

The Marketplace at Terminal No.1 Feasibility Study Port of Vancouver Commissioners Presentation



December 13, 2016

Agenda

PPS Presentation:

- Summary of site visit
- Demographic analysis
- Vendor and customer survey results
- Comparable spaces and possible uses
- Concept design
- Financials
- Management options
- Next steps

Q & A



Stakeholder Meeting/Workshop: Vision for the Marketplace at Terminal No. 1

- Opportunity to showcase the region
- Provide affordable commercial space
- Create an authentic, downtown experience
- Become a hub of activity
- Connect the waterfront to the downtown
- Evolve over time



Vendor Open House:

Products/Uses at the site

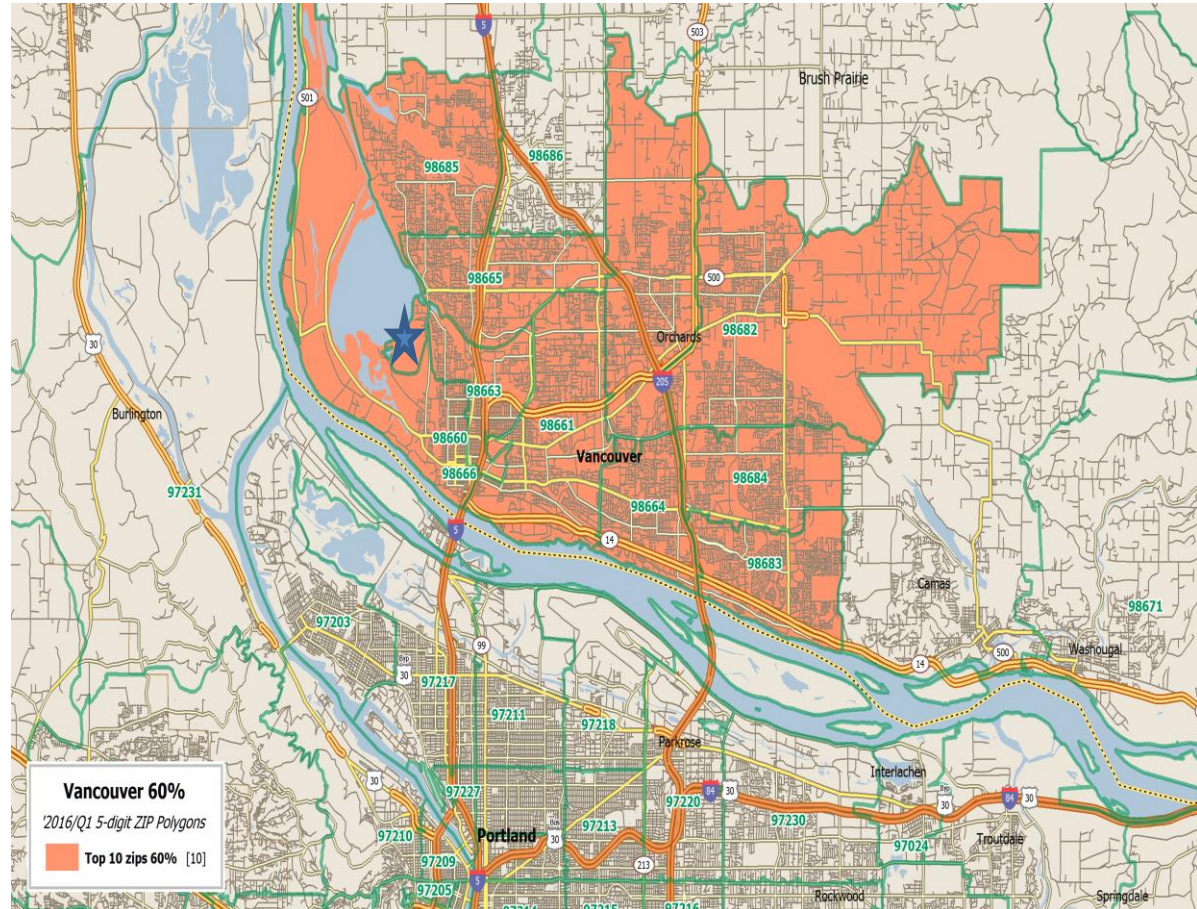
- Variety of products
- Events and public space
- Variety of sized spaces & reasonable rents
- Lots of food and drink options
- Embrace the “industrial” feeling of the site
- Take advantage of the water



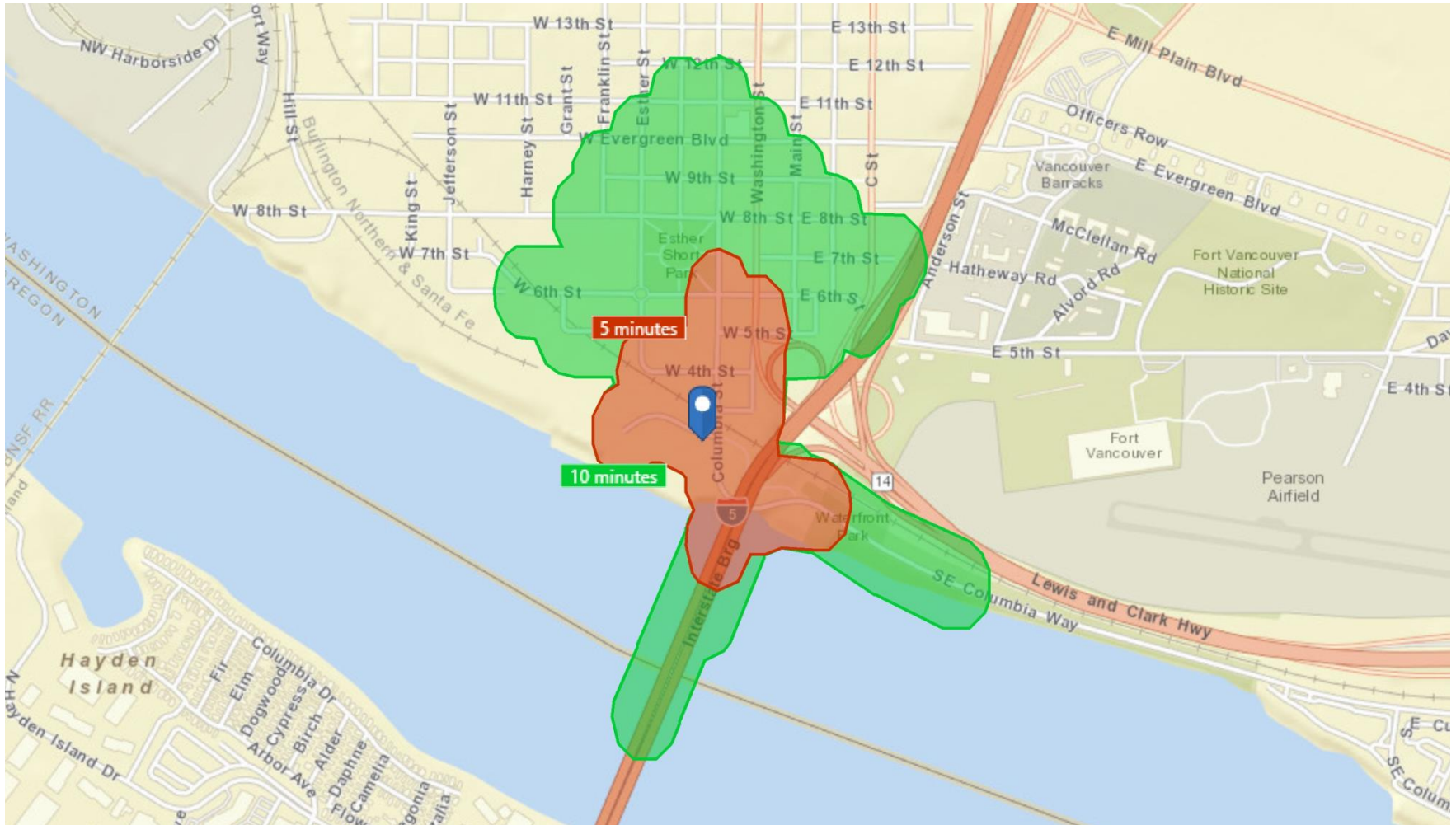
Vancouver Farmers Market Survey

Leading Zip Codes:

Zip Code	% Share of % Share Zip Visitors	
Population(in .000)		
98661	11%	.28
98660	8%	.76
98682	6%	.11
98685	6%	.22
98665	5%	.23
98662	5%	.16
98683	5%	.17
98663	5%	.39
98664	4%	.39
98684	4%	.16



Walk Time



**5-minute walk
time:**

1,188 Workers

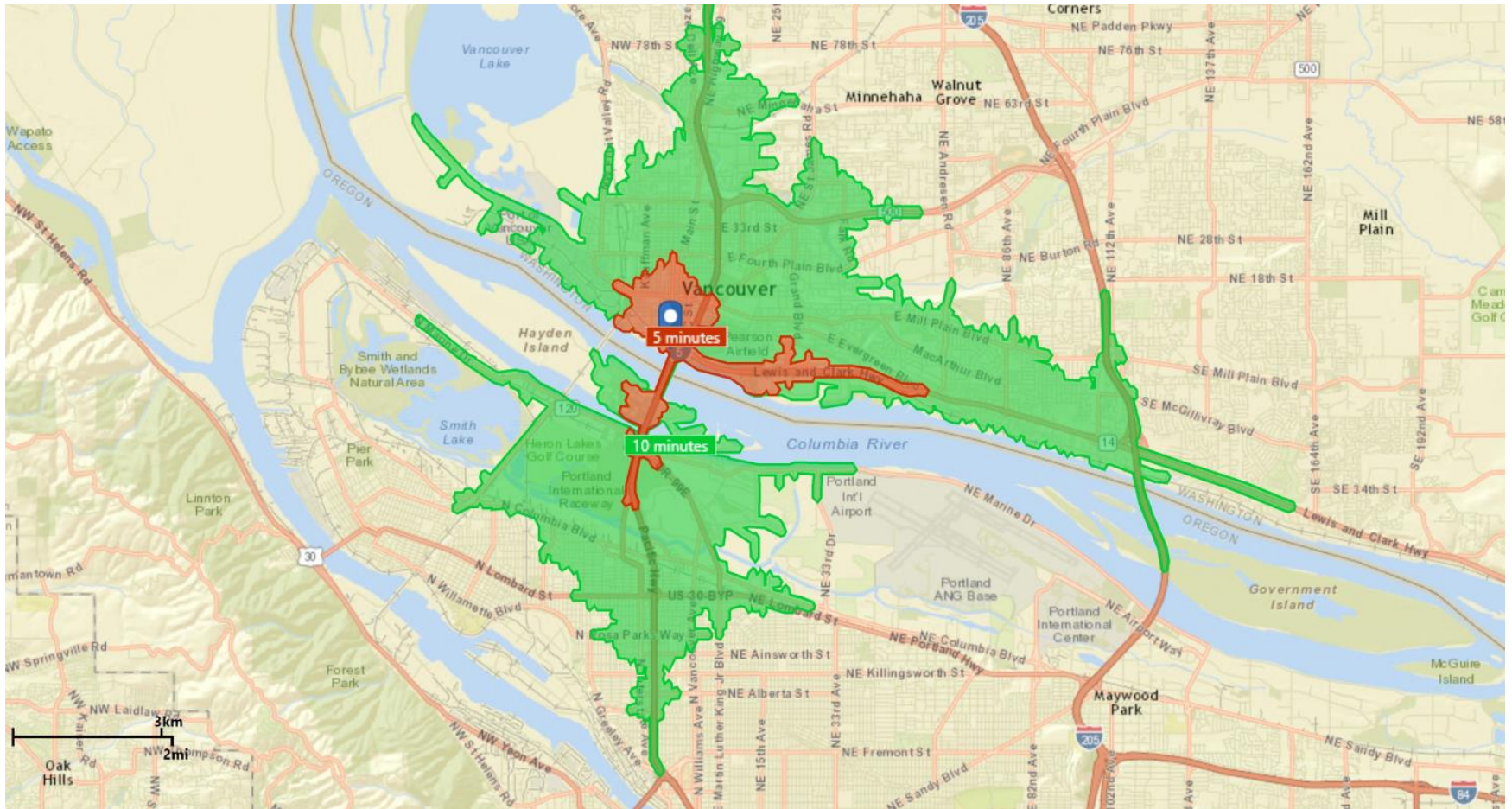
307 Residents

10-minute walk-time:

5,233 Workers

1,201 Residents

Drive Time

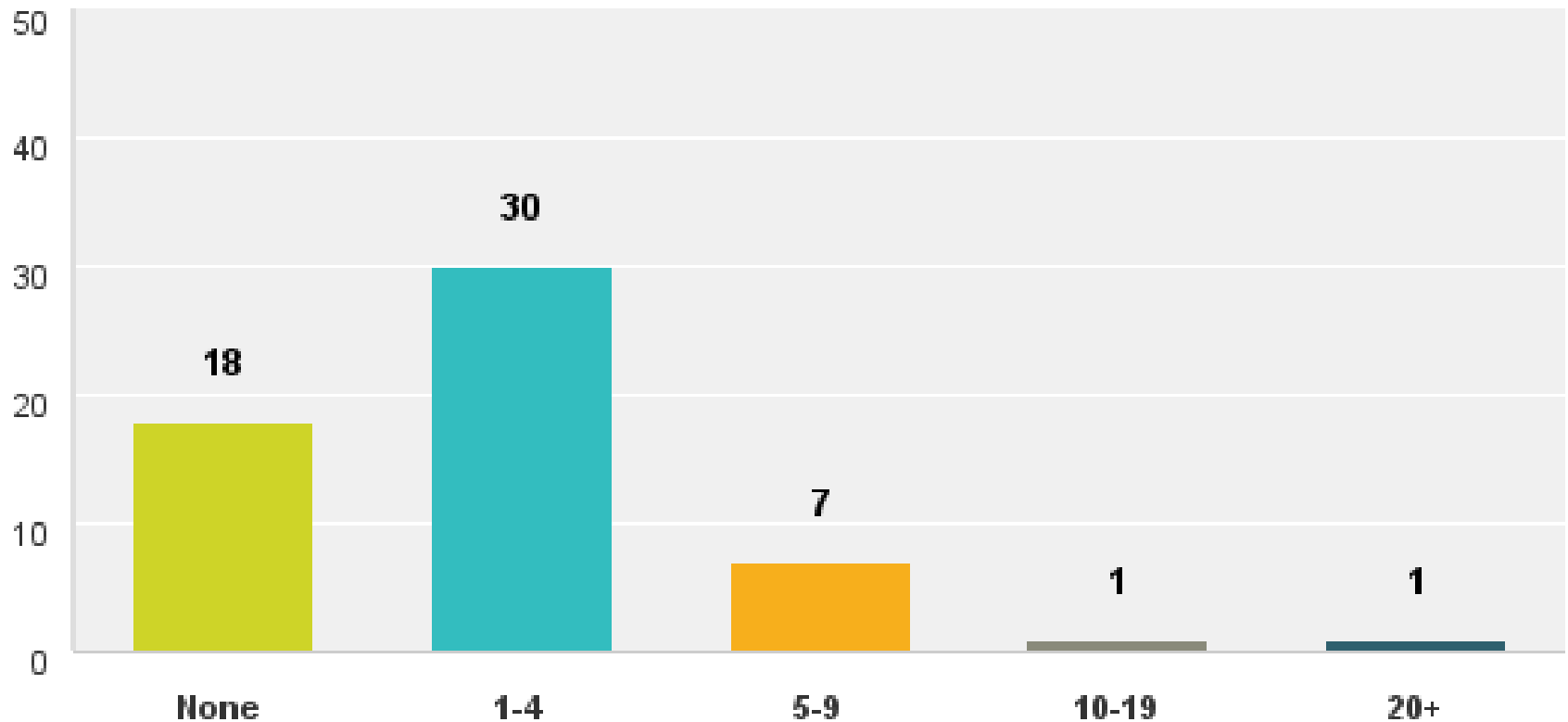


	Population	Households	Per capita Income	Avg. HH Income	Median HH Income	% HH \$100K+	College+	Food at Home Potential Index	Food Away Potential Index
5 min Drive	5,208	2,457	\$30,628	\$56,209	\$34,694	14%	31%	76	72
10-min drive	85,769	36,686	\$27,231	\$62,749	\$45,956	16%	31%	82	81
10-min Vancouver	56,091	24,167	\$26,965	\$61,235	\$43,625	15%	26%	83	82

Port of Vancouver USA Potential Vendor Survey Results - 67 Respondents

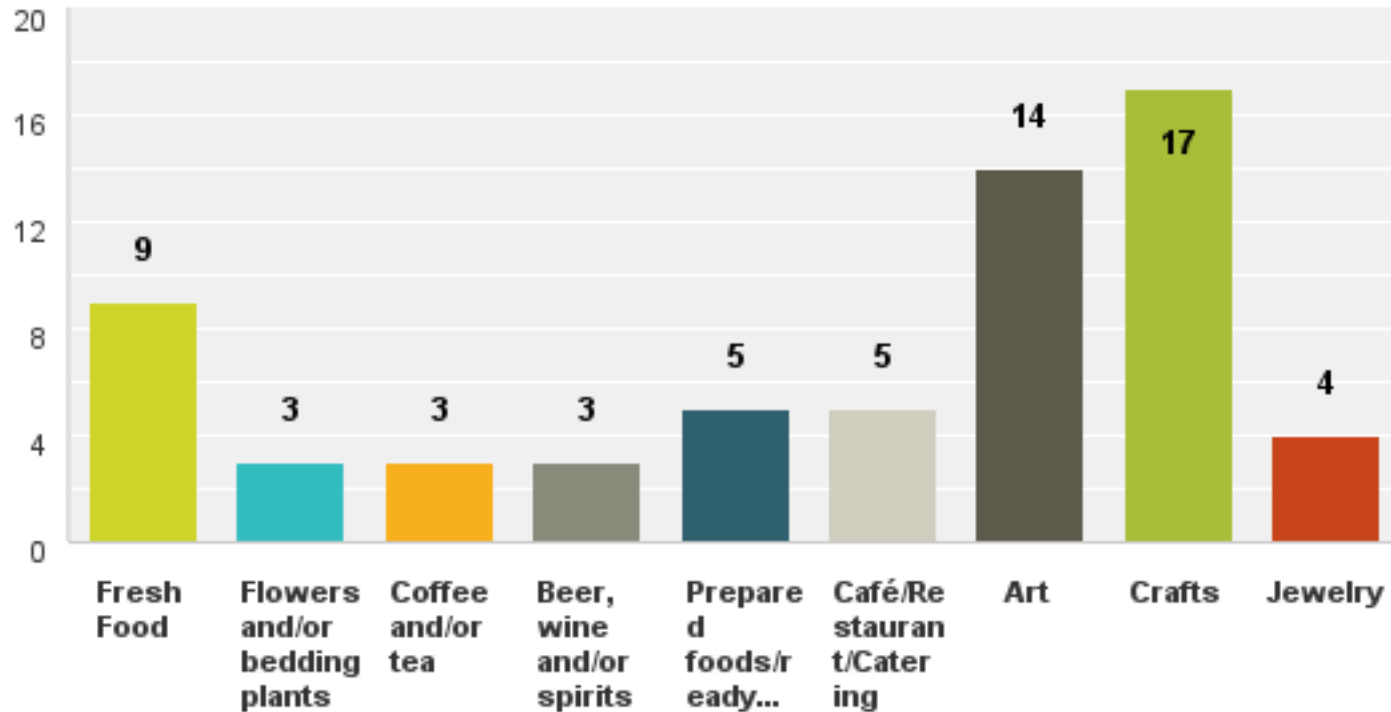
Q4 How many people does your business employ?

Answered: 57 Skipped: 10



Q5 What products do you sell? (Please, check all that apply)

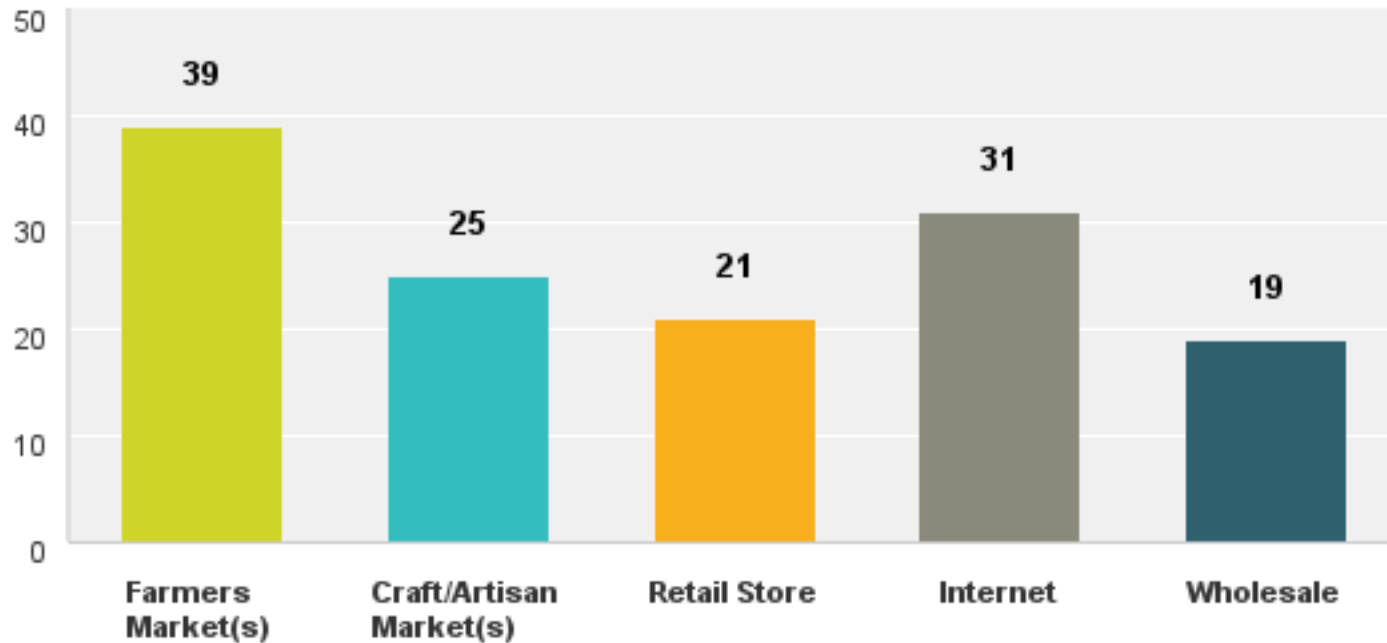
Answered: 41 Skipped: 26



Other: skin-care products, massage therapy, video production, dance classes, travel agency

Q6 Through what venue(s) do you sell your product(s)? (Please, check all that apply)

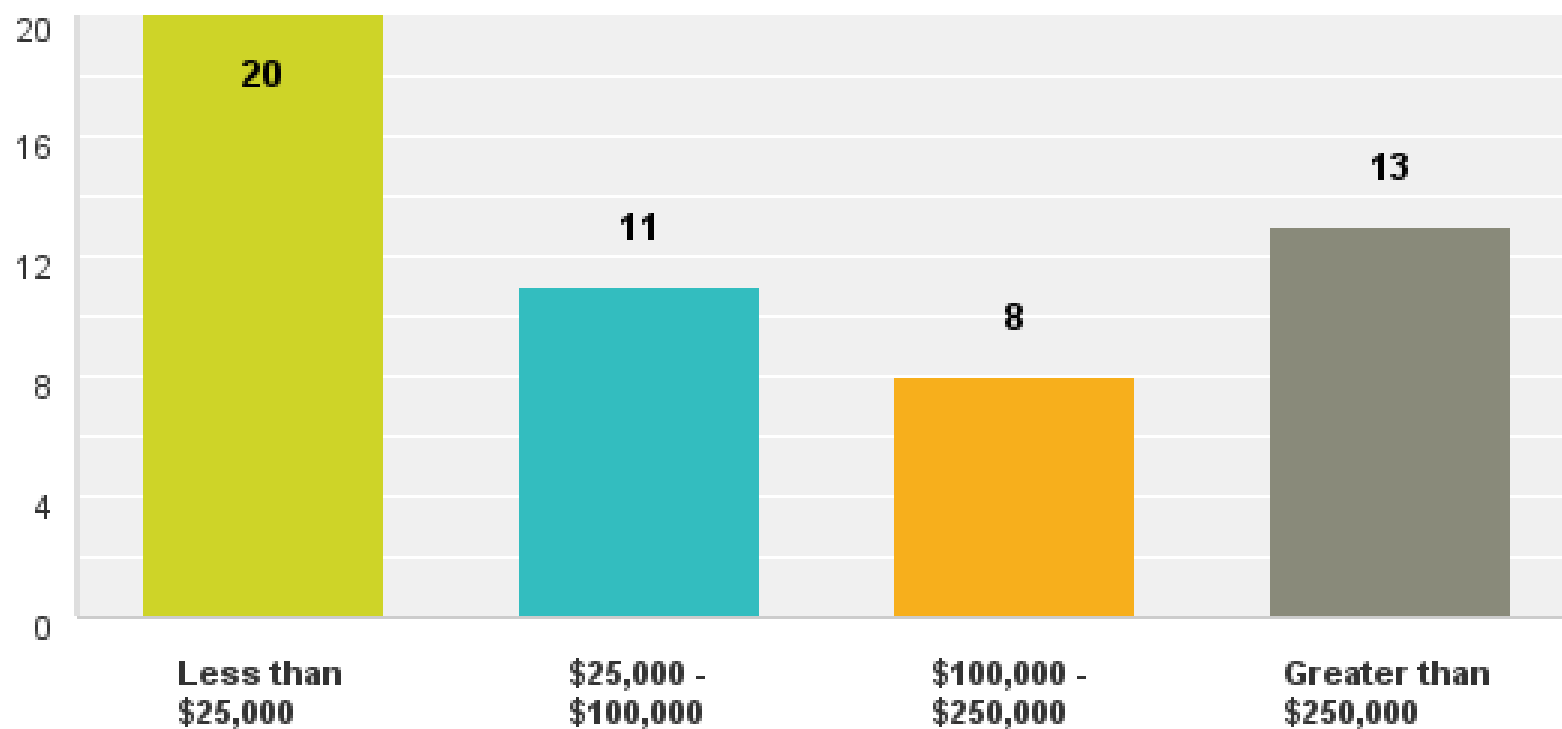
Answered: 55 Skipped: 12



Other: home studio, office, food cart, festivals, wineries, shared/rented space

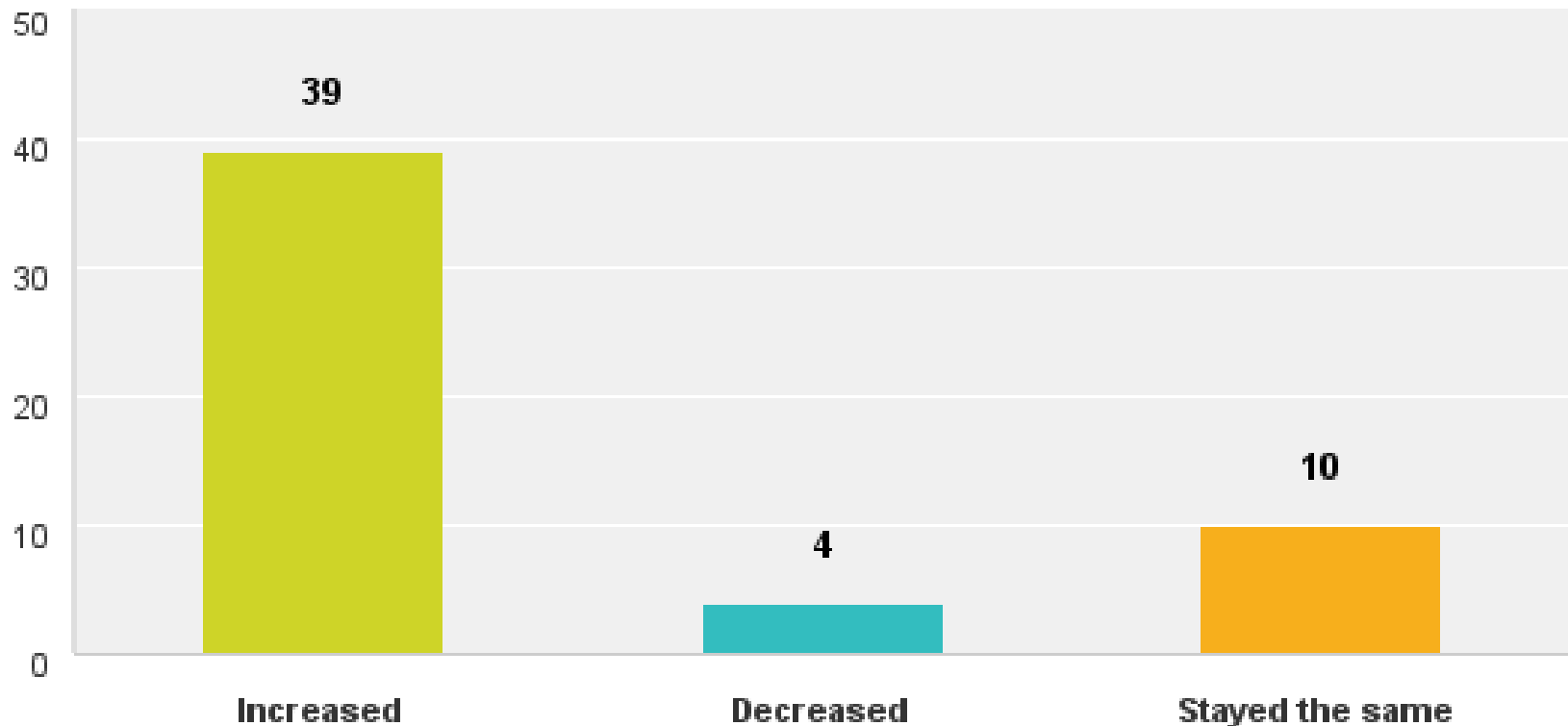
Q8 What are your average annual sales (including wholesale, direct sales, etc)? (Optional)

Answered: 52 Skipped: 15



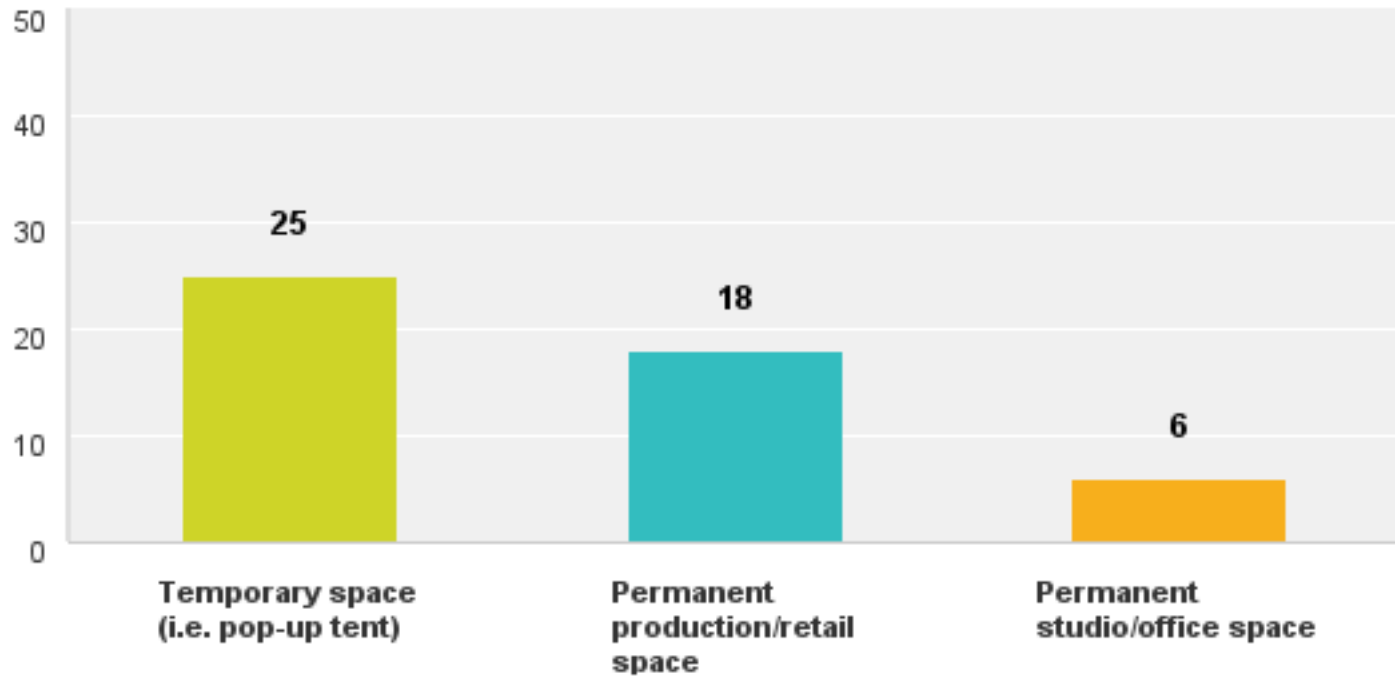
Q9 In the past five years, have your sales:

Answered: 53 Skipped: 14



Q11 What type of space would you need at the marketplace at Terminal No. 1?

Answered: 49 Skipped: 18



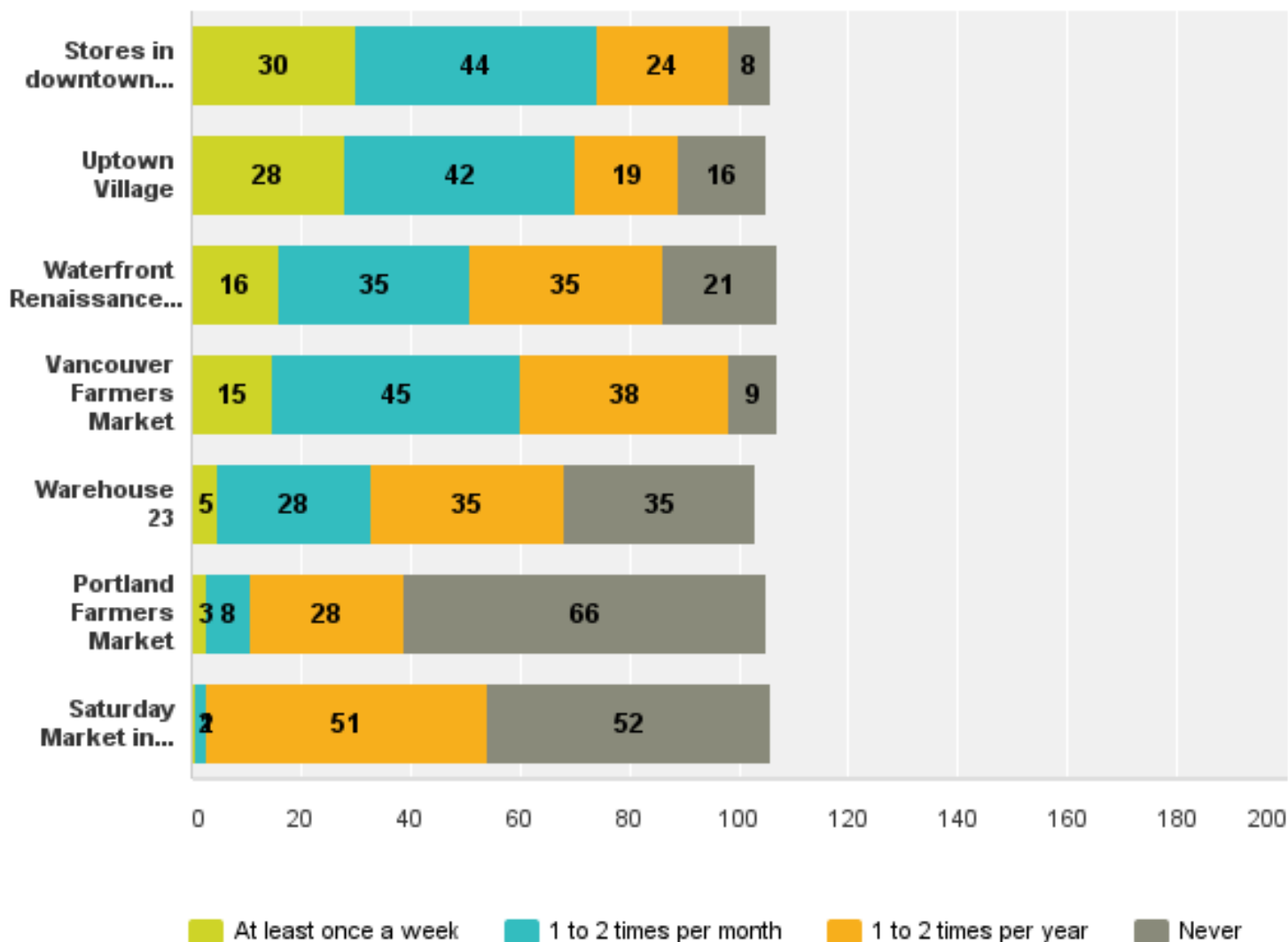
Other: warehouse space

Port of Vancouver USA

Potential Customer Survey Results – 107 respondents

Q1 How frequently do you visit or use the following places?

Answered: 107 Skipped: 0



Q2 A variety of uses and activities will make the marketplace at Terminal No. 1 a great public destination. Please select up to three possible uses/amenities, in order of your interest.

Answered: 107 Skipped: 0

	Most Interested	2nd Most Interested	3rd Most Interested	Total	Weighted Average
Place to buy local foods and goods	57.75% 41	25.35% 18	16.90% 12	71	1.59
Space for cultural events and performances	32.61% 15	39.13% 18	28.26% 13	46	1.96
Beer garden or wine bar	31.71% 13	29.27% 12	39.02% 16	41	2.07
An indoor/outdoor, year-round community gathering space	25.53% 12	38.30% 18	36.17% 17	47	2.11
Food trucks	27.03% 10	35.14% 13	37.84% 14	37	2.11
Play space for children	27.78% 5	33.33% 6	38.89% 7	18	2.11
Arts/Crafts/Makers market	23.08% 6	38.46% 10	38.46% 10	26	2.15
Night market	16.67% 4	29.17% 7	54.17% 13	24	2.38

Connecting Destinations



Goals and Outcomes

- Flexible, seasonal activation of waterfront
- Affordable opportunities for small scale entrepreneurs/makers/services
- Incubate businesses for storefronts in downtown Vancouver
- Add value to overall Port redevelopment

Comparable Spaces



*Broadway
Plaza*

METLO



Faith Arts Village - Orlando, FL



SA-TEN
COFFEE & EATS

The Canopy - Austin, TX



The Canopy - Austin, TX



Marketplace at Terminal
No. 1





Market Hall





Market Arcade





Maker Work-Sell Spaces in Former Hotel
Rooms

Potential Tenant Mix

- Craft/Arts
- Jewelry
- Body care products
- Massage therapist
- Prepared foods
- Brew pub
- Coffee shop
- Art gallery
- Dance studio
- Video Production
- Etc.









Café & Beergarden 09/20/2016





Amphitheater





Open Air Market and Event
Space





Market Square

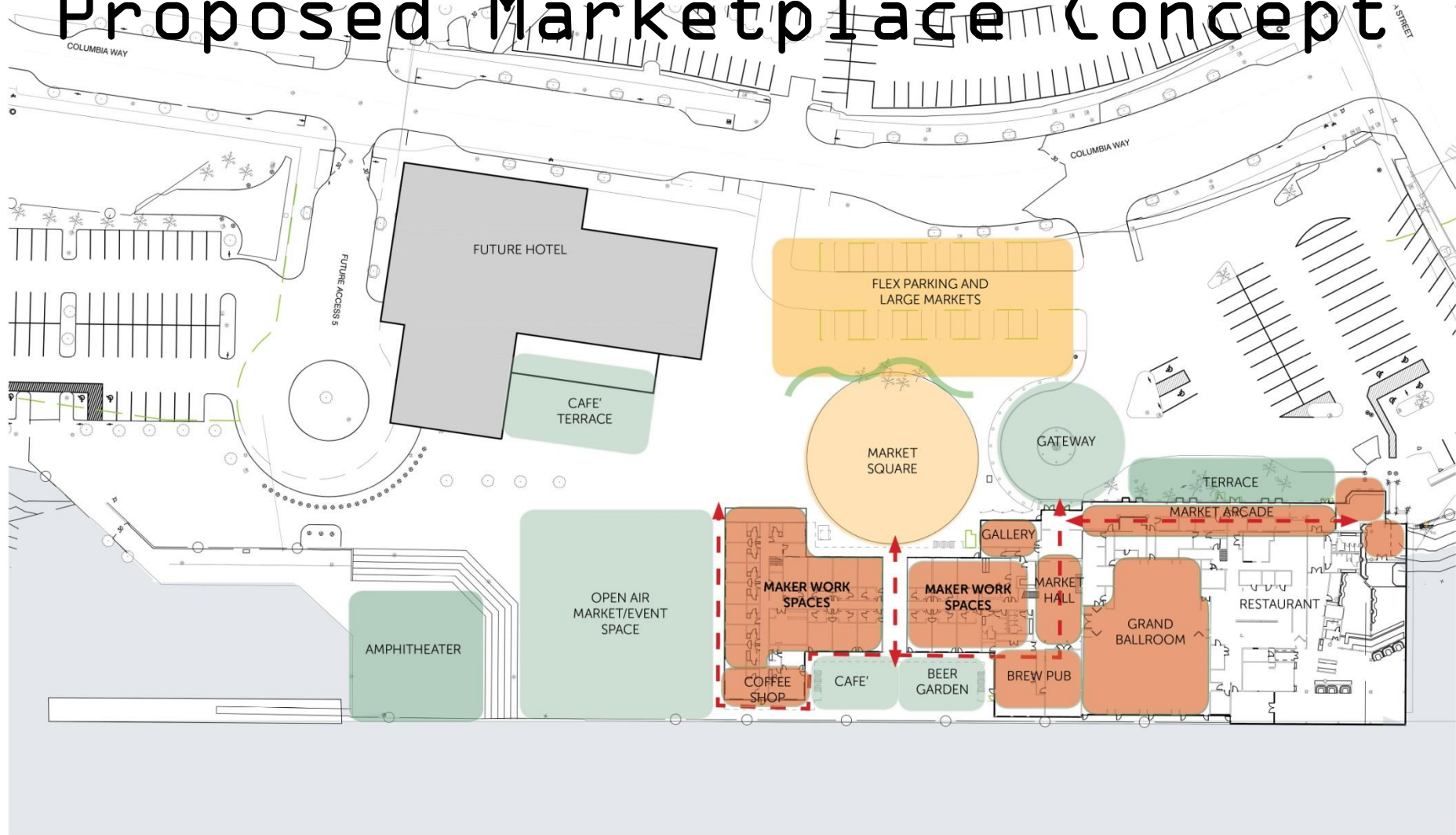




Iconic Signage



Proposed Marketplace Concept



VANCOUVER WA
DIAGRAM OF ACTIVITY ZONES



11.4.16

DRAWING NUMBER

01





Financials

Capital Costs

- Partial demolition
- Interior redesign of lobby and meetings spaces
- Hotel room - new windows/doors? Strip down interiors
- Pool area/courtyard renovations
- Exterior upgrades/lighting/signage

Leasable Area

First Floor	21 rooms
Second Floor	28 rooms
<hr/>	
Total	49 rooms

Coffee Shop	2,000 sf approx
Beer Garden	3,000 sf approx

+

Lobby, Corridor, Grand Ballroom,
Meeting rooms, Exterior - tbd

Rent Ranges

\$9/sf

\$12/sf

49 rooms @ 400 sf

\$176,400

\$235,200

(\$300/mo)

(\$400/mo)

Coffee Shop @ 2,000 sf

\$18,000

\$24,000

Beer Garden @ 3,000 sf

\$27,000

\$36,000

Totals

\$221,400

\$295,200

Other Income Opportunities

- Outdoor Events
- Weddings
- Concerts
- Food Trucks
- Sponsors
- Winter Market - indoor
- Percentage Rents



Special Event Markets

Assumptions:

- Operate as break even
 - No income
 - Markets may cost money to operate
-
- Start out monthly and increase over time or seasonally



Rental Income - Comments

- Vacancy factor - time to fully lease out the project
- Hotel rooms pay rent plus utility charge
- Tenants rebilled for common area maintenance, utilities and advertising
- Percentage rents possible

Expenses

Full time manager	\$65,000
Maintenance and cleaning	\$50,000
Special event markets manager	\$25,000
Benefits (20%)	<u>\$28,000</u>

Labor subtotal

\$168,000

Utilities	sub meter
Promotion/Advertising	rebill
Insurance	tbd
Trash	tbd
Supplies	tbd
Office	tbd

Income and Expense Summary

Income Range	\$221,400 - \$295,200
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Other Income	tbd
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Labor Expense	\$168,600
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Other expenses	tbd
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Development & Management

- Requires creativity and positive energy
- May not make money right away

Options:

Port manages with current staff or hires additional staff

Contract outside management

Partner with another organization

Next Steps

- Vendor outreach
- Refine concept, design and layout
- Hire architect
- Estimate capital and development costs
- Refine business plan
- Establish timeline

