

Questions

The largest expense that is requested from the City is the purchase of a fruit and vegetable refrigeration unit. The cost of this unit is \$25,000. **Please describe the size of the unit, explain who would own the unit, and indicate where the unit will be located.**

The refrigeration unit would be owned by Mercado Marimar and would be located at their store at 2102 S. Park Street. The unit would be approximately 8' by 9'.

Affordability is central to accessibility. **What is the cost structure for buying club members (e.g. same price as store, discounted rates, etc.)? How will SNAP participants be accommodated? Where will SNAP transactions take place? Will all SNAP transactions run through Mercado Marimar?**

At the present time, we anticipate that people will be paying store prices. The primary feature of the food buying club is that members will be able to purchase healthy foods on a daily basis using the home-delivery system. Mercado Marimar has a mobile SNAP processing system, so that SNAP transactions will occur at the homes of the food-buying club members. The South Madison Farmers Market also has a mobile SNAP processing system and can serve as a back-up to Mercado Marimar.

What are the membership goals in terms of number of households? What does success look like in terms of membership in year one, two, and three?

There are approximately 6,140 households located within one mile of the Badger Rock Neighborhood Center. We are targeting about 100 households per year so that by the end of Year 3, we will have approximately five percent of the households signed up. About 100 households with 10% yearly increase with 300 by end of 3rd year. We hope to eventually get about 10 percent or 600 households signed up as members.

Outreach to residents to recruit members will be key to the program's success. The proposal requests funds of \$7,670 for outreach and \$1,500 for marketing materials. **Who is in charge of outreach to neighborhood residents? What is the specific role of the Badger Rock Neighborhood Center? Will the center receive any program funds?**

The Badger Rock Neighborhood Center and the Latino Chamber of Commerce will jointly do outreach for the project with the Latino Chamber focusing more on areas with higher levels of Latino families. In addition, the South Madison Farmers Market has approximately 250-300 people who regularly purchase produce at their outdoor market. They will also be encouraged to sign up for the food-buyers club. The budget form for the proposal did not allow us to specify by entity who would be receiving funds for which purpose. The table on the following page specifies the expenses by entity. Badger Rock Neighborhood Center will receive \$4,835.

Latino Chamber of Commerce of Dane County
Rimrock Road Corridor Food Buying Club
Project Budget

Line Item	Latino Chamber	Badger Rock	Mercado Marimar	SM Farmers Market	TOTAL
Crop Expansion Labor				21,000.00	21,000.00
Seeds				3,000.00	3,000.00
Outreach	3,835.00	3,835.00			7,670.00
Printing and Supplies	1,000.00	500.00			1,500.00
Administration	500.00	500.00			1,000.00
Internet Ordering Set-Up	1,500.00				1,500.00
Partial Van Allocation			9,330.00		9,330.00
Partial Refrigerator Allocation			25,000.00		25,000.00
TOTAL	6,835.00	4,835.00	34,330.00	24,000.00	70,000.00

The second largest expense that is requested from the City is \$21,000 in labor costs for the development of crop land to support the buying club through South Madison Farmers' Market. The primary intent of the Healthy Retail Access Program is to increase food access by investing in a new or existing retailer and providing the services around that business to execute a successful project. The primary concern of any city funds devoted to staffing outside of business services related to the project is the sustainability of that aspect after city funds are expended. With that in mind, we have several questions relating to the production/wholesale side of the application:

Nehemiah Center is not listed as a primary project partner. **Is there a current formal relationship between SMFM and Nehemiah? If so, how long is the agreement for? Is the relationship dependent on City funding? And, if so, what is the plan for replacing City funding in future years?**

The South Madison Farmers Market, Nehemiah and UW-Extension have a Memorandum of Understanding for the Man-Up Program. This is an ongoing project that exists independent of the food-buying club. If requested, we will supply a copy of the Memorandum of Understanding. Our plan is to utilize four men who are enrolled in that program to work with the South Madison Farmers Market in preparing the land, planting the seeds, tending the crops and harvesting the fruit and vegetables.

Altogether, the South Madison Farmers Market would receive \$24,000 for labor and seeds. These funds would be replenished when the South Madison Farmers Market, as a wholesaler, sells its produce to Mercado Marimar. While the relationship between the South Madison Farmers Market and Mercado Marimar is being developed specifically for this project, it is hoped that SMFM would be able to supply wholesale produce to Mercado Marimar for its store beyond the demand of the buying club.

SMFM will set aside funds from its sale so that it will be able to purchase seeds and pay the four program participants at the beginning of the 2017 growing season. In essence, the food-buying club will be self-sustaining.

The application explains that \$21,000 will provide employment for four individuals. **What is the term of the employment? In other words, how long will the four individual be employed with the \$21,000? Do the wages comply with the City's [Living Wage requirements](#)?**

The four individuals will work part-time beginning in March 2016 and will work flexible hours depending on the demands of each phase of the growing season. They will be paid \$12.83/hr.

The application mentions land off of Moorland Road that will be utilized for crop production. **What is the exact location of the land? How large is the land? Who owns the land? If it is not owned by one of the project partners, what is the agreement in place with the land owners and can the city obtain a copy to ensure the land security?**

The land is owned by the Madison Metropolitan Sewage District as a type of buffer zone between its facilities and the surrounding residential areas. The South Madison Farmers Market has been using the land for over 10 years. He can use up to 8.7 acres of land of which he now uses approximately two acres. This land is free of pesticides and chemical fertilizers and will be used to grow sustainable and healthy foods. We will forward a copy of the agreement.

Does a relationship with SMFM producing and distributing the food to Mercado Marimar comply with food safety regulations? Assuming the produce from SMFM will not be ready right away, is the current procurement of produce by Mercado Marimar adequate for the buying club? Is the production from SMFM necessary to accomplish the goals of membership from above in year one? Year two? Year three?

The South Madison Farmers Market complies with all safety and health regulations for the sale of its produce at its food stands. It will comply with all wholesaling health and safety requirements as well as the requirements of Mercado Marimar.

Currently, Mercado Marimar makes weekly trips to the city of Chicago to purchase its fruit and vegetables at the wholesalers market there. It will reduce the amount that it purchases as the produce from the South Madison Farmers Market is harvested. As the South Madison Farmers Market expands the amount of produce that it can make available to Mercado Marimar, Mercado Marimar will reduce the amount that it purchases from the Chicago market. The South Madison Market Farmers Market is also expanding its growing season through the purchase of hoop houses that can sustain vegetation during some of the colder months.

Lastly, the application alludes to a potential future presence of Mercado Marimar in the Rimrock corridor. **Please expand on this, would this be a relocation or a second location?**

The Center for Resilient Cities plans a Phase Two addition to its facility on Rimrock Road that will include a gymnasium for the middle school and neighborhood center and a quasi storefront where items created by area residents could be sold or food stands could set up to sell food. If a growing volume of sales would support it, Mercado Marimar would consider setting up a retail presence at this or another site in the Rimrock Road area.

Timeline

The proposal envisions beginning the buying club in April 2016. City staff sees value in conducting the outreach and determining feasibility of the buying club based off of that outreach first, prior to major purchases of infrastructure. It is important to know the partners' stance on staggering the funding in a way where we could work collaboratively on next steps after initial outreach and membership feasibility is conducted. **Is this an option that LCC and partners are open to?**

We are open to creating benchmarks for the release of funds for the project. We anticipate that we would need the release of the outreach funds and some of the seed funds in January in order to enroll people in the food-buying club and to start seedlings in the South Madison Farmers Market hoop

house.

We anticipate that the we would need to have other funds released in April if we meet our membership benchmarks.

As for next steps, city staff will review the entire proposal which will include the responses to the questions in this memo. A meeting will be scheduled for committee review of the proposal. The committee is a work group of the Madison Food Policy Council, named the Healthy Retail Work Group. This work group is charged with reviewing the proposal and providing a recommendation on funding to the full Madison Food Policy Council. All of the project partners are encouraged to attend that meeting so committee members can ask questions and have a dialogue. The goal is to have a recommendation to the Madison Food Policy Council in time for their January 6, 2016 meeting.

Thank you again for your willingness to improve food access in South Madison. Please don't interpret these questions as skepticism or disapproval of the project whatsoever. This is the first official application to the Healthy Retail Access Program. We are committed to getting this right, not only for the partners involved, but to serve as a model for other applications that we will inevitably receive for this program. We believe that by going through this initial process of clarifying the project, the committee review will be much smoother. Please do not hesitate to call and ask any questions related to this memo. We look forward to your responses.