has a small population, but supports a number of craft fairs and alternative/organic food options. Wrangell hosts three regularly scheduled craft fairs connected to citywide festivals: the Birding Festival in April, the weeklong Bearfest in July, and the Festival of Lights on First Friday in December. There are occasional art and craft sales put on by the Nolan Convention Center for local vendors setting up their wares for visitors arriving on large cruise ships, tourist bazaars, and on the city's two sales tax free days. A local church also sponsors an annual early November Christmas Bazaar with a strong vendor turnout.

The Community Garden hosted two successful Harvest Festivals in 2009 and 2010 with local produce from the Community Garden and gardeners for sale. The Harvest Festival was not held in 2011, but organizers plan to combine the festival with the Community Market to connect with new consumers and vendors and highlight the market's ties with the Community Garden. This is the extent of local food markets in Wrangell, but there is a demand for organic produce in the area. For ten years, a Wrangell resident has been ordering organic foods from a supplier in Oregon. Over the years, the resident started ordering and re-selling organic produce, bulk items, and local eggs to Wrangellites. This has turned into Tuesday's Organics (aka the Veggie Van), a van set-up downtown

once a week. The van sells out every Tuesday. The success of Tuesday's Organics and the area's well-attended festivals all point to the interest in fresh, healthy, local food and crafts.

Wrangell residents were informally surveyed in 2011 to ascertain community interest in a local produce market. The consumer survey, which was administered through Survey Monkey, yielded responses from 67 residents. Announcements, email lists, chamber newsletter and website, city website, and flier postings encouraged residents to fill out the survey. The top items respondents indicated they would buy at a market include organic produce and eggs. The responses also show most residents are willing to pay more for local produce as long as the quality is high.

For a community market, the interest of vendors is also an important consideration. There are a number of local craft makers and artists that already participate in city festivals and in the ad hoc markets and bazaars set up for large cruise ships. The majority of growers are household gardeners producing more than they or their families are able to eat. This is the same for those wishing to sell eggs or poultry meat. Local fisherman have not yet started vending at the Community Market, but there are commercial fishers and even oyster farmers in the area that have expressed interest in setting up tables at the market to take orders for fish, shrimp, and oysters.

An informal vendor survey was conducted at the same time as the consumer survey. The fourteen potential vendors showed interest in the community market but of those interested, ten do not currently sell their goods and only one respondent had previously sold products at a farmers' market. The expectation on the part of market organizers is for the Community Market to serve as a catalyst for entry into local production and retail.

C. Other Food / Craft Providers

The Wrangell Community Market provides a market for local products that is not otherwise available in the area. Besides the occasional craft and food festivals, no stores or retail locations specialize in selling local products. Wrangell has two grocery stores, City Market and Bobs' IGA. Producers of local vegetables, fruits, eggs, and meat products simply do not produce the quantity of food items that large stores require. As a result, these two locations do not sell local products. Both are part of international retail grocery chains, The Kroger Co. and Independent Grocers Alliance, which have the potential to offer Alaska Grown produce that is typically drawn from larger Alaskan producers and wholesalers. The stores have also expressed concern about liability issues so will, in all likelihood, continue to refrain from purchasing vegetables or fruit from local producers. The one regular venue selling local eggs, Tuesday's Organics, sells out because the small shop is unable to meet demand for local eggs. Locally produced crafts are sold at the Museum Gift store in the Nolan Center, which sells to Wrangell residents but is situated in a place to target the visitor market. This location and an art gallery, which sells the owner's artwork, are the only two locations for selling local art or craft products. The Community Market is not perceived as competition by either the Museum gift store or Tuesday's Organics.

D. The Role of a Community Market

The Wrangell Community Market's role is not primarily retail; rather, it is about building social and community interest around local products. In so doing, the Community Market will create the demand and the supply for such goods. In establishing a regular venue, the Wrangell Community

Market is able to address issues of importance to the community including buying local, consuming high quality fruits and vegetables, and developing local entrepreneurial spirit.

VI. STRENGTHS, WEAKNESSES, OPPORTUNITIES AND THREATS

Based upon the situational analysis presented above the following internal strengths and weaknesses and external opportunities and threats have been identified. Strengths and weaknesses are internal to the organization. This discussion attempts to identify ways to capitalize on strengths and minimize weaknesses. Opportunities and threats are external to the organization. Identifying them is the first step to taking advantage of the opportunities while countering the threats.

A. STRENGTHS

The Wrangell Community Market has community support and a strong, committed core of volunteers. The market draws on volunteers with a variety of interests and backgrounds, who are able to commit different amounts of time to the project. The City and Borough of Wrangell supported the market with staff time, access to funding opportunities, and the donation of a covered site for the first year of market operation. The concept, development, and operation of the market have been a local project and all involved with the market know the local players from whom resources and support for changes or expansion of the market may be gathered.

B. WEAKNESSES

The Wrangell Community Market is starting small with plans for incremental expansion of the vendor and consumer base as well as operation and management. The main weakness of the market arises from the size of the operation that, due to its small size, will not bring in enough revenue to cover a paid staff member. Though committed, the risk of volunteer burnout and re-location will continue to affect the market's ability to raise its profile and instill confidence of sustainability.

The Wrangell Community Market does not have a permanent home for vendors to set up on the market day or for market planning and administration. Without reliable sources of funding, the market will be unable to develop a more permanent footprint in terms of venue, staff, and office space.

C. OPPORTUNITIES

The Wrangell Community Market has the opportunity to offer both vegetable and seafood products. Developing relationships with local commercial fishers will enable the market to diversify the available products, expand the vendor base, and tap into a much greater consumer market. This approach in combination with a concerted marketing campaign to bring in city and borough residents, residents from nearby communities, and visitors offers a significant opportunity for expansion. With targeted outreach, cruise ship and other tourist traffic could be included in the consumer base and offer a significant opportunity for expansion. With the close of the Community Market's successful first year, there is an opportunity to encourage all potential vendors to plan and invest over the winter and spring in food and craft production with the aim of selling goods during the market's second year.

D. THREATS

The primary threat for market success is Wrangell's cool weather that will always restrict food production and limit variety in the market. The Community Market is also subject to isolation and the small population size of Wrangell. At present, the market has a small number of vendors, consumers, and food producers. Little food production in the area combined with the weather

conditions contribute to the limited amount of vegetables available for sale in the early summer season. This presents an on-going challenge to develop a creative marketing strategy to seek out new vendors, ensure product variety, and attract consumers.

E. Overall Position

The Wrangell Community Market is in a good position to expand the vendor and consumer base. With strong efforts to attract new vendors and bring in new consumers, the market will be able to increase frequency and hours of operation as well as strengthen the organizational structure and belongings (market equipment) of the market. Even with a strong consumer base and varied vendors, the market will not be in a position to expand financial commitments for paid staff or administrative operations. Unless partnerships are made with larger and well-funded local or regional organizations, the market will continue to carefully moderate market expansion with the time commitment and energy of volunteers. The market will be able to continue with or without a strong partnership, but it will be a more limited operation without such a partnership.

VII. Marketing Strategies and Considerations

A. Marketing Strategies

The Wrangell Community Market has focused initial marketing efforts within the City and Borough of Wrangell. The advertising activities reflect the mix between individual and word of mouth notices and more formal marketing campaigns and advertisements from the city and borough. The advertising strategies implemented to-date include:

Wrangell.Com: Created a webpage for the Community Market on the City and Borough of Wrangell's website. Pictures, a feature article, and contact information for the market are posted on the webpage and a notice with the time, date, and place of the market is posted on the site's community calendar. The website and webpage are updated frequently to encourage use.

The use of the Wrangell.Com website has been lower than expected. A separate site - Buy, Sell, Trade Wrangell - is frequently used by residents. Promoting the Community Market on this website by individual vendors has been proposed as a promising advertising strategy.

A limitation of using the Wrangell.com site is the difficulty in locating information on the Community Market. Creating a separate website and Facebook page managed by Core Planning Group members or market vendors will raise awareness about the Community Market. The Wrangell Community Market has invested time into creating a separate Facebook page and may consider its own webpage in the future.

KSTK: The local public radio station airs a community calendar that is relied on by community members. Since the Wrangell Community Market must pay a fee to underwrite on the station, market organizers are investigating alternative means. Market organizers have encouraged vendors to:

- Place free advertisements for education or other non-profit activities at the market, such as the USFS children's table. The ads will include all basic information on the market and will highlight events-of-interest at the market.
- Individually advertise, without fee, on the station's Monday and Friday swap and sell segment.

The Wrangell Community Market may, pending fee structure and agreements with the radio station, place three radio spots per market during the upcoming market season.

Wrangell Sentinel: Placed large ads and classifieds in the newspaper to announce the first and second market days.

The Wrangell Community Market will continue to place ads and classifieds in the newspaper for upcoming market seasons.

Community Bulletin Boards: Placed fliers on bulletin boards at grocery stores and gas stations as well as posting an announcement board on the highway directing traffic to the market the day of.

Email List: Sent emails to lists managed by borough staff for residents interested in gardening, or other staff email lists (committee members, visitor service providers) to notify of the market's date, hours of operation, and location. Lists managed by organizations will be cultivated, such as lists of the Wrangell Medical Center, the Wrangell Community Garden, the Healthy Wrangell Coalition, and Alaska Island Community Services.

Outreach Campaigns: Used creative outreach activities to raise awareness and interest in the market. The first initiative was a contest to select the Community Market's logo. The winning logo (at right) was selected in August 2012 and will appear on all market advertisements. Other outreach activities are carried out by volunteers participating in community events, such as a bike ride through Petersburg, where volunteers carry fliers or wear information about the market.

Future marketing strategy will focus on expanding the target market through two avenues: reaching out to nearby communities and connecting with groups working on similar issues such as SEARHC Traditional Foods Program, Healthy Wrangell, and the Community Garden. Initially, the Core Planning Group will explore ways to expand information notices through Wrangell.com, creating an email/newsletter list from the website, and tapping into existing organizational contacts. Second, outreach will be in the form of advertising in the nearby communities for consumers and the exchange of vendors at yearly festivals and seasonal farmers' markets. The aim is to build relationships with interested residents through word of mouth and interactions that builds strong ties. Finally, the goal will be to strengthen and even formalize connections and relationships with similar groups in the area and use the Community Market as a venue for the educational goals of these groups as well as a place to sell local products.

An additional consideration is to strengthen marketing aimed at visitors and cruise operations in the area. Further consideration on the part of the Core Planning Group will be needed. Building the relationship with the Wrangell Convention and Visitor Bureau and local visitor service providers to make sure their clients are aware of market days is one strategy to increase visitor participation. Food producers may also explore opportunities to sell fresh produce directly to yachts and small cruise ships that stop in Wrangell.

B. Pricing and Fees

Pricing at the market is the responsibility of vendors. Market volunteers do not exercise control over this, though best practices as found in the UA Center for Economic Development Farmers' Market: Best Practices Guide & Toolkit are encouraged. This includes bringing high quality products for sale at the market, avoiding "loss leader" tactics of offering a low price on a popular product with a small profit margin to bring in sales of other items with high profit margins, and not under pricing (below actual cost) products or giving products away for free to compete with other vendors.

VIII. MANAGEMENT AND DEVELOPMENT PARTNERS

A. KEY PEOPLE AND EXPERIENCE

Since the Wrangell Community Market is small, volunteer staff will need to carry out the market's planning and organization roles. Formalizing the market's Core Planning Group of volunteers will be critical to the success of the market. Market volunteers will move to establish a governing board and formalize the market procedures and process already taking place. It is recognized that this will be necessary in order to smoothly transition to volunteer oversight and start long-term planning for the market.

Along with the formalization of the board, a clear decision must be made on identifying a market manager. Initially and potentially for the life of the market, the market manager will be a volunteer position filled by an enthusiastic and committed individual. The reason to identify and bring on a market manager at this stage is to accomplish the following tasks that are crucial for the growth of the market:

- Creating and managing a budget and identifying resources or sponsorship opportunities to meet budget needs.
- Defining the management structure of the market, facilitating meetings on rules, and implementing governing board decisions.
- Commissioning publicity materials, such as leaflets and banners. Agreeing to designs and specifications, arranging printing, etc.
- Following up with the local media.
- Networking and liaising with local community organizations.
- Identifying vendor interest and availability.
- Identifying alternative sites and, once decided, securing a site.
- Coordinating vendors and managing the market the day of the event.
- Developing and implementing creative activities to enhance the festive atmosphere of the market, such as music or other entertainment.

B. MANAGEMENT AND ORGANIZATIONAL STRUCTURE

The Core Planning Group for the Wrangell Community Market will also consider the size/time threshold beyond which the market should be established as a legal entity. Deciding on the organizational structure of the market and the identification of a market manager, even if a volunteer, are necessary corollary actions to the formalization of the planning/governing board. The options in front of the market for organization structures are

- **Informal Agreement.** Common in small communities, this is where a group of producers join together to sell their wares in a market setting. An arrangement of this type limits the market's ability to hire and pay staff and transparently handle large amounts of money.
- **Independent Non-profit.** The planning group members organize the community market as a 501c (3). This option will give the market the ability to function as an independent entity and manage its own staff, rulemaking, and finances. Markets in Delta Junction, Homer, Haines, Tanana Valley, Sitka, and other locations are organized in this manner.

- **Subunit of local government or non-profit**. Organizations, such as the local government or chamber of commerce, operate the market and provide access to the resources and organizational capacity of a larger entity. Examples of this type of operation include the Fairbanks Downtown Market (run by the Fairbanks Downtown Association) and the Palmer Friday Fling (a joint venture between the City of Palmer and the Palmer Chamber of Commerce).
- **Cooperative.** The market is an enterprise owned by its members, which in this case will be the growers and other participating vendors. Profits would be shared by membership or invested back into the cooperative and all governance is democratic.

The suggested organizational structure is either the independent non-profit or a subunit of a local organization. The market is already moving in the direction of the independent nonprofit with an independent planning group, rules and regulations, and fees paid directly to the planning group. The governing/ planning board in coordination with the market manager will address the management responsibilities. As part of setting up a formal organization, bylaws laying out the organization's decision making process and operational structure will be drafted as will the articles of incorporation to establish the name, purpose, directors, agent, and incorporators.

Though this is an essential step for establishing the market and staying on the path to achieve the market's goals, such a move will require additional work on the part of the Core Planning Group and a threshold should be agreed upon by the planning group as to when action must be taken to formalize the organization as an independent non-profit or other organizational form.

C. Community Partners

The market's planning group will consider partners for the Community Market as it considers formalizing the organization, expanding the market's reach, and using additional volunteer staff. Strong community partners will serve as essential resources in the operation and expansion of the market as well as in publicizing the market to producers and consumers in the community. Potential partners already working in related areas that should be contacted are:

Wrangell Chamber of Commerce: The organization's mission is to support business, civic, and cultural interests by providing professional assistance. As the market formalizes, the identification of low cost professional services and marketing will be critical and every effort should be made to connect with organizations offering this support in and around Wrangell.

Wrangell Cooperative Association (WCA): The federally recognized tribe in the Stikine River Region with a mission to support the cultural, ceremonial, and subsistence lifestyle for all Alaskans and to promote the safe use and availability of a healthy environment for present and future generations. WCA is currently overseeing the renovation of the Chief Shakes Island and is promoting t-shirts and other products to raise awareness and interest in this local site. This need, along with the health services provided by the WCA, point to a potential relationship either as a vendor or planning member with the market.

SEARHC: The SouthEast Alaska Regional Health Consortium based out of Sitka with offices across the southeast region including in Wrangell operates a traditional foods program, aiming to make Alaska's Native and customary foods a regular part of everyone's diet through community based activities. SEARHC has played a major role with Wrangell's Community Garden. Wrangell's Community Market will continue to develop a relationship with SEARHC as a way to increase the vendors and diversify the wares offered. In addition to new retail items, the educational possibilities at the market will be worth exploring for both the Community Market and SEARHC.

Healthy Wrangell Coalition: The coalition was created to promote healthy food consumption and exercise. Strengthening the relationship with the coalition may be a way to enhance the community education element of the Community Market.

Current Partners include:

Wrangell Medical Center and City and Borough of Wrangell: Wrangell Medical Center developed and obtained funding for the Wrangell Community Market through the USDA's Farmers Market Promotion Program (FMPP) grant. The City and Borough of Wrangell took on project grant management. With the management of the grant wrapping up and required deliverables submitted to the FMPP, the City and Borough of Wrangell is reducing its role while volunteers manage and operate the market with support from Wrangell's Departments of Economic Development and Parks and Recreation.

Wrangell Sentinel and KSTK Stikine River Radio: Both media outlets in Wrangell have covered the Community Market's opening and have been key in advertising market events.

Wrangell Community Garden: The Wrangell Community Garden and Community Market share many of the same people organizing, planning, and directing operations. There is current discussion on dedicating plots in the garden's planned greenhouse for growing produce for sale in the Community Market. By using greenhouse space, produce will be ready for sale earlier in the market season.

Wrangell Public School District: The school district offered multiple spaces for the market and the Community Market may continue working with the school district for market events.

Wrangell Convention and Visitor Bureau (CVB): CVB spreads information about the Community Market via fliers posted at the visitor center, notices on the website, and emails to contacts at local accommodations, tour outfitters, and other individuals bringing tourists to the area requesting that they inform their guests about the event.

IX. Financial Summary

This financial analysis looks at the simple operating budget from the Community Market's first year (2012) of operation. The three-year projections show the costs and revenues that will come with market expansion in terms of vendors, days of operation, and equipment purchases.

A. Funding Requirements

For limited expansion of the Wrangell Community Market, additional funds in the amount of $5,000 in year 2 and $1,000 in year 3 are needed.

B. Revenue Assumptions

This analysis assumes the Wrangell Community Market's revenue will come from vendor fees. The revenue assumption used for the second year of the three-year projections is that vendor fees will remain at $5 per vendor per market and the analysis expects the market to host an average of 20 vendors per market day with 5 market days per year (a total of 100 participating vendors). In the third year, the analysis assumes there will be 10 market days in the season with an average of 15 vendors per market day (a total of 150 participating vendors). No other source of revenue is available in the current business model.

Additional revenues could be generated from table or tent rentals if equipment is ultimately purchased to support the market. The revenue scenarios below show the annual revenue amounts depending on the number of vendors paying registration fees, the number of markets held per season, and the registration fee charged.

REVENUE ASSUMPTIONS

	$5 Fee			$10 Fee			$15 Fee	
	Markets Per Season			Markets Per Season			Markets Per Season	
Vendors	5	10	Vendors	5	10	Vendors	5	10
10	$250	$500	10	$500	$1,000	10	$750	$1,500
15	$375	$750	15	$750	$1,500	15	$1,125	**$2,250**
20	$500	$1,000	20	$1,000	**$2,000**	20	$1,500	**$3,000**
25	$625	$1,250	25	$1,250	**$2,500**	25	**$1,875**	**$3,750**
30	$750	$1,500	30	$1,500	**$3,000**	30	**$2,250**	**$4,500**
35	$875	$1,750	35	$1,750	**$3,500**	35	**$2,625**	**$5,250**

The current schedule of vendor fees will only partially cover the cost of equipment, storage, and advertising. The Wrangell Community Market will need to cover the gap by applying for external funds and/or increasing registration fees and vendor participation. At minimum, the revenue from vendor fees must exceed $1,800 (marked in bold) to cover the annual operating costs. Additional funds will be needed to cover the cost of equipment purchases.

C. Expense Assumptions

This analysis assumes that all expenses, with the exception of advertising, are optional and based on the amount of revenue available – generated from either vendor fees or grants. This analysis presents the cost and revenue implications of purchasing equipment for the market.

Administrative Expenses

Equipment Purchase: The market did not purchase equipment for the 2012 season (year 1). This analysis assumes that the equipment purchase – tables, tents, generator, and public announcement system – is optional. The equipment purchased would be 20 tables at $15 per table for $300, 10 tents at $200 per tent for $2,000, one public announcement system at $300, and one generator for $1,200. If not purchased, vendors will be required to bring their own tables, all venues must be covered, and the option to host certain vendors (requiring refrigeration, for example) and entertainment is limited. The regular expense that will incur for storing the equipment is $720 per year.

Staff Salaries: The analysis assumes the community market will continue to operate through the work of volunteers. The hours of volunteer work in the first market season is estimated at 265.8 hours for advertising, management, research, and the logo contest. The hours put in for the first year were high due to initial market organizational needs. City & Borough of Wrangell staff time for the first season ($1,500) was covered by grant funds. This analysis assumes initial grant funds are exhausted and paid staff will not be hired. The base salary of a part-time market manager, assuming $20 per hour for 200 hours a year, far exceeds the revenue scenarios. Adding a paid staff member may be re-visited in the case of new grant funds.

Property and Operational Insurance: Insurance is not included under the assumption that liability insurance is covered because market operations will take place on City & Borough of Wrangell property. The City & Borough of Wrangell should confirm property insurance covers the market without additional contracts or other documentation.

Additional product liability insurance will also not be pursued at this point, though may be considered when the Community Market formalizes its structure. This analysis assumes property and operational insurance are not required because all property is leased and the operation is not at risk of failure and loss.

Consultant/Professional Fees: This analysis assumes consultants/professional services will not be needed initially or services will be donated.

Office and Business Expenses: The Community Market will keep expenses low by using electronic communications and minimal office supplies. This analysis assumes that, as with the first year, office supply costs will be donated. The remaining maintenance expense is batteries for the public announcement system at $25 per year. The Community Market will join the Wrangell Chamber of Commerce at a cost of $60 per year.

This analysis assumes steps to establish a checking account for the market will not take place in the first three years. The local bank fee for setting up a checking account is $60 per year. In order to set up a business checking account, the Community Market must also obtain a business license for $50.

The Community Market does not require permits, licenses, or registration to operate. Should funding from state sources be sought, the Community Market must obtain a $50 business license.

Depreciation/Amortization: Equipment was not depreciated or amortized.

Marketing Expenses

Advertising and Printing: This analysis assumes advertising tools used in subsequent market seasons will be limited and rely on volunteer work in design and distribution. The first season of the market used fliers at $8 per market, two newspaper ads for the season at $60 per ad, three classified ads for the season at $18 per ad, sandwich boards for $45, and balloons for a total cost of $12.71. The City & Borough of Wrangell donated space on the www.wrangell.com website for the Community Market.

The second season will change the mix of advertising slightly to include seasonal posters at a cost of $200, fliers ($8 per market for 5 market days) at $40 a season, two newspaper ads at $60 per ad, classified ads for each market ($18 per ad for 5 market days), three radio spots per market ($15 per spot for 15 ads), and a new website domain for $100. A free online service will be used to design and develop the actual website. The sandwich boards have already been purchased and will be used for future seasons. The market will invest in additional marketing materials if funds are available this includes fifty tote bags with the logo for $500 and fifty t-shirts for $1,000. This analysis assumes the same advertisement mix for the third season of the market.

D. Income and Cash Flow for First Year of Operation

Revenues		
	Vendor Fees at $5/ vendor	$385
	Grant Funds	$1,500
	*Total Estimated Revenues**	$1,885
Costs		
	CBW Staff Salary	$1,500
	Advertising	$272
	Total Costs	$1,772
Cash Flow		$113

*This figure assumes 77 vendors for the full market year of 5 market days. The number of vendors at the first four markets totaled 62. The estimate of 15 vendors is used for the fifth market in September 2012.

E. Financial Projections

The following Three Year Income Projection shows the cost of expansion for the Wrangell Community Market. The gap in revenue and expenses highlights two critical factors in Community Market expansion:

- Even limited expansion, purchase of equipment and additional advertising activities, will exceed the projected revenue in the coming two years.
- Identifying partner support and funding or grant funding will be critical for expansion efforts. The market is financially able to operate with first season expenses but this is unlikely to meet the needs or expectations of Core Planning Group members, vendors, or consumers.

Annual Operating Assumptions

	YEAR 1		YEAR 2		YEAR 3	
Revenues						
	Amount	Vendor Participation for Season	Amount	Vendor Participation for Season	Amount	Vendor Participation for Season
Vendors	$ 385	77	$ 500	100	$ 750	150
Grant Funds	$ 1,500					
Total Estimated Revenues	$ 1,885		$ 500		$ 750	
Total Revenues	$ 3,385		$ 500		$ 750	
Expenses						
Estimated Fixed Costs	Amount					
Equipment	$ -		$ 3,800		$ -	
Storage	$ -		$ 720		$ 720	
Office and Business Expenses			$ 85		$ 85	
Staff Salary	$ 1,500		$ -		$ -	
Total Fixed Costs	*$ 1,500*		*$ 4,605*		*$ 805*	
Estimated Variable Costs	Amount					
Marketing & Advertising	$ 272		$ 989		$ 989	
Total Variable Costs	*$ 272*		*$ 989*		*$ 989*	
Total Expenses	$ 1,772		$ 5,594		$ 1,794	
Operating Income	**$ 113**		**$ (5,094)**		**$ (1,044)**	

X. Sources of Funds

A. Private and Local Funding

Private funding through loans is unlikely because private investors typically look for a return on investment greater than can be obtained through a commercial bank. Occasional donations from interested businesses are possible. Larger sources of local funds may be available from organizations such as the Wrangell Medical Center and the Lion's Club. Rather than funds, a greater possibility is for in-kind support of personnel or services from partner organizations, the City and Borough of Wrangell, the Chamber of Commerce, or other businesses for marketing, advertisements, and professional services.

B. State Sources for Funding

State funding sources include both grants and loan programs from the Department of Natural Resources Division of Agriculture (DNR).

The Cooperative Marketing Program (CMP), operated by DNR- Division of Agriculture, is intended to promote Alaskan agriculture and encourage the purchase of Alaskan grown products. Farmers' markets that are approved users of the "Alaska Grown" logo are eligible for this funding opportunity. The CMP announces grant availability in December/January with the proposal deadline in February/March. Applications for use of the Alaska Grown logo must be submitted to the DNR- Division of Agriculture and applicants will need a state business license. The grant amount ranges from $2,000 to $5,000 and is awarded to those able to match the grant amount with cash or in-kind donations for the project.

Information on CMP as well as other DNR grant programs is available at http://dnr.alaska.gov/ag/ag_grants.htm and more information on the Alaska Grown program is available at http://dnr.alaska.gov/ag/ag_AKGrown.htm.

C. Federal Sources for Funding

The USDA offers several loan and grant programs for farmers and markets with different focuses such as agricultural marketing, which includes the Farmers Market Promotion Program, nutrition, economic development, conservation, and other areas. Information on the USDA programs is available at http://www.usda.gov/wps/portal/usda/usdahome?navid=KYF_GRANTS.

XI. Milestones and Timeframes

A. Schedule (when/what/who)

When	What	Who
September - October 2011	Preparation for community meeting	City & Borough of Wrangell Staff
October 2011	Held a community meeting with 15 residents about the possibility of a market, general publicity for someone to take on the market project in a volunteer capacity. Two residents volunteered for the volunteer group and two people joined steering committee	City & Borough of Wrangell Staff
January 2012	Held planning meeting with volunteers and City & Borough staff and determined specific goals and tasks of the market	City & Borough of Wrangell Staff
January 2012 – April 2012	Planned and organized market, identified applicable regulations and assigned responsibility for market tasks, started general publicity on the soon-to-open market	City & Borough of Wrangell Staff with Core Planning Group
March 2012	Held public meeting, gathered a group of 18 interested vendors, handed out regulations and rules for market; drafted documents for vendor packet – registration form, applicable regulations and licenses for different products	City & Borough of Wrangell Staff with Core Planning Group
April 2012	Held vendor meeting to solicit vendors' expectations for market operation - dates and hours; settled on a location for the market, set market dates, and distributed vendor packet	City & Borough of Wrangell Staff with Core Planning Group
Early May	Begin publicity to consumers and vendors with dates of the market (first fliers and posters)	City & Borough of Wrangell Staff with Core Planning Group
May 2012 – September 2012	Opened the community market and managing first season of the market	Core Planning Group

September 15, 2012	Market hosts a special event/ activity at the market (example: Consumer Appreciation Day)	Core Planning Group
August 2012	Set-up market's Facebook account	Core Planning Group
September 16 - 30, 2012	- Send potluck notice to vendors with statistics on market operation - Close market and hold vendor wrap-up potluck	Core Planning Group
October 2012 - March 2013	- Send monthly letters & reminders to vendors - Break until March 2013	Core Planning Group
February - April 2013	Build marketing campaign for second season	Core Planning Group

XII. Critical Risks and Problems

A. Inevitable Risks and Problems

The Community Market will not bring in enough revenue to cover the costs of paid staff (part-time or full-time) so the market will continue to rely on volunteers for future development, expansion, and operations. This raises the inevitable risk of volunteer burnout and could make it difficult to ensure the continued operation of the market.

Limited variety of market products is also an inevitable problem due to the local nature of the market, which means a small number of crafts vendors as well as a small amount of local food production. Limited variety in market products will be addressed by reaching out to a larger vendor base including commercial fishers, gardeners, and craftspeople from nearby communities. Supporting the exploration of funding and technical requirements for extended season growing structures, such as hoop houses, is another strategy to mitigate this risk.

B. Potential Risks and Problems

Vendor burnout, which could happen due to lack of consumers, time commitment needed to produce products, or alternatively too many consumers or too many market days, is a potential problem. The inability to locate a permanent home for the market is a potential risk. Finding a location was difficult in 2012 due to construction. Re-locating to a waterfront/downtown location is possible but raises the question of whether or not the market is capable of paying for the space if rental is required. Though a donation from a private or public entity is possible, the risk of continual re-location remains. The location also must be covered to protect against inclement weather and the cancelation or early closure of a market day.

C. Scenario Discussion

This plan focuses on the avenues for the market to become a regular and expected summer event. This relies on an organizational structure that is capable of seeking out funding, advertising the market, and continually drawing in new vendors and consumers (either through volunteers or partnership with a larger organization). Identifying a well-suited location and carrying out a strong marketing strategy that taps into new vendors (local fishers or seafood harvesters) and new market segments (nearby communities, visitors, or specific cruise lines) will be essential to expanding the market's operation. The combination of expanded vendors and consumers along with a source of funding for equipment and marketing or dedicated in-kind support from a partner organization is essential for the Community Market's growth. The market will be able to continue with limited (if any) expansion of vendors, time, and frequency under the current structure.

INTERVIEWS AND SOURCES OF INFORMATION

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APPENDICES

Appendix A Community Market Vendor Packet

2012 WRANGELL COMMUNITY MARKET
Vendor Registration

Name: _____ Email: _____

Address: _____ Phone: _____

I plan to be a vendor selling goods or services in the following categories (please write your specific goods in the space provided, and feel free to write more on the back):

[ ] Arts & Crafts (paintings, knitted clothing, pottery, etc.): _____
[ ] Fresh Produce (fruits & vegetables, eggs, seafood, etc.):_____
[ ] Prepared Food (baked goods, jams, concessions, etc.): _____
[ ] Services (bike repair, massage, etc.): _____

Vendors can bring their own table or can sell their wares at a shared table.

[ ] I will bring my own table
[ ] I would like to participate in a shared table
[ ] I am available to manage a shared table

A fee of $20 covers registration for the entire season. A fee of $5 covers a single day. **Payment can be made at the market before 10 AM.**

I plan to participate in the market on the following days:

[ ] May 19 [ ] June 16 [ ] July 21 [ ] August 18 [ ] September 15

All vendors are responsible for obtaining any required permits associated with their sales, and for the proper cleanup and waste management as governed by local and federal law.

Completed registration forms can be dropped off at City Hall just inside the building entrance in the envelope on the bulletin board.

Signature: _____ Date: _____

2012 WRANGELL COMMUNITY MARKET
Vendor Registration

Name: _____ Email: _____

Address: _____ Phone: _____

I plan to be a vendor selling goods or services in the following categories (please write your specific goods in the space provided, and feel free to write more on the back):

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Completed registration forms can be dropped off at City Hall just inside the building entrance in the envelope on the bulletin board.

Signature: _____ Date: _____

Wrangell
Community Market
Rules & Responsibilities

MISSION STATEMENT

The mission of the Wrangell Community Market is to promote the sale of locally produced goods and services; provide a space for local groups to advertise ideas and activities; offer education and entertainment experiences; and act as a place for the community to gather. Vendors are particularly encouraged to sell fresh produce and other healthy foods.

LOCATION

The Wrangell Community Market will be held at the Parks and Recreation covered basketball court across from the elementary school. Vendors can set up tables within the covered area or sell products from a truck tailgate parked in a designated area. If weather is particularly cold or windy, the market may be moved into the elementary school gym (pending permission from the school).

TIME

The Wrangell Community Market will be held May through September on the third Saturday of each month; the specific market days are May 19, June 16, July 21, August 18, and September 15. The market will be open from 10 AM to 2 PM. Vendors should be onsite to set up by at least 9:30 AM. Sales must not begin before the market is announced open at 10 AM. All vendors are responsible for the cleanup of their space and removal of their materials/items by no later than 3 PM. WMC committee members and volunteers will direct the setup and takedown activities from 9 AM - 3 PM.

PRODUCTS

The Wrangell Community Market is a space available for vendors of Southeast Alaska to sell locally produced goods and services. Raw products for sale such as domestically grown fruits and vegetables, wild harvested berries, and seafood must be obtained from within the State of Alaska. Manufactured products can be made from raw materials obtained outside Alaska but must be manufactured within Alaska; such items include baked goods made from purchased flour, t-shirts imprinted with a resident's original art, and knitted items made from yarn ordered online. The exception to this rule includes sale of homemade items obtained outside the state from a friend or family member. In addition to the sale of goods, individuals may also offer local services such as bike repair and professional massage.

Vendors are responsible for obtaining any required permits and for complying with all local, state, and federal regulations associated with their sales. The vendor packet includes a description of some of the more common permit requirements. This information is particularly important for those selling edible products. For those selling food items that do not require a permit, such as baked goods, guidelines for appropriate handling of these goods are included in the vendor packet.

Local groups may set up a table to draw new membership or advertise an event. Also, individuals or groups are encouraged to provide education, services, or entertainment in conjunction with the market. Examples include art, music, or dance classes, horse-back riding lessons, a tour of native plants on nearby trails, and live music.

OPERATIONS

Vendors can sell their goods at their own table or at a shared table. The market may have a few tables available for use, but vendors should bring their own table if they want to ensure having an individual platform for sales. For those vendors with only a few items to sell, a shared table will be available in each of the categories of Arts & Crafts, Fresh Produce, and Prepared Food. Items dropped off for sale at a shared table must be marked with the seller name and item price. All unsold items *must* be retrieved by the close of the market day, and responsible vendors are expected to assist in the setup and takedown of their items. Any goods left behind will be considered a donation.

Market coordinators for each sales category will provide direction concerning table placement to provide a maneuverable set-up for the public. Vehicles used to drop off products for sale within the covered area must be moved as soon as possible to make room for tailgate vendors and shoppers.

Each vendor must fill out a registration form. Registration includes a fee of $20 for the entire season, or $5 per event. Registration funds will be used for such things as supplies and advertising. If vendors have not signed up for the entire season, a registration form must be filled out and fee paid prior to sales for the day. Both seasonal and single event fees can be payed at the market, before 10 AM. Designated vendors managing sales at a shared table will not be charged a fee for the day.

Sales Tax: Unless Vendors are exempt as provided under Wrangell Municipal Code 5.08.050 (Exemption from tax), they are required to collect the City and Borough of Wrangell's seven percent (7%) sales tax on gross revenue from all sales and services. Unless exempt, all other regulations related to the collection of sales will apply to each Vendor.

CONTACT

The Wrangell Community Market is organized by a group of community volunteers. If you would like to joint this group, or if you have any questions concerning the market, please contact Kris Reed at (907) 305-0258.

WRANGELL COMMUNITY MARKET
Alaska Market Resale Regulations

Wrangell Community Market vendors may choose to sell items that are regulated by State and/or Federal laws. Each individual vendor is responsible for meeting requirements for the specific items sold. In order to help vendors with this process, the following overview of general and specific requirements has been compiled.

GENERAL REQUIREMENTS

Vendors can sell items by weight, count, or measure. If an item is sold by weight, the measurement scale must be evaluated under the National Type Evaluation Program and be issued a Certificate of Conformance by the National Conference on Weights and Measures. The scale must also be registered and certified initially and annually by the Alaska Department of Transportation Division of Measurement Standards and Commercial Vehicle Enforcement. For more information, visit the Department of Transportation website at http://www.dot.state.ak.us/.

Vendors may also need to label food items available for sale to protect consumers with allergies. For baked goods sold directly by the cook and exempt from permitting as discussed below, the vendor must only be on hand to answer questions about ingredients. If a family member or someone else is selling the product, a label must be available that includes the name of the product, the name of the processor, and all of the ingredients in the product. For more information concerning labeling, visit the Alaska Department of Environmental Conservation Division of Environmental Health Food Safety and Sanitation Program website at http://dec.alaska.gov.

SPECIFIC REQUIREMENTS

Unregulated Sale Items

A food service permit is not required for sale of some homemade food items. These items include packaged jams, jellies, or confections or bakery-type items including fruit or berry pies and cobblers, cakes, cookies, pastries, and breads. Baked items that contain potentially hazardous fillings or toppings such as custard, whipped cream, or meringue are also considered exempt foods, but they must be kept refrigerated at below 41 degrees after preparation and during the day. Sale of popcorn, cotton candy, and black coffee is allowed without a permit, as well as syrup, herb vinegar, dried herbs, dried tea leaves, and raw honey.

Raw, whole, home-grown vegetables and fruits can also be sold without a permit. Cutting up fresh produce for samples is not allowed. Sale of fresh, whole eggs is allowed without a permit. Eggs produced in Alaska are exempt from grading and labeling requirements when sold direct from the producer to the consumer. If the vendor is re-using cartons, the label from the original producer must be obliterated. Only one carton at a time should be left out for display, while the other cartons remain refrigerated. Wild, edible mushrooms can be sold with a sign that includes their common name and the statement, "Wild Mushrooms: Not an inspected product."

Regulated Sale Items

A food service permit is required for sale of other foods items, and additional permits may be required for the harvesting of items obtained from State or Federal lands for the purpose of commercial sale. The reverse side of this sheet includes a summary of requirements covering some products that vendors might choose to carry. The permitting process can be easy for some products, so don't be discouraged from selling something simply because it may require a permit.

Prepared Food

Potentially hazardous foods such as sandwiches, stuffed breads, meat pies, and pizza may not be sold without a permit. Potentially hazardous foods are those foods that must be temperature controlled in order to be safe to eat. Sale of such items at a market requires a Temporary Food Service Permit, and a Food Worker Card would be needed if sales extend for more than four days. A Food Worker Card can be obtained online. If food is being prepared at the market, health requirements such as a wash station at the individual vendor booth would be required. If food is prepared at an approved kitchen and individually packaged for sale at the market, health requirements are simpler. For more information, visit the Alaska Department of Environmental Conservation Division of Environmental Health Food Safety and Sanitation Program website at http://www.dec.alaska.gov/eh/fss/index.htm or call Lea Hasibar at (907) 225-6200.

Milk

Raw milk sale is prohibited in Alaska. Raw milk can only be consumed by owners of the animal. Ownership extends to those outside the family who own a "share" in the animal. The processing of raw milk into products such as cheese, yogurt, butter, and kefir can be performed by the owner in the home kitchen for the consumption of the owner and family only. For more information about processing raw milk into products for sale to the public, visit the Alaska Department of Environmental Conservation Division of Environmental Health website at http://www.dec.alaska.gov/eh/vet/DairyMeat.html.

Meat

Domesticated meat may be sold as a live animal without regulation, or can be sold in individual packages if the slaughter is USDA inspected.

Wild Harvested Plants

Individuals harvesting non-timber forest products for commercial purposes from State lands must obtain a permit from the State of Alaska Department of Natural Resources Division of Mining, Land, and Water. These forest products include mushrooms, conks, boughs, cones, leaves, burls, bark, landscaping transplants, roots, flowers, fruits, and berries. Not included are minerals, rocks, soil, water, animals, and animal parts. For more information, visit the Department of Natural Resources website at http://dnr.alaska.gov. Species of aquatic plants, excluding rushes, sedges, and true grasses, growing in a marine aquatic or intertidal habitat are under the jurisdiction of the Alaska Department of Fish and Game. Visit the Fish and Game website at http://www.adfg.alaska.gov. Vendors gathering non-timber forest product for commercial sale from Federal lands must obtain a permit from the United States Forest Service. Visit the Forest Service website at http://fs.usda.gov.

Seafood

Individuals may sell unprocessed seafood off their boat to the general public if they have a limited entry permit from the Commercial Fisheries Entry Commission and a Catcher-Seller permit from the Alaska Department of Fish and Game. Gutting, gilling, or icing of fish, and decapitating shrimp are not considered processing. Seafood such as fish, shrimp, and crab can be sold if the fisherman has a commercial fishing permit; seafood caught for personal or subsistence use cannot be sold to the public. Individuals may buy unprocessed seafood from a fisherman for sale to the public if they obtain a Waivered Buyer permit from the Alaska Department of Fish and Game and if they meet bonding requirements per the Department of Revenue. There is no fee for either a Catcher-Seller Permit or a Waivered Buyer Permit. For more information concerning requirements for sale of seafood, visit the Commercial Fisheries Entry Commission website at http://www.cfec.state.ak.us, the Alaska Department of Fish and Game website at http://www.adfg.alaska.gov, and the Alaska Department of Revenue website at http://www.revenue.state.ak.us. Individuals selling seafood with a Waivered Buyer permit must also have a food service permit. This could be a Food Establishment permit as a Mobile Retail Vendor, which has an annual fee, or a Temporary Food Service permit, which has a daily fee. A one-time fee is also required for a plan review. For more information concerning food service permits, visit the Alaska Department of Environmental Conservation Division of Environmental Health Food Safety and Sanitation Program website at http://www.dec.alaska.gov/eh/fss/index.htm or call Lea Hasibar at (907) 225-6200. Sale of processed seafood involves a different permitting process through both the Department of Environmental Conservation and Fish and Game.

Fur

A fur dealer license is required if fur is bought from a trapper for resale to the public. However, a fur dealer license is not required if fur is sold directly from the trapper to the public. Everyone who traps furbearers needs a trapping license unless they are an Alaskan resident under the age of 16 or over the age of 60 with a permanent identification card. Permits can be obtained from the Alaska Department of Fish and Game.

Bake Sale

Guidelines

What makes it a bake sale?

-Run by an organization, club or school
-One time sale, at one location
-At a fundraising event, fair, bazaar, farmer's market
-Selling jams, jellies, candies, berry pies, cobblers, cakes, cookies, pastries and/or breads

Getting Started:

-Contact the local DEC office prior to the sale with the date, location and the types of foods to be sold.

-Keep a list of donated foods and who gave them.

-Create the proper set up for chilling foods as needed.

-Food Worker Card training is a great way to learn proper handling of foods. Contact DEC

Guidelines to Bake it, Make it, and Sell it Safe

- **A Safe Kitchen**
  Bake sale items can be made in a home kitchen, however, it is best to use an approved or permitted kitchen for the preparation. Churches, service groups and other entities will often allow you to use their approved kitchen for a small fee.

- **Wash Your Hands!**
  Before you prepare any foods, before the sale begins and after you use the restroom, sneeze, cough, eat, smoke or handle the garbage. Use, soap, running water and clean disposable towels to dry your hands.

- **Clean Your Work Surfaces**
  Wash all preparation surfaces with soap and water, then sanitize those same surfaces with a bleach solution of 100 ppm or 1/2 tsp of bleach per quart of water.

- **Chilling Certain Foods**
  Any food with cream filling, custards or similar products must be chilled and held at 41° or colder. Remember, no sandwiches, salads, meats, poultry, pizza or any other potentially hazardous food can be sold at a bake sale.

- **Wrap it Up**
  Each sale item must be individually wrapped while they are being transported or displayed.

- **Use a Tool**
  For any item that must be handled individually, use disposable gloves, tongs, spatulas or some other tool to handle the food. There should be no bare hand contact with a food that will not be cooked.

What is a potentially hazardous food?
A food that needs to be temperature controlled to be safe.

Should you decide to hold a sale more than on a one time, one location basis, contact DEC. You may need a processing permit. These guidelines do not supercede compliance with 18 ACC 31.012(3).
Learn more at our website: www.dec.state.ak.us/eh/fss

Contact Information

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Fairbanks, AK 99709

Q. How does DEC decide if I need a permit?
A. We assess the risk of the activity by asking:

What type of food is being served or produced?
+
How are the foods prepared?
+
Where are the foods prepared?
+
How many people will be served?
+
Where will the food will be served?
+
How often will the food be served?
=
Which type of permit or controls are needed, (if any), to ensure the safety of the consumer

May 2008