



Office of the Mayor

Paul R. Soglin

City-County Building, Room 403
210 Martin Luther King, Jr. Boulevard
Madison, Wisconsin 53703
Phone: (608) 266-4611
Fax: (608) 267-8671
mayor@cityofmadison.com
www.cityofmadison.com

Memo: Recommending Programmatic Modifications to the Healthy Retail Access Program

Date: Monday, November 5, 2018

To: Madison Food Policy Council Members

From: Members of the Healthy Retail Access Program Staff Team and Healthy Retail Access Work Group

Background

In June 2015, the Madison Common Council adopted [RES-15-00521](#), creating the Healthy Retail Access Program (HRAP). To date HRAP has funded some large and impactful projects within the City of Madison. Most recently, the program has been instrumental in launching the soon-to-open Luna's Groceries in the Allied-Dunn's Marsh neighborhood. HRAP has also funded smaller projects, which include re-vamping the Point-of-sale system to allow redemption of WIC benefits at Willy Street Co-op North, and offering grocery shuttle services to Northside residents through the Northside Planning Council and the Kennedy Heights Community Center.

While HRAP has made notable strides in funding community-based businesses and supporting organizations as they pursue strategies to shrink food access barriers and disparities, the program has had to grapple with the challenges related to the unique characteristics of food retail landscape. These include a relatively saturated market with many competing grocery chains, relatively low population density, and somewhat restrictive zoning policies, which all intersect and lead to a dearth of smaller neighborhood-based grocery stores to recruit into HRAP. In light of that, it has been challenging over the last three years to attract applicants and disburse funding commensurate to authorized funding levels. The current financial situation of the Healthy Retail Access Program reflects those challenges, with a \$650,000 reauthorization surplus. This has not yet taken into account a current \$100,000 project and other projects that may be contracted through the remainder of 2018.

Recognizing some of these shortfalls, staff and Healthy Retail Access Work Group members collaborated with the American Heart Association, who commissioned the Food Trust, a nationally recognized leader in food access issues, to analyze and structurally evaluate the Healthy Retail Access Program. Their report, accepted by the Madison Food Policy Council on April 4, 2018, recommended increasing staffing levels to adequately support programmatic functions such as business and organizational recruitment and individual project development, as well as on-going technical assistance to applicants and awardees. It also recommended establishing clear programmatic benchmarks and metrics for program success and examining the current program application and looking at ways to streamline it for the ease of applicants.

Upon acceptance of that report a staff team, approved by the Mayor and relevant Department Heads and encouraged by work group members, began to convene in July 2018, representing agencies pertinent to coordinating the core functions of HRAP: The Mayor's Office, Public

Health Madison & Dane County, Economic Development, and UW-Extension. That team has met regularly since inception and has diligently worked to create an activities list, which will help guide implementation activities of the staff team, work group, and food policy council. The HRAP staff Team and the Healthy Retail Access Work Group collaborate on programmatic decisions and application review.

Proposed Changes to the Healthy Retail Access Program

As outlined above, the Healthy Retail Access Program has faced implementation challenges that stem from a combination of structural issues related to the food retail landscape of Madison and staff capacity. Working collaboratively, the HRAP Staff Team and Healthy Retail Access Work Group have taken the findings and recommendations of the American Heart Association - Food Trust report, as well as the activity plan, and suggested the programmatic modifications below. Implementing these changes will allow for more efficient program administration and an increase in high quality, impactful applications from businesses and community organizations.

1. Formalizing the Healthy Retail Access Program Staff Team
2. Creating a funding mechanism for non-retail food systems org applications
3. Removing the \$35,000 funding cap
4. Reconsidering match requirements based on resources available

1. Formalizing the Healthy Retail Access Program Staff Team

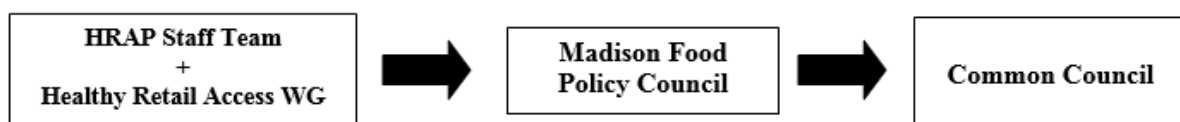
In July 2018, Mayor Soglin and Department Heads from Public Health Madison and Dane County, the Economic Development Division, and Dane County UW-Extension approved the formation of a Healthy Retail Access Program Staff Team. As noted within this document, that team has been meeting regularly since July and has served as a complementary entity to the volunteer-comprised Healthy Retail Access Work Group. The Healthy Retail Access Program Staff Team begins to address the staffing capacity needs called out in the AHA-Food Trust report and has developed a program activity list, which will inform a formal work plan. The Staff Team has also prepared a list of program goals, which will assist programmatic direction.

Healthy Retail Access Program Goals

1. Increasing healthy food access to low-income individuals and families
2. Supporting food enterprise development and entrepreneurship
3. Increasing healthy food choice and improving health outcomes
4. Increasing culturally appropriate foods in identified Areas of Focus
5. Responsibly stewarding appropriated programmatic funds

The five goals above provide a comprehensive overview of what drives the implementation of the Healthy Retail Access Program and informs the approach the staff take to businesses and organizations that submit applications for programmatic funding.

Decision-Making Hierarchy



2. Creating a Funding Mechanism for Non-Retail Food Systems Org Applications

It is helpful for members of the Madison Food Policy Council to be aware that the authorizing language from the 2018 Capital Budget allows programmatic funding to be used for both organizations and businesses, with a funding priority and focus on food retailers.

“Programmatic funding will be used to support (1) capital and infrastructure grants that proliferate healthy food access, with priority given to food retail establishments, (2) technical assistance for entities that want to increase healthy food access, with priority given to assisting food retail establishments, (3) data collection initiatives focused on discerning the needs and desires of business owners and community residents, which will aid city staff in efficient and targeted program outreach, and (4) evaluation of both programmatic structure and individual program grants.”

Considering that authorizing language, the staff team and work group have made recommendations for funding decisions pertaining to the current reauthorization budget as well as current year appropriations allocated in the 2020 Capital Budgets and beyond.

HRAP Applications - Using Reauthorized Funds

- In 2018 and 2019, with no new appropriated funding in the current 2019 Capital Budget, the Madison Food Policy Council will spend down reauthorized HRAP dollars on relevant projects, including retail businesses and non-retail organizations with an eligible project scope, as defined in the budget authorizing language.

HRAP Applications - Using Current Year Appropriations

- Beginning in 2020, current year appropriations will be prioritized for food retailers
 - In the case of any anticipated reauthorization funding (“surplus”), the HRAP Staff Team and Healthy Retail Access Work Group will conduct a fourth quarter review of non-retail applications received throughout the fiscal year and contract with organizations submitting strong, relevant HRAP applications.

3. Removing the \$35,000 Funding Cap

Currently there is a “soft cap” of \$35,000 on Healthy Retail Access Program funding. The HRAP staff team and Healthy Retail Access work group recommend eliminating that cap so that more applicants are encouraged to apply knowing they can pursue projects that will make a significant impact on their businesses and organizations.

Please note that the decision-making authority of the Madison Food Policy Council is capped at \$100,000 for singular projects. For projects that request more than \$100,000, Common Council approval is required by resolution -- Luna’s Groceries is an example of this.

4. Reconsidering match requirements based on resources available

Match requirements are valuable in grant applications in order to ensure that the applicant has “skin in the game” and will be committed to following through on the steps needed to implement the funding they have requested. The HRAP Staff Team and Healthy Retail Access work group recognized that some organizations may have more capacity to apply and identify different

sources of funding matches for HRAP funding than others, and therefore match requirements should be encouraged on an application-by-application basis. Previously, match was requested to be one-for-one, including in-kind donations of time and salary. This could be more burdensome for the types of small businesses that the program is trying to recruit and offer more advantage to businesses and organizations that are more well-resourced to begin with.

Considering these possibilities, the staff team and work group do not recommend imposing a set match requirement but rather strongly encouraging applicants to consider ways that providing and documenting their own funding and in-kind contributions assist in creating a strong, impactful project proposal.

Thank you for your time and continued service.

Sincerely,

A handwritten signature in black ink, appearing to read 'GR', with a horizontal line extending to the right.

George Reistad
Food Policy Director, City of Madison
greistad@cityofmadison.com
608-266-4611