

## Department of Planning & Community & Economic Development **ECONOMIC DEVELOPMENT DIVISION**

Matthew B. Mikolajewski, Director P.O. Box 2983 Madison, WI 53701-2983 Phone: (608) 266-4222 | Fax: (608) 261-6126 cityofmadison.com Office of Business Resources Office of Real Estate Services

Memo: Healthy Retail Access Work Group Funding Recommendation - Go-oh Groceries

- **Date:** Tuesday, October 10<sup>th</sup>, 2023
- To: Madison Food Policy Council Members City of Madison Common Council Members
- From: George Reistad, Business Development Specialist and Members of the Healthy Retail Access Review Team

Members of the Madison Food Policy Council,

The Healthy Retail Access Review Team met with Jerreh Kujabi and Samba Baldeh (Owners/Reps – Go-oh Groceries) on Wednesday, October 4<sup>th</sup>, 2023 to discuss their proposal seeking \$136,800 in Healthy Retail Access Program (HRAP) funding. This funding would assist them in the final start-up costs associated with opening a small community grocery store in the former Visions Night Club building at 3554 East Washington Avenue. This proposal requests funding for costs related to inventory procurement and final start-up costs (professional fees, shelving, point-of-sale system).

As noted in past funding awarded to the project in early 2021, the Hawthorne, Truax, and Carpenter-Ridgeway neighborhoods have distinct geographical challenges as it pertains to residents' access to healthy food. There is a full-service Hy-vee Grocery store a half-mile away from the proposed Go-oh Grocery store site. However, for residents of the neighborhood, particularly for those without reliable access to a vehicle, it is a somewhat daunting task to get to that store because of the necessity to cross East Washington Avenue or Stoughton Road (and in some cases both). Go-oh Groceries, while intending to have a larger trade area than just these adjacent neighborhoods, will offer a safer and more convenient food retail choice to residents of these neighborhoods. It also has the added benefit of taking what many in the neighborhood and city considered to be a somewhat troubled location that conflicted with the typical structure of an established residential neighborhood, and converts it into a community asset providing healthy food options to a diverse clientele.

In the face of rampant inflationary cost escalations – which have increased project costs by almost 100% – members of the Healthy Retail Access Review Team highly recommend that the requested \$136,800 in HRAP funding be awarded to Go-oh Groceries to assist with final start-up costs related to opening a community grocery store serving the Hawthorne-Truax-Carpenter–Ridgeway neighborhoods.

Sincerely,

George Reistad Business Development Specialist – City of Madison greistad@cityofmadison.com 608-266-6544