

**City market,  
St. John's Newfoundland :  
report on feasibility**

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CITY MARKET

ST. JOHN'S, NEWFOUNDLAND

REPORT ON FEASIBILITY

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February 12, 1973

Government of Canada,  
Department of Regional Economic Expansion,  
P.O. Box 5199,  
St. John's, Newfoundland

Attention: Mr. J.L. Miller,  
Director (Newfoundland)

Dear Sir:

Re: Job #73/011 - City Market, St. John's, Newfoundland

We have pleasure in presenting our Report on Feasibility for the above project as requested by your letter of February 5, 1973.

Yours very truly,

*Robert A. Warren*  
Robert A. Warren

RAW/bls



ROBERT A. WARREN D.A.(ed in.) A.R.I.B.A. A.R.I.A.S. M.R.A.I.C. N.A.A.

1. SITE

After discussions with various parties, including the City Planning Department, about the general principles of the re-development of Downtown St. John's, without direct reference to a Produce Market, but with regard to the philosophies involved, we feel that a site in the urban core would be most desirable. We have developed the following criteria to be followed in choosing a site:

1. Access: The proposed site should be readily accessible to both residents of St. John's and those travelling from outlying areas, by car, bus, and on foot.
2. Location: The proposed site should be in a location that will place it in an already established commercial area and be within walking distance of the existing major shopping streets.
3. Parking: The proposed site must be large enough to contain sufficient parking and loading areas to make it attractive to both buyer and seller.
4. Existing Buildings: The proposed site should cause only the demolition of those existing buildings that would be normally scheduled for demolition under a planned re-development scheme and which could be readily acquired either by expropriation or normal purchase arrangements, without causing undue hardship or controversy.

Originally it had been hoped to investigate a site bounded by New Gower Street, Casey Street, and Barron Street, but we have been informed by the City Planner's Department that this site has already been designated for a Transportation Terminus and that owing to the restricted size of the site (35,000± sq. ft.) it is not felt that a Produce Market can also be fitted economically here.

For the purposes of this study, we have chosen the area bounded by New Gower Street, Queen Street, George Street and Adelaide Street (assuming the closing of Holdsworth Street) as it complies with the above criteria as follows:

1. Access: Situated at the Eastern end of the Harbour Arterial as it enters the City and being bounded by four existing streets, this site would seem to have great potential. The traffic lights at Queen Street give "one-way" access to George Street, which is at present, and likely to remain, a service street.

Leaving the site by Adelaide Street a "one-way" system is also encountered and it is likely that the Adelaide Street/New Gower Street corner will also be controlled by traffic lights.

2. Location: This site is adjoining an established commercial area and would be "en route" for pedestrians travelling from the proposed Transportation Terminus and Housing Development to the Water Street Shopping Area.

3. Parking: A parking garage could be incorporated within the structure entered from George Street. Loading would take place along the George Street facade at the main Market floor level.

4. Existing Buildings: Apart from one substantial stone building on the corner of Queen Street and George Street, about which there may be some controversy, most of the buildings existing are of a "run-down" character and, subject to detailed study, most likely they can be acquired for a reasonable figure (\$400,000 - \$500,000).

2. FUNCTION AND FORM

The functions of this building would be varied and complex but primarily it would act as a direct retail outlet for locally produced fish, farm produce, crafts, etc., whereby the primary producer would have an opportunity either as an individual or as a member of a group to also be the retailer.

This could take the form of a covered Produce Market, where counter space, ice, garbage disposal etc. could be made available on either a semi-permanent basis with "shops" on annual rental or on a temporary basis with stalls rentable by day or week.

It is also felt that there should be some space for longer term tenants such as banks, pub and restaurant etc. In order that even during the low season there should be activity maintained within the building.

Our conceptual design incorporates all these above items as well as a pedestrian bridge linking the Market, at Mezzanine level, to the proposed Transport Terminal, the new housing (on the land west of City Hall) and City Hall itself. This would maintain a flow of pedestrians through the Mezzanine level, which is where we have located the more permanent stores, and thence to the Main Market Floor by stairways.

Owing to a 9'-0" drop in the site from New Gower Street to George Street, we have taken the lowest floor for Parking and have 92 spaces accessible from grade.

The Main Market Floor is entered either from Queen or Adelaide Streets and the stalls and "shops" are along aisles which join the two entrances.

Telephones and Public Washrooms are located near each entrance, and also on the Mezzanine floor.

Several items not specifically mentioned on the drawings which would be incorporated in a more detailed design would be:

- a) Fire Protection - A sprinkler system would cover the entire building area and thus diminish the need for enclosed Fire Escape Stairs.
- b) Garbage - Each tenant would be supplied with a garbage container suitable for his type of business and these would be picked up and trucked out at night by the Market's cleaning staff. An incinerator would not be included.

- c) Incoming Goods and Produce :- There would be "at-grade" deliveries to the Main Market Floor through the three loading bays and thence by trolley to each tenant space. The hours for deliveries could be restricted to the early morning prior to opening for business. Goods for the Mezzanine Floor could be delivered either through the Parking Level or Main Market to the two freight hoists located at either end of the building, and again by trolley to the tenant spaces. Special arrangements may have to be worked out for users such as the Bank and Restaurant.
- d) Ice :- Ice making equipment could be permanently located in the Basement Mechanical Room and ice taken by trolley, when needed, via the freight hoists to the tenant.
- e) Ramps :- Ramps for both wheelchairs and baby carriages would be incorporated at the main entrances, and it could be possible for the freight elevators to be used, on request, by members of the public during business hours, in order to get to the mezzanine without using the stairs.
- f) Offices :- We have located offices on a bridge spanning the void between the Mezzanine galleries in order to give an overall view of the Market to the management staff.
- g) Phones :- The perimeter bays on both floors could be wired for phones but the central market floor would be served by the pay phones, at each entrance, only.



h) Lighting :- Adequate day-lighting is provided both by the large end windows and by the clerestorey windows for the main market areas.

A detailed study would have to be made of lighting requirements for perimeter bays and for general night-time uses,

j) Ventilation :- Owing to the height of the central ceiling, it may be found unnecessary to have any form of either natural or mechanical ventilation. This would be the subject of a detailed study during later design stages.

k) Heating :- It is not common practice in Markets of this type to provide heating, in fact, it may be undesirable in areas where perishable produce is sold. Consideration could be given to radiation heating in the perimeter bays, but again this would have to be carefully studied.

l) Finishes :- Most areas would be left in their natural state (i.e. concrete) and be of a heavy duty character, capable of simple cleaning by broom and hose. Floor drains would be incorporated in the Main Market Floor and perimeter gutters on the Mezzanine galleries. It is not felt that the nature of this building warrants a high quality of finishes.

m) Structure :- The building is based on a 20' X 20' grid except for the central mezzanine void which has a 40' span. It is a relatively simple structure ideal for "in situ" concrete construction. Exterior walls could be of concrete block on the lower floor with an exterior finish, with precast concrete panels at Mezzanine level in a style similar to that on City Hall.

Internally, partitions would be of concrete block.

INCOME

a. Rentals

|       |   |   |                 |
|-------|---|---|-----------------|
| (i)   | 26 type A stalls (80 sq. ft.) at \$10/day<br>X 300 days | = | \$ 78,000/annum |
|       | Less: 50% vacancy                                       | = | 39,000/annum    |
|       | TOTAL   | = | \$ 39,000/annum |
| (ii)  | 26 type B stalls (40 sq. ft.) at \$5/day<br>X 300 days  | = | \$ 39,000/annum |
|       | Less: 50% vacancy                                       | = | 19,500/annum    |
|       | TOTAL   | = | \$ 19,500/annum |
| (iii) | 28 annual rent bays (400 sq. ft.) at<br>\$4/sq. ft.     | = | \$ 44,800/annum |
|       | Less: 10% vacancy                                       | = | 4,480/annum     |
|       | TOTAL   | = | \$ 40,320/annum |
| (iv)  | 15,600 sq. ft. Mezzanine Shops at<br>\$6/sq. ft.        | = | \$ 93,600/annum |
|       | Less: 5% vacancy  | = | 4,680/annum     |
|       | TOTAL   | = | \$ 88,920/annum |
|       | TOTAL RENTALS:  | = | \$187,740/annum |

INCOME (cont'd)

## b. Parking

|   |   |                 |
|---|---|-----------------|
| Metered at 25¢/hour X 92 spaces X 64 hrs/week | = | \$ 1,472/week   |
|   | = | \$ 73,600/annum |
| Less: 50% vacancy                             | = | 36,800/annum    |
| TOTAL   | = | \$ 36,800/annum |
| TOTAL INCOME                                  |   | \$224,540/annum |

COSTS

A. Operational (at 50¢/sq.ft. X 52,600) = \$ 26,300

## B. Building Costs

|              |   |            |
|--------------|---|------------|
| Land         | = | \$ 500,000 |
| Construction | = | 1,900,000  |

|       |   |             |
|-------|---|-------------|
| TOTAL | = | \$2,400,000 |
|-------|---|-------------|

Annual repayment at 9½% over 20 Years (Factor 11.04)

= \$264,600

C. Insurance = \$ 6,000

|            |   |           |
|------------|---|-----------|
| TOTAL COST | = | \$296,900 |
|------------|---|-----------|

|            |   |                 |
|------------|---|-----------------|
| TOTAL COST | = | \$296,900/annum |
|------------|---|-----------------|

|              |   |               |
|--------------|---|---------------|
| TOTAL INCOME | = | 224,540/annum |
|--------------|---|---------------|

|         |   |                 |
|---------|---|-----------------|
| DEFICIT | = | \$ 72,360/annum |
|---------|---|-----------------|

In the above Cost and Income figures we have been both conservative in our vacancy factors and pessimistic in our building construction and land acquisition costs, as we know from experience that unforeseen factors can occur in both these areas,

No figures have been allowed either for City Taxes, as we would presume that being a City operated Market, these would not be levied, or for depreciation as we feel that in fact, the building would last well beyond its 20 year amortisation period and if anything would appreciate in book value.

In conclusion, we feel the idea is a viable one despite the need for a subsidy, as it would mean that for comparatively minor annual assistance, its benefits to the community at large would more than outweigh its burden on the tax payer.

## OPPORTUNITY

### CITY MARKET - ST. JOHN'S

#### Background

There is no historic fish and fresh produce market in St. John's, nor has there been one. However, for years there has been considerable interest expressed (particularly around municipal election time) in setting one up. Unfortunately, none of the interested groups or parties have come up with a plan which has been thought through. For example, last fall, a councillor suggested putting such a market on a barge in the middle of the heavily polluted St. John's harbour. Consequently, each proposal has been dropped in its earliest stage.

At the moment, the St. John's Board of Trade is investigating the possibility of a market, and may present a well thought out proposal sometime within the next year.

As an opportunity identification project, a local architect was commissioned to locate a site in accordance with certain criteria, to prepare preliminary concept drawings of a market fulfilling specified functions, and to prepare a report on the basic feasibility of such a market.

The City Market in Saint John, New Brunswick, was selected as an example of what is required, and a visit was made to it. The City Architect and the Market Manager provided much time and considerable material to the consultant. Saint John is approximately the same size as St. John's. There is a stronger agricultural base in the Saint John Valley than in the St. John's area, but a weaker fisheries base. The market in Saint John works, extremely well. It fills the functions and its site meets the

criteria established for the St. John's market. The site happens to be the same size as the site selected for the hypothetical exercise in St. John's. The ground floor of the concept drawings follows closely the Saint John model - the parking garage, mezzanine and pedestrian bridge are additional to it.

In considering the building, two alternatives, additional to the one chosen, were considered and could be further investigated. One is to link the market to a multi-level parking structure. This was not pursued for three reasons - the Saint John Market, which is highly successful, is related to pedestrian functions and has no directly related parking: the site selected is too small to allow for ramps to the third level (first level of parking) - a linear, sloping site would be required, or a much larger site, to accommodate ramps: and, finally, the parking structure would operate at a considerable loss. The second alternative considered was to put an office structure on top of the market. This raises severe parking problems in the area, and, once again, the site could not accommodate the required parking - another site, of course, could change the options available.

OPPORTUNITY

The attached report by Warren & Associates is based on a number of assumptions.

1. Pessimistic vacancy rates for stalls (which may be justified for the first couple of years)
2. Relatively low rentals for bays and shops, particularly the latter (rents as high as \$8/sq. ft. for shops would not be unreasonable for the location)
3. Pessimistic building and land cost estimates (\$19/sq. ft. should be more than sufficient for construction of this type of building). (Costing is supported in considerable detail by working documents presented by the consultant).
4. Repayment over 20 years at 9½%.

If the loan were at the rate for loans by government to Crown Corporations, the annual deficit could be reduced by \$36,700. Reduced vacancy rates, and/or increased rental charges for bays and shops would wipe out the remaining deficit of \$35,600.

Alternatively, crown corporation rate loans plus a contribution in the order of 25% to construction costs would more than wipe out the forecast deficit.

The City may want to break even on the project, since it will be losing property tax revenues for the site. However, it would be receiving higher business tax revenues than presently. The above

changes would ensure a breakeven position, with eventual net revenues (after 20 years) of about \$190,000 per year, plus increases related to rents or improved occupancy rates.

Impact

The City Market would have impact in three areas:

1. Improved incomes to independent farmers and fishermen acting as their own retailers;
2. Revitalization of pedestrian related activity in the central city area;
3. A major tourist attraction.

Action

The City could be approached by DREE directly, with this scheme, through the province, or by a private group not connected with government, such as Board of Trade.

The prerequisite action by DREE is to decide whether it can support this type of thing in the ways suggested, before an approach is invited.



