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City enforcement of decades-old law threatens to end New Orleans' vibrant art market scene

BY KAYLEE POCHE

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A vendor sells to customers at a Bayou Yacht Club market.

Photo by Tiffany Anderson of Feral Photography

In the throes of the pandemic, New Orleans artists were struggling to find places to sell their artwork.

So a group of them decided to take matters into their own hands. They banded together to form the Bayou Yacht Club, a nonprofit that hosts free outdoor arts markets around the city.

Over the years, they've hosted both smaller events at local businesses and larger markets with 50 or more artists at places like the Lafitte Greenway.

"Everything felt so bleak with the pandemic, and seeing how needed art was and how needed community was when it was taken away from us, that is really what sparked all of this," says founder Anna Schnitzler.

Similar markets also popped up around town, joining the existing markets in the city. They range in size from a handful of friends selling wares on a stretch of sidewalk to larger, regular events hosted at breweries, churches and other spaces. Some include home chefs, craft makers, live music and other vendors.

In recent years, markets have been an increasingly popular pastime for residents — and one of the ways many families make ends meet in a challenging economic environment.

But thanks to Mayor LaToya Cantrell's administration, the flourishing market scene in New Orleans could soon go dark. This spring, the administration resurrected an obscure, more than half-a-century-old law forcing market organizers to act as de facto collectors on participating vendors.

Organizers will now have to pay a small percentage of a \$10,000-\$20,000 bond upfront. If all the vendors at the event don't pay their sales taxes in time, they could be on the hook for the full \$10,000-\$20,000.

As a result, Bayou Yacht Club has decided to shut down its markets.



A market put on by Bayou Yacht Club

Photo provided by Bayou Yacht Club

“They were like, 'Oh, by the way, we're gonna need [a bond for] \$20,000,’” Schnitzler says. “It's like, 'OK, never mind. We don't need the event permit.'”

Organizers of markets all over the city, including the popular Freret Market, say they are also weighing if they can continue their markets.

“All the market producers are kind of just flustered at this point,” says Michelle Ingram, founder of Freret Street Market and Freret Fest.

The change is one of several moves the Cantrell administration has made in recent years to crack down on the city’s smallest businesses.

In March 2023, they started targeting vendors under the Claiborne Overpass, a popular location for stops during second lines. That July, they cited street vendors along St. Claude Avenue. Starting last fall, they set their sights on Bourbon Street, where vending is a different animal altogether.

“It feels punitive, honestly,” Schnitzler says. “It feels like an extreme measure.”

Part of that sense is a result of a lack of transparency and clarity. Market organizers say the city didn’t reach out to them prior to or after the decision to resume enforcement of the bond policy; they’re only finding out once they apply for permits or from other market organizers.

The Cantrell administration also hasn’t provided much in the way of plain language guidance for who, and who isn’t, covered. For instance, the city would not say whether small markets held at private venues, like bars or churches, need to purchase bonds.

The policy isn’t a result of a new law, but instead is a decision by the Cantrell administration to start enforcement of an old one, dating back to 1956, which hadn’t been in practice for many years.

The Cantrell administration won't say what triggered the change. Leatrice Dupre, Mayor LaToya Cantrell's press secretary, only said the law has been "enforced consistently until a change in organizational structure."



A vendor sells clothes at one of Bayou Yacht Club's art markets.

Photo provided by Anna Schnitzler

Though Dupre did not clarify which “change in organizational structure” she was referring to, responsibility for upholding the law switched from the Bureau of Revenue to Safety and Permits around a decade ago.

However, it's unclear if the city was regularly enforcing the law prior to that switch — and if so, whether it was applying it to small markets at all. For instance, the original law repeatedly uses the word “show,” which could imply it was meant to make sure vendors at large events like car shows paid the city sales tax.

Ingram began hosting markets on Freret Street in 2007 and said she only heard of the bond requirement this spring.

Market organizers said the city began asking them for bonds to get special events permits in April. A PDF document of the policy on the city’s website also appears to have been created in April.

The document lists bonds special event promoters must pay before the city approves their event. If the event has three vendors or fewer, they’ll need to buy a cash bond valued at \$250 per vendor. They’ll pay a percentage of that money directly to the city.

If a special event has three or more vendors, an organizer will need to purchase a “performance bond” from an insurance company for \$10,000-\$20,000, depending on the number of vendors. This bond puts them on the hook for making sure all vendors at their event pay their sales taxes.

Purchasing a \$10,000 bond can cost anywhere from \$50-\$1,500, depending on which insurance company issues the bond. But it’s the risk of being responsible for \$10,000-\$20,000 if every vendor doesn’t pay their sales tax in time that’s setting off alarm bells with organizers.

There’s also confusion about how long vendors will have to pay their sales tax. In the same email, Cantrell spokesperson Dupre said both “ALL vendors participating must pay the 5% sales tax by the end of

the event” and that “the participating vendors have 4 months to pay sales tax.”



New Birth Brass Band plays during Bayou Yacht Club's 2022 Carnival event.
Photo by Scott Threlkeld / The Times-Picayune

Though the Cantrell administration says the rule is needed to ensure vendors pay sales taxes at markets, it isn't clear if this is actually a problem.

For one, vendors typically aren't making huge profits at these markets to begin with. Schnitzler says that for smaller markets, vendors might make \$100. At larger markets, they could profit \$2,000 on a good day.

When asked if the city had estimates on how much sales tax they think they are losing from vendors not paying sales tax on their earnings at special events, Dupre replied, "NO."

Market organizers say even if they can afford the upfront cost of a bond, they couldn't manage to pay \$10,000-\$20,000 if one of the vendors didn't pay their sales taxes to the city in time.

Many of these markets are put on by nonprofits who are just trying to cover their operating costs. Ingram says \$20,000 is more than they usually make in a year, and they donate any money they have left over to community organizations.

Additionally, putting on a market is already a lot of work, and organizers say they don't want to be responsible for going behind vendors and asking them for proof that they paid their sales taxes. Not only is it more work, but organizers say it feels intrusive.

"Quite honestly, that isn't our job as a market producer," says Ingram, whose Freret Market has around 80 vendors. "Our job is to produce a market, and it is the vendors' jobs to report their tax to the city."

Likewise, Schnitzler says doing so would go against the reasons artists formed Bayou Yacht Club in the first place.

A lot of their vendors are LGBTQ people, people of color, and mothers who are trying to make money while avoiding paying for child care, she says.

It "is a very micromanaging thing to require, given the nature of events like this is to empower artists and small vendors just to sell their wares," Schnitzler says. "It's not businesses skirting sales taxes. It's artists trying to earn an honest living."



Bayou Yacht Club has hosted a number of art markets since 2020.

Photo by Tiffany Anderson of Feral Photography

Market organizers say getting permits from the city to host events was already becoming increasingly difficult.

They say the city sometimes doesn't issue a permit until right before the event — sometimes the night before or the day of — and that it is constantly changing the fees.

Schnitzler says when Bayou Yacht Club would rent market space from the New Orleans Recreation Development Commission, the city sometimes charged them \$1,000 more to rent the same space they'd previously rented, for the same amount of time. Sometimes the city would require event insurance and security, and other times they wouldn't.

"The requirements were different every time," Schnitzler says. "It was getting more and more expensive."

When applying for a permit to host an art market at the Magazine Street Champagne Stroll last year, the city thought she was trying to host a parade, she says.

“I had to be very careful how I worded our event so that they wouldn't think we were hosting a parade or trying to do something illegal with Champagne,” Schnitzler says. “It's been too difficult to want to continue.”

It's not easy for vendors either, who need to get multiple licenses and set up sales tax accounts, on top of paying fees to sell at each market.

“I have lost countless vendors because of the process to actually obtain the special event occupational license from the city,” Ingram says. “It's overwhelming. It's burdensome.”

For instance, Ingram says vendors at markets need to pay the city \$50, but no matter how late in the year they get their yearly license to do business at special events, that license expires Dec. 31. With all business licenses expiring at the same time, the city then gets backed up in issuing new ones.

“It's killing the local cultural economy of New Orleans by overburdening them with paperwork, licenses, permits, taxes, fees,” Ingram says. “I'm in no way saying that we should not be held responsible to pay to put on an event in the city, but it's gone to the extremes.”

Ingram says each Freret Market costs between \$4,000-\$5,000 to put on, including permits, insurance, electricity and other infrastructure.

It's why some market organizers ultimately choose to forgo the permitting process altogether, hoping to fly under the radar.

“We're just paying more and more and more and having to do more and more for us to remain the same,” Ingram says. “They're outpricing the one thing that they're using to promote this city.”



The Freret Market dates back to 2007.

Photo by Scott Threlkeld / The Times-Picayune

In addition to Bayou Yacht Club shutting down, Rotary Club of New Orleans Riverbend, who now owns Freret Market and the annual Freret Street Festival, must decide before the end of August on whether they can start their monthly markets back up this fall.

Ingram, owner of pet boarding business Zeus' Place, remembers when she started Freret Market in 2007 as a way to revitalize the area after Hurricane Katrina.

At the markets, they'd have poster boards where they'd post available properties and their corresponding real estate agents. People would come to the markets and leave wanting to buy a house in the neighborhood or start a business there.

"Having that market and that sense of community in this neighborhood is one of the reasons that Freret Street is what it is today," Ingram says. "People stopped using this as a thoroughfare and slowed down and started buying these vacant storefronts and making their dreams come true."

Markets across New Orleans have given artists and vendors opportunities to make money. Some use them to supplement their income from other work, while it gives others the chance to quit their 9-5 jobs altogether in favor of a more flexible schedule.

“If you have a child, it's really hard to like, go to work and pay for child care,” says Schnitzler, who is a mother. “So (it helps) being able to be an artist and pop up at these events and have someone watch your kid or bring them with you.”

They also help bring the community together and give artists a chance to connect with their customers.

“It makes me extremely sad that this could go away just through government bureaucracy ... That just seems sad that New Orleans is going to miss some of the flair that sets us apart from Houston or Dallas or Baltimore, Maryland,” Ingram says. “These little bitty markets are what makes New Orleans New Orleans, and if we can't afford to produce them, they're going to go away forever.”

Email Kaylee Poche at kpoche@gambitweekly.com



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