



Department of Planning & Community & Economic Development

Economic Development Division

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Office of Business Resources

Office of Real Estate Services

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COMMERCIAL OWNERSHIP ASSISTANCE PROGRAM (COA)

Resilient Entrepreneurs Program

APPLICATION

- Applicants should read the COA Guidelines document before filling out this application.
- If you need support in a language other than English, please contact Michael Miller: mmiller2@cityofmadison.com who will help coordinate translation services.
- Applicants must be City of Madison residents, own a business located within the City of Madison
- The program is designed for existing business owners to support them in taking the next step toward owning or developing a business property. As such, applicants should be established businesses with two or more years of operating experience.
- An application review team comprised of Department of Planning, Community and Economic Development staff, Department of Civil Rights Staff and other departments as needed will evaluate your application and determine if it meets the eligibility requirements of the program. If the team determines your business meets all eligibility requirements you will be asked to submit more detailed information for underwriting of the business and feasibility of the project.

The application schedule is as follows:

1. Applications are due on a quarterly schedule (January, April, July, October).
2. Applications are due no later than noon on the 3rd Friday of the above months.
3. The COA program has an annual budget of \$500,000. Once funds are exhausted, applications will no longer be accepted.

Applicant Name: KABA BAH, JERREH KUJABI Phone: 757-319-9929

Business Name: GO-OH GROCERIES

Business Address: 3554 EAST WASHINGTON AVENUE, MADISON, WI. Zip Code: 53704

Email: kababah@hotmail.com

The Commercial Ownership Assistance Program is only available to City of Madison business owners that identify as being a member of a “historically underrepresented” group.

I identify as being a member of a “historically underrepresented” group that is defined as:

- | | | |
|---|----------------------------------|---|
| <input checked="" type="checkbox"/> Low Income | <input type="checkbox"/> Woman | <input type="checkbox"/> Person with a disability |
| <input checked="" type="checkbox"/> Person of Color | <input type="checkbox"/> Veteran | <input type="checkbox"/> LGBTQ+ Individual |
| <input checked="" type="checkbox"/> Immigrant | | |

How long has your business been in operation?

Start-up

4-7 years

1-3 years

more than 7 years

NB*****

Our grocery business was formally established about 2.5years ago.

Our team has over 7years of experience working in the food related business in Madison, WI.

Our team has over 15years of experience in the grocery business if you consider out of state.

In the space below, provide us with your business ownership (name, percent owned and race or ethnicity of all partners):

Business ownership:

GO-OH groceries is a 100% minority ownership healthy retail grocery store.

Legally registered in the state of Wisconsin.

Owned and Managed by Kaba Bah and Jerreh Kujabi.

Name:

GO-OH groceries.

Percent owned: Majority/Minor:

KABA BAH (85%)

JERREH KUJABI (15%)

Race and or ethnicity:

KABA BAH: BLACK/AFRICAN AMERICAN

JERREH KUJABI: BLACK/AFRICAN AMERICAN

How will purchasing this property affect your business and you?

Property location is probably the most critical parameter for a healthy retail grocery store like ours. This particular property, not only fits perfectly within the city of Madison's own designated food desert map but it is also located at the core of our targeted customer base and the community we associate mostly with within the city.

For the long-term sustainability of our business, it is very critical that site ownership is built in from the bottom up. This will guarantee and protect us from future rent hikes and unforeseen evictions as we grow and establish roots within the community. Purchasing this property will also help us build ownership equity as our debt coverage ratio decreases over time. Our mortgage payments will be much lower than renting a similar property hence reducing our risk and attracting third part investors.

In addition, it also demonstrates our commitment to this community and how invested we are to the uplifting of this neighborhood. Our plans are long-term based and we have a vested interest in the wellbeing and progress of this community. Hence, we are not hesitant to invest our savings into property ownership within the community as well.

How will purchasing this property impact your community?

The impact of purchasing this property and converting a strip club with a long-checkered history into a healthy retail grocery store will probably go down in history as one the best things to have happened within the Truax neighborhood in the past decade or so.

Besides the obvious reason such as creating meaningful jobs and easy access to healthy retail groceries for many, this project will also revitalize a blighted property at the core of the busiest corridor that runs right into our state capital and it will increase the tax base revenue for the city as well.

In addition to fresh produce, meat section, and specialty ethnic provisions, the grocery store will reflect innovative designs to provide space for neighbors to interact. To further accommodate customer needs, who are largely low-income earners, we will also be an accredited SNAP and EBT retailer.

The biggest impact of us purchasing this property, however, will likely be in its ability to uplift the community at a time when it is most needed. This community had endured decades of crimes, drugs and gun violence as is expected of a neighborhood strip club. Seeing the same building that has caused so much pain and suffering turned in a source of joy and nourishments, cannot be over stated.

This project will turn the page and begin a brand-new chapter of hope, joy and minority entrepreneurship that will inspire generations to come into a brighter future while simultaneously providing them with affordable and healthy nourishments.

Please describe, in detail, the proposed project (location, buildout needs, and basic timeline):

Location:

Go-oh Groceries will be located at 3554 East Washington Ave, Madison WI 53704 designated as a food desert by the City of Madison Healthy Retail Access Program. Go-oh Groceries is expected to serve as an accessible source of fresh, affordable food to the Truax and surrounding neighborhoods. Access to healthy food has been a challenge for many residents in these neighborhoods due to factors such as lack of personal transportation and cost. Our goal is to resolve such access limitations by placing the grocery store within reach of the aforementioned neighborhoods.

The proposed location is ideal in many ways; it intersects a number of city bus lines right on East Washington Avenue and is in close proximity to multiple low to medium income neighborhoods. In addition to providing fresh, affordable, organic produce to residents within a certain income bracket, the area is also home to a diverse working-class population. The Go-oh grocery will also cater to the diverse population by carrying certain specialty ethnic foods to meet their needs. We intend to work closely with local farmers to feature their products in our fresh produce section in an effort to sustain their activities.

Buildout needs:

The build out needs to revitalize a fully boarded up, old building with no external windows into a very well-lit healthy retail grocery store is almost intimidating even for rehab guru and cannot be over stated. Guided by detail analysis of multiple local contractors, with the help of the UW-Business school- SBDC, we have built in a solid buildout budget with a hefty reserve as shown in our business plan to accommodate for unforeseen buildout expense.

Basic timeline:

The basic timeline for this project is 6-9 months from the date of closing. This give us some flexibility to accommodate those unpredictable weathers days as is common of our local climate and possible delays due to unforeseen reason. This timeline is what was also recommended by the bank and we have agreed to implement a 9-12 months interest only loan before switching to conventional Principal and Interest loan.

Eligible Uses	Maximum Loan Amount	Eligible Locations
Funds can be used by businesses to purchase their existing building, buying a new building, sizeable expansion or redevelopment of an existing building the business presently owns, or purchasing a condominium unit.	The COA Loan cannot be more than 25% of the total price of the building or cost of the project. Loans are for up to \$250,000. The City will work with applicants to support efforts to seek additional financing.	The program may be used for any commercial property located within the City of Madison.

Amount requested: \$225,000

SOURCES AND USES OF FUNDS

- This is a statement of how much money is required, its source, and how money will be used.
- By definition, sources must equal uses.

SOURCES OF FUNDS	Amount	Source
Line of Credit	\$0	N/A
Outside Equity	\$0	N/A
Personal Equity	\$127,000	OWNERS CASH SAVINGS
Term Loan	\$793,000	BANK LOAN
Other	\$350,000	COA: \$225,000 & HRAP: \$125,000
TOTAL SOURCES	\$1,270,000	

USES OF FUNDS	Amount	Source
Cash Reserve	\$100,000	Personal equity, Term loan
Inventory	\$90,000	Personal equity, Term loan, HRAP
Purchase Building	\$450,000	Personal equity, Term loan, COA
Purchase Equipment	\$120,000	Personal equity, Term loan, HRAP
Renovations	\$400,000	Personal equity, Term loan, COA
Working Capital	\$90,000	Personal equity, Term loan, HRAP
Other	\$20,000	Personal equity, Term loan
TOTAL USES	\$1,270,000	

NB*****

How these “sources and use of funds” itemizes the project is very different from the HRAP approach, which is also very different from the UW-School of business- SBDC business plan. For a clearer picture please refer to the business plan.

All Applications:

- If the team determines your business meets all eligibility requirements you will be asked to submit more detailed information for underwriting of the business and feasibility of the project.
- Applicants who receive funds from this program will be asked to speak with future recipients on lessons learned and their experience.

The City of Madison has collaborated with a local bank who has offered to consult applicants wishing to know more about bank requirements and the commercial loan process. If you are interested in taking advantage of this service please let staff know and contact information can be provided.

APPLICANT CERTIFICATION

The Applicant certifies that all information in this application and all information furnished in support of this application is given for the purpose of the City of Madison Commercial Ownership Assistance Program is true and complete to the best of the applicant's knowledge and belief.

Signature:  _____ Date: 03/12/2021

Applications must be submitted to the Economic Development Division by e-mail:
mmiller2@cityofmadison.com

If you do not have access to e-mail, please call (608) 267-8721 to arrange delivery of your application.