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February 6, 2019

Mr. George Reistad, Food Policy Coordinator
City of Madison, Mayor's Office
210 Martin Luther King Jr. Blvd, Room 403
Madison, WI 53703

RE: Madison Northside Planning Council, FEED Kitchen

Dear George,

My name is Salli Martyniak, president of Forward Community Investments (FCI) – a statewide community development financial institution (CDFI) with a mission of providing financial resources and technical assistance to organizations that are addressing issues of racial inequities and socioeconomic disparities. To that end, FCI has been a long-time lender to and supporter of FEED Kitchen.

FEED – under the leadership of its executive director, Abha Thakkar – has grown into an invaluable resource for Madison's growing food community. Annually, they provide space for hundreds of entrepreneurs who are growing out of their kitchens and on their way to becoming full-fledged businesses. FEED is also home to countless caterers and food trucks and is responsible for creating job opportunities for these businesses and others. And, we can't forget that FEED also manages the Bakery Training Program and the MarketReady Program. The Bakery Training Program offers unskilled and under-skilled individuals a fast track to a new career. Meanwhile, MarketReady focuses on training entrepreneurs who are interested in becoming Madison Public Market vendors.

FEED straddles the fence, existing as a nonprofit but operating on a for-profit business model. It's expected to be sustainable via fee revenue but that is virtually impossible given that it has a much bigger cost-base than a for-profit business would have for a commercial kitchen. To make matters even more complicated, FEED is a small organization, stretched to the limit and lacking the economies of scale to counter its expanded cost-base. So, margins are squeezed, and they struggle to turn a profit but that doesn't make them poor managers or an unsuccessful organization. To the contrary, they are doing quite well, given all they do. They are 80% sustainable and need some annual help to fill the 20% gap.

Now, just imagine if all these programs – and FEED – went away. No one organization could begin to fill their shoes. In five short years, they've (quite literally) become indispensable. As their lender, advisor and friend, we understand that FEED's business model requires an annual level of financial support that comes from grants and funders. I believe that you, too, understand and appreciate this point . . . it's why the City of Madison supported FEED's start-up. And, it's why I am offering FCI's support and advocacy for FEED's request for \$100K in funding from the City's Healthy Retail Access Program.

FCI stepped up for them the last time they were experiencing financial challenges and we are willing to step up again. To that end, we approved a three-month payment forbearance that will give them some breathing room but, it's going to take the proverbial "village" to give them what they need to see them through this latest challenge. In other words, we are just one piece of the financial puzzle.

We hope you will see fit to approve their request for no less (and possibly more) than \$100K. And, once we get them through this hump, we must give serious consideration as to how we can work together to support FEED in the long-term.



I look forward to meeting you. If you have any questions, I can be reached at 608-516-0879.

Sincerely,

A handwritten signature in black ink that reads "Salli Mastyniak".

President, Forward Community Investments

Cc: Todd Geltemeyer, Senior Community Lender, Forward Community Investments