

# Farmers Market Manager Frequently Asked Questions



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# Welcome

## to the Farmers Market Manager Frequently Asked Questions

> This is a starting place for WffYbhand prospective farmers market managers and organizers looking to develop, expand, and improve their organizations.

This resource is made possible thanks to the contributions many market leaders have made to the [Farmers Market Resource Library](#), discussions among peers on the [FMC Listserv](#), and the expertise of the FMC Education Committee. Support for these Frequently Asked Questions is the result of a partnership between the [Farmers Market Coalition](#) and the [Wallace Center at Winrock International](#), with funding from USDA's [Risk Management Agency](#).

The FAQs are broken into seven categories: [Market Fundamentals](#); [Market Policies](#); [Market Staff](#); [Insurance, Liability and Regulation](#); [Market Growth, Outreach and Evaluation](#); [Extending the Market Season](#); and [Increasing Market Access](#). You can use the [Table of Contents](#) to select a link to a specific category or question, or simply browse through. Additional resources are available online at [farmersmarketcoalition.org/managerFAQs](http://farmersmarketcoalition.org/managerFAQs).

Throughout these pages, you will find lots of links to specific resources from the FMC Resource Library. You can help us improve the content of the library, and the FAQs, by rating or commenting on these entries.

Please use the [Contact Form](#) to suggest additional questions and answers, as well as to clarify or add detail to an existing question or notify us of broken links. Updates will be made to the FAQ periodically based on this input.

To share resources with your peers by adding a new resource to the FMC Resource Library, please use the [Submit Form](#).

And finally, special thanks to Kathleen Stewart for all of her hard work in researching and preparing this resource.



## Category: Market Fundamentals

**Category Description:** Whether beginning a new farmers market from scratch or trying to improve an existing market's organizational structure, it's important to get the basics right. Governance, location, and business structure are just a few of the important considerations for any venture, and farmers markets are no exception.

### What questions should we ask before starting a farmers market?

This Frequently Asked Questions Series is intended to be a quick reference resource covering many of the questions you might come across in beginning, managing, or growing a farmers market. The Market Fundamentals section includes many of the preliminary questions you will want to ask and answer before opening a market. Here are some of the first topics and questions you might ask as you begin:

**Location.** Finding the right location is important for the success of your market.

- Do you have a place in mind for your market?
- Do you know who to talk to in order to legally secure the location, and how much it will cost?
- Have you considered the accessibility of the location for your target customer base, and your proposed vendors?

**Community support.** The most successful markets begin when community members express interest and desire for a farmers market and rally together to make it happen.

- Is your community interested in shopping at a farmers market?
- Will the local government be supportive, or are there regulatory barriers to starting the market?
- Will local businesses be supportive or want to be involved in the market?

You might want to conduct a survey to find out the answers to these questions. You could use this sample [Feasibility Survey for Consumers](#) and [Feasibility Survey for Businesses](#) from the Farmers' Market Federation of New York to learn more about your consumers and local businesses.

**Farmers.** Your market wouldn't be a farmers market without farmers.

- Do you have farmers in your area that are interested in selling at a farmers market?
- What days and times will work best for them to come to your market?

A great way to get this information is to survey local farmers. The Farmers' Market Federation of New York also has a [Feasibility Survey for Farmers](#). Iowa's Department of Agriculture and Land

Stewardship has a [great example](#) as well.

**Money.** Farmers markets take time and money to begin and keep going.

- Do you have the resources to cover a start-up budget and the first year or two of operations?

**Management.** The most successful markets have paid managers and/or coordinators, perhaps along with a board of directors and several market volunteers.

- What management structure and staffing are best suited to your budget and abilities?
- What will the mission of your farmers market be and how will you carry that through as you manage your market?

As you read the rest of the Frequently Asked Questions series, we encourage you to take your time in considering the questions and answers. Remember, others have asked and had to answer these very same questions before. The resources below are a few examples of what experts and experienced managers have to share about starting a market.

- USDA Agricultural Marketing Service's [How to Start a Farmers Market](#)
- Purdue University College of Agriculture Extension's [Starting a Farmers Market](#)
- University of Florida Institute of Food and Agricultural Sciences Extension's [Starting a Farmers Market](#)
- Rodale Institute's [Starting a Farmers' Market the Right Way](#)
- Marketumbrella.org's [Checklist for Starting a New Market](#)
- Northeast Organic Farming Association of Vermont's [Organizing and Maintaining Your Farmers Market](#)
- The Farmers Market Federation of New York's [Ten Principles of a Successful Farmers Market](#)
- Missouri Department of Agriculture's [Timetable in Establishing a Farmers Market](#)
- Washington State University Extension's [Washington State Farmers Market Manual](#)
- Idaho State Department of [Idaho Farmers Market Manual](#)
- Massachusetts Department of Agricultural Resource's [How to Organize and Run a Successful Farmers Market](#)
- North Dakota Department of Agriculture and the North Dakota Farmers Market & Growers Association's [Guide to Starting a Farmers Market](#)

These are only a few of the great resources already out there for starting farmers markets. Check out even more and find the one that works best for you in the [Market Start-Up and Development Section](#) of the Farmers Market Coalition Resource Library.

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## How should we choose a location for a market?

First, choosing your site might depend on what is available to you and how much it will cost to use it. Can you find a private landowner that will allow you to use their property or will you have to pay for a permit for public property? As you're looking at sites, here are some things to keep in mind:

**Accessibility:** Look for a site in a central location with plenty of through traffic, and that's easy to get to by all modes of transportation. Try to find a place by a well known landmark or intersection or near offices or other businesses.

**Space:** You want to find a location that can accommodate the space needs for the number of vendors you will have and/or hope to grow to in the future, while leaving space for shoppers to easily circulate through the market and stop and socialize with one another. Here is how Carla Jenkins of [Cedar Park Farmers Market](#) calculates her spacing needs: "I allow width for farmers trucks (18')+ their canopy (10')+an isle (15') +canopy(10') +another isle (15') +canopy (10') + truck (18') All of that is my width, times the number of 10' booths for my length to figure the square footage needed."

**Parking:** If you expect many of your customers to be driving to the market, is there enough parking available close by? Suzanne Santos from [Sustainable Food Center's Farmers Market](#) in Austin, Texas says to plan on a minimum of 500 spaces for a four hour market that has 4,000-6,000 shoppers. If you can find a location with free parking nearby, even better!

**Utilities:** A site with access to electricity, water, public restrooms, and a place for people to wash their hands will all be things to consider when choosing a site.

**Ground Cover:** Try to find a site with a level surface on asphalt with minimum standing water and pot holes. That will make it easier for vendors to drive their trucks without risking damage, and provide a safe shopping experience for customers.

**Long-Term Availability:** Opening a market in one place only to move the next season when the site owner sells or redevelops the property is a frustrating, but not uncommon, experience for farmers markets. You can help avoid this by requesting a long-term lease.

For more information on what to look for in the ideal market location, look at Matthew Peters' paper on [Locating Farmers Markets](#). You can also use his [Site Selection Tool](#) to compare

multiple potential sites for your market. You should also consider what the New Mexico Farmers' Marketing Association says about [finding the right market site](#).

Finally, when reviewing potential sites, consider whether there are any federal buildings in your community that could be good locations for a market based on the criteria above. If there are, check out the USDA's resource for [Opening a Farmers Market on Federal Property](#).

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## How should we choose operating hours for a market?

What hours you decide to hold your market will really depend on the needs and characteristics of your community and the availability of your vendors. Farmers markets are operating everyday of the week at various hours all over the country. While many take place on Saturday morning, others are operating mid-week, during the day or into the evening. A weekend market allows those that work during the week a chance to shop and socialize with friends and family, and provides a great opportunity for special events, music, and activities for kids. A market in the morning or mid-day during the week might attract stay-at-home parents, seniors, or individuals who work evenings, while mid-afternoon and evening week-day markets can attract individuals on their way home from work or from picking up the kids. Where you find a location may help dictate ideal operating hours. If a location that is available to you is a busy office district, a mid-afternoon to evening weekday market may just be the right choice.

When answering this question for your market, take a look at who your customers will be and what works best for your potential farmers by conducting a survey. Take a look at these samples of a [Feasibility Survey for Consumers](#) and a [Feasibility Survey for Businesses](#) from the Farmers' Market Federation of New York or develop your own to find the best options for operating hours. Also, look at the operating hours of other farmers markets in the area and determine if you should schedule your market on a different day or time to get enough customers and vendors. As you see, there is no magic formula for deciding operating hours. Taking time to understand your community and vendors needs will help you find the best choice and as Mark Wall from Thriving Community Marketplaces advises, "Don't copy, DESIGN!"

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## What kind of governance structure do we need?

It's important to have a governance structure that works to meet the needs of all involved in the operation of your farmers market, including vendors, customers, and your community. There are a few different ways in which the governance of a farmers market can be structured. Some farmers markets are owned and operated by city, community, or government organizations, while others are owned and operated by vendor associations. There are also satellite markets established and operated under other existing farmers market networks and ones that are owned and operated by private individuals, companies, and corporations. Establishing a farmers market association is a way to get maximum input from your farmers and vendors. Take a look at the Farmers' Market Federation of New York's, [Step By Step Guide to Establishing a Farmers Market Association](#) for more information.

A popular governance structure for farmers markets is as a nonprofit entity, either one dedicated to managing the market, or a larger existing entity that acts as an umbrella and fiscal agent for the market. With this governance structure, the entity and the farmers markets are traditionally governed by a board of directors, which has legal authority over decision-making. The board then delegates management of the market to an organizational director or market manager who oversees the day-to-day operation of the market itself. To learn more about the roles and responsibilities of the board of directors and what should be included in your governance structure, take a look at [The Governance Structure of Your Farmers Market](#) by University of Minnesota's Extension Service or Rosanne Stead's Farmers Market Coalition webinar on [Best Board Practices and Meetings that Matter: An Introduction to Nonprofit Governance](#); you can download the handouts that accompany the webinar at FMC's Information Marketplace, [here](#).

One of the first steps toward establishing a nonprofit, whether recognized only by the state or by both the state and the IRS, is the creation of organizational bylaws. One example of farmers market bylaws is available in the Farmers' Market Federation of New York's [Farmers Market Manager Training Manual](#), though you can also find other sample bylaws in the [Farmers Market Resource Library](#) by searching for 'bylaws'.

If you're a small farmers market and not currently established as a nonprofit, you might want to think about establishing an informal advisory board of community stakeholders to provide feedback and assistance. While this type of governance will not have legal decision-making authority over your market, they can help you in your decision-making process, to help establish a market that's good for your vendors, good for your customers, and good for the community.

Here are some additional resources on market governance:

- Marketumbrella.org's [Organizational Details: Governance](#)
- Oregon State University Extension Service's [Understanding the Link to Farmers Market Size and Management Organization](#)
- Washington State University Extension's [Washington State Farmers Market Manual](#)
- Cooperative Development Institute's PowerPoint [Market Structure Matters](#)

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## Who should serve on our board?

When deciding who would be appropriate to serve on your board, you will want to find individuals with skills and experience beyond agriculture, particularly individuals from your community who have experience with legal, fundraising, planning, financial, and retail aspects of businesses and/or nonprofits, which will help ensure your market is a success. Make your board as diverse as possible with as many people from the community that will have a stake in the market including community leaders, farmers, local business owners, chefs, and community members. Make sure you include vendors on your board so that they have a voice in decision making. Your board of directors will help shape your mission and vision of your market and determine how your market impacts your vendors, customers, and community so try to give them all a seat at table.

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## Does our market need to be a 501(c)(3)?

Establishing 501(c)(3) status is not necessary to having a successful farmers market, but there are a few benefits: 501(c)(3)s are able to accept contributions that are tax-deductible to the donor; they're exempt from federal and/or state corporate income taxes from business-related income and sometimes state sales and property taxes; they enjoy increased public legitimacy and awareness; and their status makes them eligible to apply for many public and private grants. Additionally, some markets find that the nonprofit status helps keep them on mission, and the transparency requirements ensure good market governance. However, establishing 501(c)(3) status can be a significant time commitment, requiring a long and not always fruitful application



process. To achieve c3 status, a market must prove to the IRS that its primary purpose is public education, poverty relief, combating community deterioration, or otherwise lessening the burdens of government. We'll discuss some alternatives to the 501(c)(3) below, but to read more about applying for 501(c)(3) status, see [Chasing the Coveted \(c\)\(3\): The Trials and Tribulations of Form 1023](#) from the Farmers Market Coalition's newsletter. You might also check out a sample 501(c)(3) application in FMC's Resource Library—[this one](#) was successfully submitted by the Webb City Farmers Market in Missouri. If you decide to become a 501(c)(3), take a look at the Forming a Nonprofit Organization section of The Farmers' Market Federation of New York's [Farmers Market Manager Training Manual](#) for steps to do so.

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## Aside from 501(c)(3), what options do we have?

If our market chooses not to apply to be a 501(c)(3), what should we do? What options do we have? One great alternative to becoming a 501(c)(3) is to simply find an umbrella organization to become part of; this way your market can take advantage of many of the benefits of being a 501(c)(3) without going through the process itself. Another option is to try for c4, c5, or c6 status—55% of tax-exempt farmers markets have one of these statuses. Although donations to your organization would not be tax deductible for the donor under these designations, your market would have more freedom to engage in political lobbying than those with 501(c)(3) status. To be a c4, your market must prove that it furthers the general welfare of the local community; examples of this include supporting the local economy and improving shopping opportunities. To be a c5, the market must have as its main mission the benefit of farmers or ranchers, by providing them with new marketing outlets. To be a c6, the market must show that it is an open-membership organization improving business conditions for people with a common business interest. For more information about the differences between the 501c statuses, take a look at this [FMC handout](#).

If you would prefer not to operate as a nonprofit, one novel option would be to see if your state legally recognizes the low-profit limited liability company: the L3C. An [L3C](#) runs like a regular business and is profitable, but has the primary focus of achieving social benefit. While L3Cs are not exempt from federal or state tax, and investments in L3Cs are not tax deductible, no federal

income tax is imposed on the L3C itself; instead, taxes are passed through the L3C to its members, in proportion to the members' ownership shares. L3Cs also have the advantage of attracting Program Related Investments from foundations, which count toward foundations' minimum payout requirements. For an example of an L3C, check out Detroit's [Eastern Market Direct](#), an online farmers market and business collaborative made up of farmers market vendors and specialty food purveyors. As L3C is a relatively new concept in many states, there are not currently many farmers markets with this status.

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## How important is strategic planning and writing a mission statement to a farmers market?

Planning is extremely important to the long-term success of your market. It keeps you focused on the organization's original goals while training your eyes to bigger and better sights on the horizon. As farmers markets are businesses, taking the time to develop a business plan for your market allows you to define the mission of your organization, determine your profit goals, establish a direction, and attract funding for your organization. Take a look at [Show Me the Money: Business Planning for Farmers Markets](#) by the Cooperative Development Institute for more information.

Strategic planning is another type of planning you may want to consider undertaking. It helps you determine the vision and mission for your market, establish your objectives and the actions you'll take to achieve them, and develop methods to evaluate your success. For more guidance on how farmers markets can engage in strategic planning, watch the Farmers Market Coalition's Information Marketplace Webinar, [Strategic Planning in the Real World: How to Put No Staff, No Money, and Big Dreams to Work for Your Organization](#) or download the presentation as a PDF.

At the very least, develop a mission statement for your market if you have not done so yet. Your mission statement defines your purpose, the needs or opportunities your market addresses, and the values that will guide your policies and operations. Your mission will guide how you decide what activities and policies your market puts into practice. For that reason, communicate your mission publicly as much as possible by including it on your website, brochures, and market application. You'll be glad you took the time to develop a mission statement, as it will be a guiding star when tough decisions need to be made regarding policy enforcement.



Take a look at these resources for more information on developing a mission statement:

- Marketumbrella.org's [Organizational Details: Mission Statement](#)
- Marketumbrella.org's [The Strategy of 4Ms](#)
- The Farmers Market Coalition's [Sample Mission Statement](#) for a farmers market association
- The Neighborhood Farmers Market Alliance's [Mission Statement](#)

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### Should we build a permanent structure for our market? If so, how?

Depending on the climate in your area, a permanent structure may benefit your market by providing a year-round market space that's protected from the elements. Market structures, particularly in northern climates, allow for a more dependable year round space, creating more consistent and dependable sales for your vendors. At the same time, building a permanent structure can require a large capital investment, and should be carefully evaluated before beginning. Some things to consider include:

- Who will own the building, and the land on which it sits?
- Who will design the structure, and will it have electricity, storage, and office space?
- Where will producers and shoppers park their vehicles?
- Will it be in use on days when the market is closed?
- Will you need to change your fee structure to recoup ongoing costs?
- What if the location turns out not to be optimal and you later need to move?

Market structures require maintenance and a long-term plan for their upkeep. All in all, if your

market is just getting started, there is no need to rush into building a permanent structure. Focus first on ensuring your market will be successful and self-sustaining over time before making the investment or approaching community partners to fund its construction.

In considering a permanent structure, don't forget that one of the unique qualities of farmers markets is the open-air atmosphere of the market, and that the absence of a permanent structure allows flexibility for changing locations if need be. Suzanne Santos, of [Sustainable Food Center's Farmers Markets](#) in Austin says, "The 'pop-up' nature of the farmers market makes it part of the fun." You may also realize that, like many markets that are open year-round rain or shine, even in colder climates, a very loyal customer base will brave harsh weather to support the market if the product mix is appealing. A rain or shine policy where customers can depend on vendors to be there may be all you need to keep your customers coming regardless of weather. In [Market Day: Hours, Location, Parking, and Weather](#), [marketumbrella.org](#) says that, "Rainy days are where our market reputation is made."

For more discussion about this, take a look at Nina Planck's article [Recipe for a Great Farmers Market](#). If you do decide that you have the resources and the need for a permanent structure, the USDA's Agricultural Marketing Service offers [Wholesale Marketing and Facility Design](#), with guidance and technical support for the construction and remodeling of farmers markets.

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The Wallace Center supports entrepreneurs and communities as they build a new, 21st century food system that is healthier for people, the environment, and the economy. The Center builds and strengthens links in the emerging chain of businesses and civic efforts focused on making good food—healthy, green, fair, affordable food—an everyday reality in every community.

Winrock International is a nonprofit organization that works with people in the United States and around the world to empower the disadvantaged, increase economic opportunity, and sustain natural resources.



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The Farmers Market Coalition (FMC) is a national 501(c)(3) organization devoted to strengthening farmers markets through education, networking, and advocacy. FMC members include farmers, farmers markets, regional and state farmers market organizations and agencies, and individuals and businesses supporting farmers markets.

