



Office of the Mayor

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To: Mayra Medrano, President, Latino Chamber of Commerce of Dane County

From: Mark Woulf (Director, Food Policy), Ruth Rohlich (Business Development Specialist)

Re: Application for Healthy Retail Access Program funds – Initial Questions

Thank you for applying to the Healthy Retail Access Program. In an attempt to provide the greatest amount of clarity to the committee that will review the proposal and make funding recommendations, we have developed a short summary of our understanding of the proposal and several clarifying questions.

The application submitted on October 26, 2015, by the Latino Chamber of Commerce of Dane County (LCC) outlines a project and program that requests city funds of \$70,000. The initial request for proposals set a maximum of \$35,000 per proposal. The LCC application describes two separate proposals that work in tandem to accomplish the goals set forth in the application.

The LCC application proposes the “Rimrock Road Corridor Food Buying Club” as a collaboration between the LCC, Mercado Marimar (small grocery on South Park Street), Badger Rock Neighborhood Center, and South Madison Farmers’ Market. The buying club will be established through outreach within the immediate neighborhood, where residents can sign up to be a part of the club. Membership in the club provides access to daily home delivery service from Mercado Marimar and cooking demonstrations through Badger Rock Neighborhood Center. The neighborhood center will be the main hub for community outreach and education for the buying club.

The partnership with South Madison Farmers’ Market (SMFM) is in place to provide a portion of the fresh fruits and vegetables that would be ordered through the buying club. SMFM will partner with the Nehemiah Center for Urban Leadership Development to employ ex-offenders at a location near Moorland Road to grow fruits and vegetables for Mercado Marimar. SMFM is acting not as a farmers’ market, but rather a producer/wholesaler for the purposes of this proposal.

If this brief overview is incorrect or missing critical pieces, please include comments in response to this document.

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.**

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?**

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?

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 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 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 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?**

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?

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?**

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?**

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.