



# City of Madison Healthy Retail Access Program Application



## APPLICANT INFORMATION

<b>Primary Contact Name:</b>	Abha Thakkar, Executive Director	<b>Total Project Amount: \$530,000</b> <b>Healthy Retail funds requested: \$99,352</b>
------------------------------	----------------------------------	---

<b>Agency/Organization Group Name (Legal Entity Name) and Address:</b>	Madison Northside Planning Council, Inc.	
--	--	--

<b>Telephone #:</b>	608/230-1221	<b>Email:</b> <a href="mailto:director@northsideplanningcouncil.org">director@northsideplanningcouncil.org</a>
---------------------	--------------	--

<b>Applying as a:</b>	<b>Retailer</b> <input type="checkbox"/>	<b>Organization</b> <input checked="" type="checkbox"/> <b>(Must Fill out Form A)</b>
-----------------------	--	---

<b>Are you a SNAP-approved retailer through the US Department of Agriculture (USDA)?</b>	<b>YES</b> <input type="checkbox"/> <b>USDA FNS #:</b> _____	<b>NO</b> <input checked="" type="checkbox"/>
--	---	---

## PROJECT INFORMATION

Please limit each answer to the space provided. You may attach additional information related to the questions and budget to this application.

### Please describe, in detail, the proposed project:

Madison Northside Planning Council (NPC) is the owner and operator of FEED Kitchens, a shared use commercial kitchen business incubator, on Madison’s Northside. Opened in 2013, FEED’s primary focus is food enterprise development and entrepreneurship, with an emphasis on supporting minority, low-income and women entrepreneurs. With over \$500,000 in commercial grade equipment, entrepreneurs have access to tools that they would struggle to access otherwise. As such, FEED has supported over 130 businesses and 150 jobs, and, of the 70 businesses currently operating out of the facility, 45% are owned/co-owned by people of color and 45% are owned/co-owned by women. We also provide discounted rent to over 25 nonprofit agencies/programs so that they can have access to commercial kitchen space to prepare food for events, conduct trainings, and even operate social enterprises, all of which often serve food-insecure clientele.

NPC also operates two of its own programs through FEED. The Bakery Training Program provides valuable skills training at no cost to unemployed and underemployed residents. Healthy Food for All focuses on food waste reduction through the collection and distribution of bulk prepared foods and local farm excess. FEED is also home to the MarketReady program, which is proactively developing vendors for the Madison Public Market who have historically faced barriers to entrepreneurship.

Throughout its five years, FEED has worked through countless challenges, many of which have made it difficult to operate in the black and which have led us to this funding request. Setbacks include seasonal weather patterns affecting the ability of our entrepreneurs to process or make sales, costly equipment repairs and upkeep, payment defaults from struggling entrepreneurs, and the high level of staff investment required for new, inexperienced, under-resourced entrepreneurs. Nonprofit food incubators across the country have had similar experiences. According to New Ventrue advisors, LLC (Chicago, 2016), of all nonprofit incubators in the U.S., 70% receive grant support to help their bottom line. Incubators around the country bring in between 30-60% of their operating costs, while FEED brings in 80% of its operating costs. We operate at a high level of efficiency, but the incubator business model and the size of the local food system have limitations that have left us struggling to operate.

**Please describe how the project improves access to healthy food in the neighborhood you serve:**

FEED Kitchens is the foundation of a more food secure City and region by providing a point of intersection between local farmers and diverse processors, expanding local food choices and availability beyond seasonality of farm production, and providing a hub for food recovery and distribution. Our goal at FEED is to build a food sovereign future where healthy, local food is available and affordable to *everyone*. This requires systems change - a change in who owns food businesses, what they produce and where they locate.

FEED addresses these systemic challenges in healthy retail access by shifting ownership, production and decision-making to the very residents HRAP is targeted to serve. Of our member businesses, many (see partner list) produce local, healthy foods that are minimally processed, culturally representative and low in sodium and sugar. By supporting so many diverse entrepreneurs, FEED is shifting the balance of business ownership in our region. These entrepreneurs represent many communities whose food needs go underserved or totally unmet, and they are the suppliers and even the retailers of the future: they provide a range of healthy, culturally appropriate foods to meet the needs of many of the neighborhoods within HRAP's areas of focus. And by being business owners, they will help shift wealth and power to more diverse populations, through the employees they hire, the policies and resource allocations they advocate for, and the communities their products are tailored towards. FEED not only helps these businesses launch, but, with enough capacity, FEED can help our members lower the cost of production – and therefore enhance the affordability – of local foods. Through the development of service cooperatives (for health insurance pools, book-keeping, etc.), bulk ingredient sourcing, coordinated aggregation and distribution processes, shared retail spaces and collaborative marketing for complementary products, FEED can make it less expensive for these businesses to operate. Over time, given the number of businesses that are tied to FEED, this has the potential of bringing down the price point of healthy, locally produced food.

Finally, Healthy Food for All is a prime example of FEED's direct and measurable improvement in healthy food. Since its inception 3 years ago the program has collected and distributed over 80,000 pounds of local produce to families in need through food pantries, meal sites, community centers, and low-income senior centers. An additional 226,000 pounds of prepared food has been recovered and distributed in meal-sized packaging.

**Please describe any organizational partners or other collaborators and their relationship to the project:**

**FEED is home to the following businesses that produce healthy foods, many of which are sold in the various areas of focus:**

**Artesan Fruit** edible fresh fruit sculpting • **Cajun Cook** unprocessed, low sodium and sugar jambalaya mix • **Fairlane Foods** locally pickled vegetables and relishes • **Ferm Madison** kimchi • **Green Link Consulting** local frozen vegetables for institutional sales • **Healthy Food for All** local farm produce distributed to low income households • **Jam Berrie** local, organic, low sugar fruit jams and vegetable relishes • **Kulkarni Foods** unprocessed, low sodium and sugar Indian Meal Mixes • **dZi Little Tibet** Tibetan cuisine prepared with vegetables they grow at the Farley Center • **Mad Maiden Shrub** fruit and vegetable infused vinegar drinks • **Madame Chu's Delicacies** Southeast Asian sauces for home cooking • **Milwaukee Canning** locally pickled vegetables and relishes • **Rude Brew Kombucha** fermented vinegar drink • **Mango Man Sauces** Caribbean sauces that are low salt and fat • **Singing Bowl Chef** catering focused on local farm products • **Tart** sweet and savory baked goods featuring locally available produce • **Tortillas Los Angeles** organic corn tortillas made with corn they grow and mill locally • **Vitruvian Farms** locally grown mixed greens packaged for retail sale

**FEED also supports nonprofits at a 33% discount, many of whom make healthy, local food available in the areas of focus:**

FEED Bakery Training Program • Community Groundworks • Chrysalis Pops • Off the Block Enterprises • Healthy Food for All • Wil-Mar Neighborhood Center • Goodman Community Center • Polish Heritage Club • REAP • Kasjiab House • Grow Academy • UW Health • Group Health Cooperative • Door Creek Church • Girl Scouts • North/Eastside Senior Coalition • Wisconsin Falun Dafa • Madison-Kanifi ng Sister City • Slow Food Madison • Wisconsin Empathy Guild • African Women International • Malcolm Shabazz High School • Mentoring Positives • Mendota School • Community Health Volunteers of Madison • Mobile Farmer's Market

**Madison Northside Planning Council collaborates and partners with a number of organizations to support our members and programming within FEED:** City of Madison MarketReady program • Wisconsin Women's Business Initiative (WWBIC) Business Services • SCORE Business Services • Dane County/Madison Public Health Technical assistance, licensing • State of Wisconsin Department of Ag, Trade, and Consumer Protection • Technical assistance, licensing • UW Extension Dane County Technical assistance, support • University of Wisconsin – Madison Technical Assistance, volunteers • Madison Area Technical College Technical Assistance, volunteers • Edgewood College Technical Assistance, volunteers • Madison-area Urban Ministries, Just Bakery Ingredient and resource sharing • Wisconsin Procurement Institute Assistance on government contracting • Community Action Coalition/Dane County Food Pantry Network Food Recovery Partnership • REAP Farm Fresh Atlas, technical assistance procurement

**Please take some time to describe the types of technical assistance that you may need to help with completing the project. Some examples of technical assistance include: Business plan development, marketing assistance, financial planning, grant-writing assistance, market research, book-keeping, project management, etc.:**

NPC has spent the last five years fine-tuning operations, both of the kitchen and organizationally. We feel confident in our kitchen management systems, financial management and budgeting, bookkeeping, and project development and implementation.

We are aware that there are various areas where we could use support, and our main limitation has been a lack of capacity as we compensate for FEED's structural deficit by limiting our staffing and professional development budgets (since the building costs are mostly fixed). With that in mind, we could use technical assistance in the following areas:

- Expanding our marketing and outreach to even more potential entrepreneurs, especially value-added producers who are not dependent on seasonal cycles and who may be able to work in the facility during non-peak hours;
- Helping identify and direct more financing opportunities to low-income and minority entrepreneurs;
- Identifying regional and national grant-making sources for kitchen incubators and helping us get their attention (perhaps through a collaboration with larger entities) – local foundations are wearying of funding FEED operations, and we have tapped the national opportunities we're aware of.
- Evaluation and data collection, especially as we develop our own database and data collection and tracking protocols.
- Beefing up our fundraising – while we have experienced an impressive growth of direct donor and corporate fundraising in the last few years, we need more relationships and networks (and staff time!) to broaden this base.
- Developing service cooperatives and other cost-sharing measures for FEED members. Again, we've pursued some of this, but our limited capacity has meant that most of our time needs to be spent on basic operations.

**Please indicate a general timeline for the project:**

FEED is open and accessible for production 24 hours a day, 7 days a week, year-round. This grant would include financial support to help us compensate for 2018 losses due to the historic flooding in August and support for overhead costs associated with the building for 2019, while we work on longer term solutions that address FEED's structural deficit.

## BUDGET SUMMARY

Please Include a project budget that includes items such as construction costs, materials, labor, etc. Please include specifically how city dollars would be utilized within the project budget. Also include other funders, lenders, or in-kind supporters that are contributing to the project.

Item	Total Cost	Labor Cost (Estimate, if not available)	Amount of City Dollars Requested	Amount of Other Revenues/In-kind Support
2018 Mortgage Costs	\$23,916		\$0	\$23,916
2019 Mortgage Costs	\$23,916		\$0	\$23,916
2018 Land Lease	\$15,760		\$0	\$15,760
2019 Land Lease	\$15,760		\$0	\$15,760
2018 Equipment Repairs	\$32,667		\$32,667	\$0
2019 Equipment Repairs	\$34,000		\$34,000	\$0
2018 Payroll	\$110,365		\$0	\$110,365
2019 Payroll	\$118,000		\$0	\$118,000
2018 Admin Costs	\$9,000		\$0	\$9,000
2019 Admin Costs	\$10,000		\$0	\$10,000
2018 Insurance	\$5,700		\$0	\$5,700
2019 Insurance	\$6,400		\$0	\$6,400
2018 Printing Costs	\$6,700		\$6,700	\$6,700
2019 Printing Costs	\$7,000		\$4,169	\$2,831
2018 Utilities	\$44,000		\$0	\$44,000
2019 Utilities	\$45,000		\$0	\$45,000
2018 Equipment & Tech	\$10,816		\$10,816	\$0
2019 Equipment & Tech	\$11,000		\$11,000	\$0
<b>TOTAL</b>	<b>\$530,000</b>	<b>N/A</b>	<b>\$99,352</b>	<b>\$430,648</b>
				FEED revenue - \$390,000
				Donations/Grants/Northside News Revenue: \$40,648

# FORM A

**A) Please list the retailer(s) and location(s) that are directly working with and/or for this project:**

FEED supports many of our members in making their products available at various retail locations, including the following that are in or adjacent to the HRAP areas of focus: Northside Farmers' Market, Capitol View Farmer's Market, Centro Hispano's Southside Farmer's Market, Willy St Coop (North, East and West), Hy-Vee, Jennifer St. Market, and Woodman's (east and west).

Other retail locations that FEED-made products can be found include: Hilldale Farmer's Market, Westside Farmer's Market, Eastside Farmer's Market, Metcalfe's, Capitol Centre Foods, Fresh Market, Orange Tree Imports, Fromagination, and street fairs and festivals throughout the City.

**B) Please specifically describe the organizational support that you are providing to the retailers as a part of this project proposal:**

The support we provide primarily occurs on the processor end. We help our value added producers with wording for their labels, UPC coding, pricing, and technical assistance on how to get onto a retail shelf and work/negotiate with retailers.

Additionally, we provide technical assistance and underlying support to many organizations and businesses that are not members of FEED. For example, Luna's Groceries has been working closely with our staff and has purchased FEED equipment (that we had outgrown) at reduced rates. Additionally, Healthy Food For All plays a direct, measurable role in increasing healthy food access through the recovered food it supplies to neighborhood centers and pantries all over the county, including The River Food Pantry.

## LETTER OF INTENT

**Please attach a letter, signed by the owner or manager for the retailer(s) involved that describes their active participation in the project.**

### DISCLAIMER AND SIGNATURE

I certify that my answers are true and complete to the best of my knowledge.

Signature: Abha Thakkar

Date: 1/22/2019