



Department of Planning & Community & Economic Development

Economic Development Division

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cityofmadison.com

To: Members of the Madison Food Policy Council
From: George Reistad, Business Development Specialist
Date: Presented February 8, 2023

Subject: Authorizing the City of Madison Enterprise Assistance Training (EAT) Initiative

OVERVIEW AND BACKGROUND

Healthy Retail Access Program and Enterprise Assistance Training (EAT) Initiative

Created in June 2015 by [authorizing resolution #38465](#), the Healthy Retail Access Program (HRAP) has disbursed over \$1.2m in funding to support community food access projects, which have [improved access to affordable, healthy, and culturally appropriate food](#) within areas of focus, as identified in the [City of Madison Food Access Improvement Map](#) (FAIM). In addition to alleviating food access challenges for neighborhood residents, many of these projects have created opportunities for economic mobility for small, independent food retailers, the vast majority of which are owned by BIPOC entrepreneurs and/or first-generation immigrants.

Since 2018 - after implementing recommendations from a Food Trust/American Heart Assn [REPORT](#) analyzing the structural efficacy of the program - HRAP has funded three “flagship” projects (totaling \$432,735) in identified [FAIM – Areas of Focus](#):

- Two new grocery stores
 - 2018 -- [Luna’s Groceries](#) – 2010 Red Arrow Trail (Area of Focus #1B)
 - [Resolution #50956](#) – Awarding \$157,735
 - 2021 -- [Go-oh Groceries](#) – 3554 E Washington Ave (Area of Focus #2)
 - [Resolution #64416](#) – Awarding \$125,000
- One major renovation of an existing grocer
 - 2019 -- [Madison Oriental Market](#) - 1197 N Sherman Ave - #4234 (Area of Focus #2)
 - [Resolution #55435](#) – Awarding \$150,000

Based on the recent successes, growing knowledge, and ardent support of HRAP from the business community as well as [residents of neighborhoods highlighted in the FAIM](#), City Staff requested \$100,000 of increased funding through the Healthy Retail Access Program to support technical assistance and evaluation efforts of HRAP and food access programs.

In the 2023 Capital Budget, \$250,000 was allocated to the Economic Development Division’s Healthy Retail Access Program. Part of that allocation was the historical funding level of \$150,000 to support

food retailers in the City of Madison looking to expand their business or create new food enterprises in areas that struggled with robust food access. An additional \$100,000 was allocated to create a technical assistance and evaluation initiative supporting food systems entrepreneurship and food access work in the City of Madison.

The Enterprise Assistance Training (EAT) Initiative would assist food retailers in the City of Madison by providing funding for a two-pronged technical assistance approach, which focuses on:

- (1) Initial assessments, discussions, and coaching around business model and structure, financial statements and forecasting, product category mix and margin, market analysis, and other business growth and viability support
- (2) Store planning and equipment acquisition support

Additionally, the **EAT Initiative** would provide on-going program evaluation for the Healthy Retail Access Program and one-time funding to evaluate the City's SEED Grant Program. Pending results of the SEED Grant evaluation, a budgetary request would be made to provide on-going evaluation funding for that program.

2023 CAPITAL BUDGET REQUESTS

AREA #1 – *Increase programmatic funding by at least 10% (\$15,000) of the current base to specifically fund activities supporting on-going evaluation work of funded HRAP projects, the overall HRAP program, and the SEED Grants Program (exploratory). This funding will be directly allocated to an evaluation entity and will be non-competitive with current HRAP project funds*

- The aforementioned [2018 Food Trust/American Heart Assn HRAP report](#) recommended engraining evaluation functions within the program to be able to determine the impact of individually funded projects as well as ascertain what worked well or did not work well for those projects, serving as a type of “course correction” for staff to understand and ultimately implement
- The May 2021 meeting of the Madison Food Policy Council meeting approved funding for an [HRAP project evaluation proposal submitted by the Community Food Systems Program Team at UW-Madison Division of Extension](#). This funding increases that request and seeks to holistically integrate this type of evaluation work by institutional experts on an annual basis
- This funding increase would ensure the creation of on-going recommendations for programmatic improvement and/or validation for front-line staff and will also outline program impacts to policy makers and potential external funders

AREA #2 – *Increase programmatic funding to support technical assistance for HRAP applicants/recipients by at least \$50,000*

- Since the inception of HRAP in 2015, one of the issues that front-line staff have discovered - and subsequently struggled with - is the need for and provision of expert technical assistance to program applicants seeking to open or renovate a food retail outlet
- In the majority of cases, while the applicant has the drive, determination, and baseline business acumen to run a successful food retail outlet, the early introduction of a food retail expert is

helpful and assists in overcoming some of the growing pains associated with the creation of a new store and the growth of an existing store

- Technical assistance funding will allow retention of the services of food retail expert to supplement the knowledge of front-line staff while working with prospective and funded applicants to create knowledgeable and accurate proposals and then assist in implementing proposal content

AUTHORIZING THE ENTERPRISE ASSISTANCE TRAINING INITIATIVE

Per the background and budgetary requests outlined above, proposals were solicited from three entities that meet the requirements outlined above regarding technical assistance provision and evaluation services. The respondent's submission content and costs are briefly summarized above and letters of commitment are attached as appendices to this memo.

1. University of Wisconsin System - Food Finance Institute: \$44,000

- a. FFI's EAT Initiative proposal is focused on providing technical assistance expertise to applicants and grantees of the City of Madison's Healthy Retail Access Program. Technical assistance in this instance refers to discussions and coaching around business model and structure, financial statements and forecasting, product category mix and margin, market analysis, and other business growth and viability support.*

2. Martee's Consulting LLC: Up to \$15,000

- a. Up to 300 hours of food retail operations implementation services at \$50/hour*

3. UW-Madison Division of Extension, Community Food Systems Program: \$22,072

- a. Evaluation Services for the Healthy Retail Access Program – Up to \$10,000*
- b. Evaluation Services for the SEED Grants Program – \$12,072*

Total EAT Initiative Costs: Up to \$81,072



LETTER OF COMMITMENT FOR EAT INITIATIVE 2023

2/1/2023

Food Finance Institute

780 Regent St., Suite 305
Madison, WI 53715

ATTN: George Reistad

Business Development Specialist
City of Madison | Economic Development Division
Madison, Wisconsin 53703

SERVICE PROVISION

The Food Finance Institute (FFI) - part of UW System Administration – has a mission is to provide sophisticated financial technical assistance to every growing food, farm, and food systems business. FFI accomplishes this through a variety of trainings, programs, and tools focused on building food-focused business capacity, connecting entrepreneurs with resources and each other, and providing targeted financial and business technical assistance and coaching.

We have worked with a wide range of businesses including farmers, food and beverage brands, cooperatives, food hubs, processors, and nonprofits. FFI's EAT Initiative services are focused on providing technical assistance expertise to applicants and grantees of the City of Madison's Healthy Retail Access Program. Technical assistance in this instance refers to discussions and coaching around business model and structure, financial statements and forecasting, product category mix and margin, market analysis, and other business growth and viability support.

BUDGET

\$39,000 Technical Assistance Hours Retainer
\$5,000 Flat Contract Admin and Management Fee (13% of retainer costs)
TOTAL: \$44,000



1/29/2023

ATTN: George Reistad
Business Development Specialist
City of Madison | Economic Development Division
Madison, Wisconsin 53703

LETTER OF COMMITMENT FOR EAT INITIATIVE 2023

Dear George,

Martee's Consulting LLC will perform work for HRAP applicants, recipients, and small community retailers on an as-needed basis for a total of up to 300 hours for the year, invoiced monthly based on usage.

Service usage is estimated to be approximately six hours per week and be billed at \$50.00 per hour as a private contractor on a monthly basis.

Work responsibilities may include cost analysis, pricing, vendor recommendations, employee hiring, merchandising, profitability suggestions, store layout and planning services, equipment procurement assistance, and other services as required by the retailer.

Sincerely,

Melitta Mikalson (Martee)

Martee's Consulting LLC
3810 Robinhood Way
Madison, WI 53718
marteemik@charter.net



Healthy Retail Access Program Evaluation Proposal

Context & Statement of Need

The University of Wisconsin – Madison (UW-Madison) Division of Extension (Extension) Community Food Systems Program contracted with the City of Madison to conduct an evaluation of the City’s Healthy Retail Access Program (HRAP) from 2021 through 2022. The evaluation addressed the following questions: To what extent is HRAP achieving its intended program goals? And what program processes could be improved to better meet the needs of operators and other intended program goals?

The resulting report provided a summary of findings and corresponding recommendations that the City has already begun to implement. For example, the report offered two recommendations related to expanding the program’s technical assistance (TA) offerings – by increasing funding for TA and also increasing the size of the TA provider network. Those recommendations have informed work that program staff is undertaking to create a formal TA provision track for HRAP applicants and grantees. The report also cited the need for ongoing baseline and summative evaluation at the project level and noted that a lack of baseline and financial data made it difficult to ascertain certain aspects of program impact. Because impact evaluation is important for understanding program efficacy and justifying program funding, the City requested a proposal for on-going baseline assessments and summative evaluations of individual HRAP projects.

Services

The purpose of this evaluation work is to provide baseline assessment and evaluation of individual HRAP projects. Specifically, *services will include the following up to the value of \$10,000.*

- Baseline assessments of new projects prior to store renovations or within 2 months of store grand openings (based on the Baseline documentation template in Appendix B of previous report.)
- Conduct summative project evaluations of individual HRAP projects to understand project impact on (a) store operators and (b) customers drawing on
 - Customer intercept surveys
 - Photo documentation
 - Store financials (when available)

Personnel

Staff time for planning, execution, data analysis, report and presentation development.

Lindsey Day Farnsworth, PhD

She will serve as project manager; manage communication with the City; oversee evaluation design,

Division of Extension Community Food Systems Program
University of Wisconsin–Madison 432 Lake Street Rm 425 Madison, Wisconsin 53706
608-890-2433 Email: ldfarnsworth@wisc.edu

implementation, analysis and reporting writing; and ensure that deliverables are on target and within budget.

Hourly Rate: \$60/hr

Josset Gauley, PhD

Josset will co-lead baseline assessment and impact evaluation design, implementation, and analysis and contribute to the final report and presentation.

Hourly Rate: \$55/hr

Grad Student. TBD

With guidance from Lindsey and Josset, the graduate student assistant will collect and compile data, conduct preliminary analysis, draft preliminary report of findings, and contribute to any related presentations.

Hourly Rate: \$25.45/hr

Graphic design

A graphic designer has provided a cost estimate of \$500-1,000 for 10–12 pages of formatting and design depending on the number of tables, pictures, and other figures.

Timeline

Completion of HRAP project baseline assessments and impact evaluations will be on an as needed basis in coordination with the HRAP Program Manager and based on the availability of approved funding. In general, for existing stores, baseline documentation will be completed prior to HRAP project implementation. For new stores, baseline data will be collected within 2 months of store openings. To understand impact over time, summative evaluations should be completed no sooner than 12 months after HRAP project completion, though data collection will begin sooner.



City of Madison SEED Grant Program Evaluation Proposal

Context & Statement of Need

The City of Madison’s SEED Grants Program administers small grants through the Madison Food Policy Council “to support new and/or emerging projects or programs that support access to healthy food in our community.” Approximately \$50,000 are disbursed to applicants annually, with a maximum individual grant amount of \$10,000.

Although the Program has been in operation for nearly a decade, it has never been evaluated. The program manager contacted the University of Wisconsin – Madison (UW-Madison) Division of Extension (Extension) to conduct an evaluation of the program to understand program impact and make recommendations for program improvement.

Evaluation Questions

- Is the SEED Grant Program fulfilling its mission of providing catalytic funding to “support access to healthy food in our community”?
- What are the direct and indirect impacts of the SEED Grants Program on grant recipients and their target beneficiaries?
- What would increase or improve program impact?

Evaluation Methodology/Design

This project will employ an evaluation method called Ripple Effects Mapping to measure the extent that the SEED Grant Program is leading to the intended outcomes. Ripple Effects Mapping (REM) is a participatory approach to evaluation in which program participants discuss, document, map, and prioritize direct and indirect outcomes associated with the program they attended. REM is widely acknowledged as a method that helps to understand outcomes that occur in complex systems. The method is also well known as an effective strategy for measuring longer-term program impacts. As a participatory approach, REM often builds a sense of participant ownership over the program and can strengthen the relationship between participants and the program administration. Another benefit of the REM method is it balances outcome and process evaluation approaches. As such, REM can help programs to identify adaptations that will better meet the needs of the participants or potential participants.¹

¹ Chazdon, S., Emery, M., Hansen, D., Higgins, L., & Sero, R. (2017). *A field guide to ripple effects mapping*. University of Minnesota Libraries Publishing

Project Team

Lindsey Day Farnsworth, PhD is Program Manager of the UW-Madison Division of Extension statewide Community Food Systems Program. She has over a decade of experience conducting applied and participatory research, program development, and evaluation on a range of food systems policy and planning issues including community and regional food distribution, market and food access, and the development of values-based food supply chains. She will serve as project manager and ensure the project stays on deadline and within budget.

Josset Gauley, PhD is a Program Development and Evaluation Specialist with UW-Madison Division of Extension. Josset is a mixed-methods evaluator with more than 15 years' experience. He has conducted evaluations in program areas as diverse as youth development, food systems, nutrition education, community economic development, and K-12 education programs. Josset will serve as the lead evaluator on this project, ensuring that data collection and analysis occurs on time, and in a manner consistent with the needs of the SEED program. You can learn more about Josset [here](#).

Graduate Student Assistant. TBD.

Budget Justification

Personnel

Staff time for session planning, execution, data analysis, and report and presentation development.

Lindsey @ 0.02 (42 hours) * salary (\$90,799) = \$1,816 + fringe (0.366) = \$665	\$2,481
Josset @ 0.02 (42 hours) * salary (\$83,223) = \$1,664 + fringe (0.3660) = \$609	\$2,273
Grad Student @ 150 hours * \$25/hour + fringe (0.018)	<u>\$3,818</u>
	\$8,572

Participant Compensation

Participants will not be compensated for their participation per se, but buffet dinners sourced from locally owned and operated restaurants will be provided to participants of the five Ripple Effects Mapping sessions as an expression of gratitude for their participation.

Meals for REM sessions sourced from locally owned and operated restaurants: \$30/person * 10 people/session = \$300 * 5 sessions **\$1,500**

Materials

Chart paper, various size post-it notes, software subscription, markers, pens, pencils **\$250**

Interpretation

Interpretation services as needed for community-focused Ripple Effect Mapping sessions. **\$750**

Childcare

Childcare for the 2-3 Ripple Effect Mapping Sessions that are community-focused. **\$1000**

TOTAL: \$12,072

Timeline

Timeframe	Activity
March/April 2023	Project team hires student, initiates discussion with City and other relevant program partners to refine and finalize evaluation questions, process, logistics, and participants.
May/June 2023	Project team recruits REM participants, starts planning REM logistics and schedule.
June/July 2023	Project team conducts 3-5 REM sessions.
August - October 2023	Project team analyzes results and drafts report of findings for discussion with City.
October/November 2023	Discuss findings with City; Identify any additional follow-up, e.g., 1-1 interviews or short questionnaire (if appropriate).
December 2023 – January 2024	Finalize report.
February/March 2024	Present findings to the Madison Food Policy Council.

Deliverables

Project deliverables will include the following:

- Summary report & recommendations
- Presentation to Madison Food Policy Council

Upon completion of the data collection and analysis, the project team will develop and present a report of the findings to the Madison Food Policy Council.