Healthy Retail Access Program Application
City of Madison

APPLICANT INFORMATION

Primary Contact Name: **JERREH** **KUJABI**

Total Project Amount: **$2,757,176.00**

Healthy Retail Funds requested: **$136,800.00** ***(represents 5.4% of total project cost)***

Agency/Organization/Group Name (Legal Entity Name) and Address:

GOOH GROCERY, LLC
5150 CRESCENT OAKS DRIVE
MADISON, WI, 53704

Telephone #: **608-287-4865** | Email: **goohgroup@gmail.com**

Applying as a:

- ☒ Retailer
- ☐ Non-Retail Organization

Are you a SNAP-approved retailer through the US Department of Agriculture (USDA)?

- ☐ Yes USDA FNS #: _____
- ☒ No – if no, do you plan on becoming a SNAP-approved retailer? **YES; we have applied already.**

PROJECT INFORMATION

You may attach additional information at the end of this application. Photographs, price estimates, testimonials, and other secondary sources are **highly** recommended.

1. Please describe, in detail, the proposed project (500-word maximum):

The vision for Gooh Grocery started in January 2019 in the city of Madison. Gooh Grocery was born out of the desire to provide access to healthy food choices within our low-income communities and increase culturally appropriate food for our rapidly growing West African community. Our team has deeply rooted connections within the community and experience within the food industry. This has helped us recognize the rapidly growing community need in the area surrounding our store. These findings are also supported by the City of Madison Healthy Retail Access Program and our own neighborhood studies and market analysis.

While healthy retail neighborhood groceries stores are not well known for turning huge profit margins right off the ground, they are very well known as strong catalysts in stabilizing neighborhoods, creating jobs and bringing communities together. As part of the Healthy Retail Access Program, Gooh Grocery will support and distribute locally grown products as possible and appropriate and feature products manufactured or distributed by local entrepreneurs wherever and whenever possible. In addition to meeting this need for access to healthy food choices, our choice of location will also convert a troubled strip club building into a neighborhood grocery store and four apartment units with market-rate (2) and low-income units (2).

We appreciate the initial $125,000 investment that the Program made towards the acquisition of the property at 3554 E Washington Ave in 2021. Due to increases in startup costs since the building was acquired - including massive increases in material and labor costs, delayed equipment lead times, inflation, and other delays because of COVID and worker shortages -- Gooh Grocery, LLC is seeking additional support from the Healthy Retail Access Program for remaining start-up costs, primarily food inventory.

2. What are the top three objectives of this project? Please refer to the HRAP program goals below: (500 words maximum)
    - Increasing healthy food access to low-income individuals and families
    - Supporting food enterprise development and entrepreneurship
    - Increasing healthy food choice and improving health outcomes
    - Increasing culturally appropriate foods in identified Areas of Focus

Examples:
1. Become a certified SNAP-approved retailer within 6 months of receiving funding
2. Increase fresh food inventory by 25% within the first year

The proposed location (3554 E Washington Ave) of the Gooh Grocery is depicted on the Food Access Improvement Map by the City of Madison as an area needing significant improvement in terms of access to healthy food. This exerts a tremendous burden on the residents and adds an extra layer of cost to the already high food prices thereby further stretching their meager incomes.

Hence, some of key objectives of this project are as follows:

(I) Placing the grocery store right within the neighborhood and remove some food access limitations by cutting time and cost to access healthy foods.

(II) In addition to increasing access to healthy fresh produce, meat section, and culturally appropriate foods, this grocery will also feature locally grown produce to support our farmers and we will be a SNAP and EBT approved retailer. Our SNAP application has already been submitted.

(III) Conversion of a strip club - with a long-checkered history of complaints from the neighbors - to a food retail operation that provides healthy options to neighborhood residents and creates employment opportunities and affordable housing with the addition of the second-floor apartments. Based on conversations with neighborhood leaders, residents, and businesses, there is a lot of excitement for the project.

3. **LETTERS OF INTENT AND SUPPORT ARE STRONGLY RECOMMENDED – PLEASE ATTACH**

- **Letters of Intent** provide commitment from a partner showcasing their intent to provide services towards project goals
- **Letters of Support** conveys enthusiasm for the project from community stakeholders.

Over the past 2years, we have reached out to and had meetings with almost all of the surrounding neighborhood associations around our targeted area. This includes but are not limited to Eken, Emerson, Darbo, and the Truax neighborhood.

In addition, we also had meetings with at least three former and two current alders whose aldermanic districts neighbor the grocery location. We also invited and met with the current alder at the location. We've also met local business owners, as well as the East Madison Community Center leadership.

All of these entities have shown strong support and some of them offered to provide us letters of intent and support.

4. Do you want to be connected to the City of Madison Office of Business Resources to learn more about business development?

☒ Yes
☐ No

If so, please indicate your areas of interest below and staff will follow-up with you:

(1) Marketing assistance
(2) Financial planning
(3) Bookkeeping
(4) Certification and licensing.

Please provide a general timeline in the table below:

Activity Description	Estimated Start and Completion Dates
Acquisition of the property	May 3rd, 2021
Restoration and Layout	September 2022 - October 2023
Equipment purchases and contract vetting	March - July 2023

Activity Description	Estimated Start and Completion Dates
Hiring and training	August - October 2023
Grand opening	Late Q4 2023

BUDGET SUMMARY

Please include a project budget that includes:

- Construction costs
- Materials costs
- Labor costs
- Descriptions for how City dollars would be utilized
- Itemized list of any in-kind donations from other funders, lenders, or supporters that are contributing to the project.
- Attach: Price estimates for all City funding requests

Item	Description	Total Cost	Amount of City Dollars Requested	Amount of Other Revenues/In-kind Support
Example: Cooler	*Walk-in 6x10*	*$5,000*	*$5,000*	*$0*
Example: Labor for Cooler Install	*6 hours*	*$750*	*$0*	*$750*
BUILDING ACQUISITION	*Includes purchase and associated fees*	**$450,000**	**$0**	**$450,000**
SITE IMPROVEMENT	*Needs major rehab strip club to grocery store, apartment units, parking lot, landscaping, security equipment*	**$1,450,376**	**$0**	**$1,450,376**
OFFICE COMPUTER EQUIP.	*Computers, backup systems, printers, software*	**$50,000**	**$0**	**$50,000**
LEASE HOLD IMPROVEMENT	*Any leasehold related improvements*	**$23,000**	**$0**	**$23,000**
START-UP COST	*Inventory stock, labor, professional fees (installations), products, contracts, POS, shelving,*	**$192,800**	**$136,800**	**$56,000**
FURNITURE & FIXTURES	*All needed furniture and fixtures*	**$132,000**	**$0**	**$132,000**
RESERVES	*Fall back reserves*	**$100,000**	**$0**	**$100,000**
FEQUIPMENT	*Freezers, coolers, meat cutters, sinks, display cases,*	**$359,000**	**$0**	**$359,000**
	Total Costs	**$2,757,176**	**$136,800**	**$2,620,376**

SUPPLEMENTARY MATERIALS (Optional)

Please include any additional materials that may clarify, strengthen, or support your application. **Photographs, price estimates, testimonials, and other secondary sources are highly recommended. Additional materials can also be attached as appendices via Word Doc, PDF, Excel spreadsheet, etc**

Midwest Gooh Group - Project Estimates			
	Project Name:	Midwest Gooh Group Grocery	
Items	**Initial**	**Actual**	**Difference**
Building Renovation	$647,506.00	$1,450,376.00	$802,870.00
General Requirements	$31,000.00	$231,735.00	$200,735.00
Equipment	$130,660.00	$357,477.00	$226,817.00
Property Acquisition	$450,000.00	$0.00	-$450,000.00
Professional Fees	$45,000.00	$52,380.00	$7,380.00
Inventory	$56,000.00	$192,800.00	$136,800.00
Operational Cost	$100,000.00	$115,000.00	$15,000.00
Opening Cost	$21,300.00	$25,000.00	$3,700.00
Digital Marketing & Website	$6,000.00	$26,750.00	$20,750.00
Special Construction & Demolition	$0.00	$79,570.00	$79,570.00
Construction Contigency	$0.00	$89,288.00	$89,288.00
Total Estimate	$1,487,466.00	$2,620,376.00	$1,132,910.00

Cost elevations related solely to the grocery store are estimated to be $444,841 - related to construction build-out, equipment, and inventory.

Cost elevations related to the apartments are estimated to be $36,005, related to construction build-out.

An important point of note for this proposal is that the cost of renovating the apartment units was not included as a project cost in the original business plan and original HRAP and COA proposals back in early 2021. However, the costs of renovating those units came from private loans that the Midwest Gooh Group and Gooh Grocery Group took out.

Additional HRAP funds will be used to pay for inventory and equipment, as well as minor additional start-up costs related to the grocery store.

Mariam Maldonado
Luna's Groceries
2010 Red Arrow Trail
Madison, WI, 53711

Subject: Letter of Support for Grand Opening and Funding for Gooh Groceries

Dear George,

I hope this letter finds you in good health and high spirits. I am writing to express my sincere support for the grand opening of Gooh Groceries, located at 3554 E Washington Ave, Madison, WI, 53704. Furthermore, I would like to advocate for your consideration of providing funding assistance to this promising venture.

As a member of the business community in Madison, I recognize the importance of supporting local businesses, especially in their early stages. Gooh Groceries, under the leadership of its dedicated team, has demonstrated significant potential for success. Their commitment to offering a wide variety of high-quality products, exceptional customer service, and a welcoming atmosphere is commendable. By providing funding to Gooh Groceries, we can contribute to the growth and sustainability of a valuable addition to our local economy.

Gooh Groceries' strategic location on East Washington Avenue makes it easily accessible to a diverse range of residents within the community. With its convenient proximity to residential areas, schools, and other commercial establishments, Gooh Groceries has the potential to become a hub for the neighborhood, fostering a sense of community and providing much-needed access to fresh and affordable food options.

Furthermore, the management team at Gooh Groceries has outlined a comprehensive business plan that includes initiatives to support sustainability, promote local suppliers, and engage in community outreach programs.

By extending financial support to Gooh Groceries, we have an opportunity to not only contribute to the success and longevity of a promising local business but also to stimulate economic growth in our community. The success of Gooh Groceries will create job opportunities, enhance the local tax base, and provide a platform for local vendors to showcase their products. Additionally, it will contribute to the overall vibrancy and diversity of our community by offering a unique shopping experience that reflects the needs and preferences of the residents.

I kindly request you to consider providing funding assistance to Gooh Groceries. By doing so, we can demonstrate our commitment to supporting local businesses and fostering a thriving community. I believe that this investment will yield significant returns for our community in the long term.

Thank you for your time and consideration. Should you require any further information or clarification, please do not hesitate to contact me. I look forward to witnessing the success of Gooh Groceries and the positive impact it will have on our community.

Yours sincerely,
Mariam Maldonado
Mariam Maldonado
Owner, Luna’s Groceries

09/27/2023

To Whom It May Concern,

I'm Will Green, the Founder of Mentoring Positives in Madison. We've been working with Jerreh and his team for over three years. We've collaborated on addressing food insecurities and empowering neighborhoods in the Darbo area. Creating Gooh grocery store is a strategy to increase healthy food options and job opportunities.

We fully support this project as it will deeply impact our community. We are excited that this project is close to completion and looking forward to its opening. Jerreh's team is committed to serving the community and hiring local residents. We also have our own products, including mild and spicy salsa and 8 varieties of pizza called Off the Block.

Jerreh and his team are willing to partner with us by supporting our youth and potentially carrying our products in their grocery store. If you have any questions please feel free to contact me.

Sincerely,
Will Green

Will Green

African Center for Community Development, Inc. (ACCD)

6314 Odana Rd Ste 14, Madison WI 53719 ● *Email:* info@africancentermadison.org

BOARD OF DIRECTORS

TUNJI LESI, CPA, CMA, MBA
PRESIDENT

EVELYN HAMMOND, PH.D.
VICE-PRESIDENT

ALIKO SONGOLO, PROF. EMERITUS
BOARD MEMBER

GODWIN AMEGASHIE
BOARD MEMBER

RAY KUMAPAYI, P.E.
BOARD MEMBER

JOHN TEMBEI, PH.D.
BOARD MEMBER

ABDULRAMAN ABDI
BOARD MEMBER

OUMAR KEITA
BOARD MEMBER

HADE XAASHI
BOARD MEMBER

JEAN-RENE WATCHOU
BOARD MEMBER

NYIMA SANYANG
BOARD MEMBER

AARON ABRAHA
BOARD MEMBER

ACCD is a tax-exempt organization under Section 501(c)(3) of the IRC

George Reistad
210 MLK Jr. Blvd
Madison, Wisconsin 53703

September 25, 2023

Dear Mr. Reistad –

I am writing to express my strong support and enthusiastic recommendation for Gooh Grocery store, our ethnic and local grocery store. It is with great pleasure that I provide this letter of recommendation, as this grocery store will not only serve this neighborhood but the growing immigrant community.

I have consistently been impressed by the exceptional commitment by the owners of this neighborhood grocery store and the general immigrant community.

In addition to their commitment to the community, the Gooh Grocery will offer a wide variety of fresh produce, locally sourced products, and a diverse selection of grocery items that cater to the diverse needs and preferences of our community. Their commitment to providing affordable and accessible groceries to our neighborhood is evident in the transformation of this facility – from a nuisance for the city and the neighborhood to a global grocery store.

Furthermore, the owners have been active and valued participants in various community events and initiatives, demonstrating a strong dedication to supporting local causes and organizations. Having this grocery store in this location will make a positive impact on our community, fostering a sense of togetherness and compassion.

I have no doubt that Gooh Grocery will thrive and be a pillar of our community, offering exceptional products and services to its customers. It is with great pleasure that I provide this letter of recommendation.

If you require any further information or have any questions, please feel free to contact me.

Thank you for your attention to this recommendation. I wholeheartedly endorse Gooh Grocery and look forward to seeing its continued success in our community.

Sincerely.

ADETUNJI LESI

Adetunji Lesi
President

GROUNDSWELL
CONSERVANCY

Conservation where you live

303 S. Paterson St., Suite 6 | Madison WI 53703
608.258.9797 | www.groundswellconservancy.org

Board of Directors
Alexandria Baker
Mary Binkley
Curt Bjurlin
Anne Brindley
Matt Frank
Greg Hyer
Pat Leavenworth
Alton Multhauf
Stacy Rhone
Veronica Rueckert
Rodee Schneider
Tracy Wiklund

Executive Director
Angela West Blank

Director of Major and Planned Gifts
Heidi Habeger

Community Director
Yimmuaj Yang

Conservation Director
Tony Abate

Development and Outreach Coordinator
Liz Pelton

Conservationist
BJ Byers

Easement Stewardship Manager
Brandon Mann

Land Management Specialist
Mitch Silva

Administrative Assistant
Jennifer Krzak

George Reistad
210 MLK Jr. Blvd – Room 403
Madison, Wisconsin 53703

September 25, 2023

Dear Mr. Reistad:

I am writing on behalf of Groundswell Conservancy in support of Gooh Grocery's Healthy Retail Access funding request.

Groundswell helps overcome existing barriers to land access faced by New American farmers and farmers of color by protecting, and creating equitable access to agricultural land in high-need areas of Dane County. Our community farms - Pasley's Swan Creek Farm in Fitchburg and Westport Farm in Waunakee - provide land to these farmers who produce culturally relevant food and flowers for their families and for the market.

New American farmers and farmers of color also face barriers to market access. We are partnering with and relying on organizations that are creating markets for small-scale farmers to sell their products. We are already collaborating with Gooh Grocery; the store will be buying culturally relevant products directly from local BIPOC farmers and making it accessible to the consumers.

Groundswell fully supports this project. Its success would greatly benefit the farmers we support and the larger food systems in which they work.

Sincerely,

Yimmuaj Yang, Community Director
Groundswell Conservancy

ACCREDITED LAND TRUST ACCREDITATION COMMISSION