

Madison Public Market

QUARTERLY UPDATE

Update #3: 2017 Q3



October 2017

Quarterly progress report on the Madison Public Market

(Requested by the Madison Common Council in the 2017 Capital Budget authorization)

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MarketReady Participants Selected

The MarketReady Program has selected its cohort of 30 aspiring Public Market Entrepreneurs. The MarketReady Program is a training, technical assistance, and micro-grant program focused on cultivating potential public market businesses, with an emphasis on cultural diversity.

The concept of the MarketReady Program emerged from applying the City's Racial Equity

Tool to the Public Market project in 2015, at the direction of the Common Council. One of the findings from the equity analysis was that the Public Market can have a positive impact on racial equity by focusing on being a place where diverse entrepreneurs can start businesses.

The MarketReady Program was then identified in the Public Market Implementation Strategy, which was accepted by the Common Council in March of 2016. The funding and contract to launch the program was then approved by the Common Council in October of 2016. Since then, the City has been working with a team of community partners to launch this program. After an extensive outreach effort that resulted in 83 applications to the program, the City has selected 30 Participants.

Here are the MarketReady Participants:

1. **Angel Torres and Leticia Flores:** ***Tortillas Los Angeles*** – Tortillas made from heritage Wisconsin-grown corn.
2. **Araceli Esparza; Libros for Kids, Books for Niños** – Multi-lingual Children's Bookstore
3. **Luis Dompablo: Caracas Empanadas** – Locally-sourced Venezuelan street food



4. **Carmell Jackson: Melly Mell's Catering** – Soul Food
5. **Donale Richards and Will Green: Off the Block Pizza** – Ready-to-eat and frozen pizza from Mentoring Positives
6. **Eder Valle and family: Artesan Fruit** – handmade fruit sculptures
7. **Gaylene Norfleet: Taco Sunrise** – American style, comfort food tacos
8. **Jasmine Banks: Perfect Imperfections** – Natural body care products
9. **Jessica Ruiz Galindo: Julia's Tortillas** – Tortillas from locally sourced ingredients
10. **Alfredo and Alma Aleman: Taco Acorazados** – Unique authentic food from Morelos Mexico
11. **Josey Chu: Madame Chu** – Southeast Asian sauces and snacks
12. **Judy Cooper: QB's Magnetic Creations** – Artistic magnetic badge holders, brooches, eyeglass holders, and other things
13. **Julio and Aída Cachiguango: Otavalo Art** – Handmade Andean crafts
14. **Kossi Apaloo: Afreeka Wear** – African apparel
15. **Kristina Stanley: Brown Rice and Honey** – tribal-sourced vegan deli and bakery items
16. **Laura Riggs: Savvy Pet Foods & Meat Market** – Handmade pet products
17. **Laurel Burleson: Ugly Apple Café** – Locally-sourced breakfast and lunch cafe
18. **Lucas Benford: Bodega Nana** - Greengrocer
19. **Mai Vang** - Farm-sourced restaurant with family recipes
20. **Maipa Ly Tong-Pao and family** - Hmong and Southeast Asian products
21. **Monica O'Connell: Curtis & Cake** – Small batch, southern-inspired baked goods
22. **Morena Taylor-Benell: Madre Yerba** – Organic body products
23. **Namgyal and Tharten Ponsar: dZi Little Tibet** – Farm-to-table Tibetan food
24. **Nausheen Qureishi: Yaseen Handicrafts** – Hand-block printed and dyed silk clothing using traditional Japanese techniques
25. **Jamaal Stricklin, Matt Roellig, P.T. Bjerke, TJ DiCiaula: SuperCharge! Foods** – Micro-greens and juices
26. **P & L Family** - Vietnamese sandwiches and drinks
27. **Reyna and Waldo Gonzalez: Tameria el Poblano** – Tamales made from handmade tough and locally-sourced corn
28. **Sher Oşinowo: AfriqueCaribe Bits & Bites** – West African, Caribbean, and Southern fusion cuisine
29. **Tounhia Khang, Tou Tong Khang, and Tou Kou Khang: TK's Noodles** – Noodle Bar
30. **Yakub Kazi** - Middle Eastern and Indian Foods

More information about the MarketReady Program can be found at:

madisonpublicmarket.org/vendors

A short video featuring four of the MarketReady vendors can be viewed here:

<https://www.youtube.com/watch?v=IN3FwszFqzM&feature=youtu.be>



New Member Joins Public Market Development Committee

Jeff Glazer has been added to the Public Market Development Committee. Jeff works in the UW Law & Entrepreneurship Clinic supporting startup businesses. Jeff is an attorney and has an MBA. He is an expert on the legal aspects of startup businesses, with a particular focus on food and beverage industries.

Funding and Budget Updates

The current proposed 2018 Capital Budget identifies \$13 million for the Public Market. This proposed budget includes funds from the City of Madison as well as from outside sources, including equity through a federal New Markets Tax Credits Allocation, private fundraising, and potentially other state and federal grants. As noted in the City's proposed budget language, no City funding will be expended on the construction of the Public Market until all sources of capital are secured.

New Markets Tax Credits – The Madison Public Market is in applications for seven Community Development Entities (CDEs) that have applied for a New Markets Tax Credits Allocation. Those allocations are expected to be announced by the Federal Department of Treasury in early 2018. At that time, the City will follow up with the CDEs who placed the project in their applications to work on closing the transaction. In the meantime, the focus is on maintaining communication with those CDEs and keeping them up to speed on the project. In September and October, the City staff met with 9 CDEs and New Markets Tax

Credit Investors. Interest in the project among these key partners is very high. Under a typical New Markets Transaction, approximately 25% of the capital cost of an eligible project can be secured as equity through the use of the tax credits.

Fundraising – The Madison Public Market Foundation is launching the fundraising campaign for the Public Market. Over the last year, the Foundation has had initial conversations with dozens of community leaders to begin gauging the potential of securing donations. The City commissioned a feasibility assessment which indicated that a fundraising campaign of \$3m to \$5m is feasible for this project. The Current 2018 City Capital Budget anticipates \$2.5m in private donations. Now, the focus of the Madison Public Market Foundation is shifting to making direct asks for contributions.

State and Federal Grants – The City Staff, working with MadREP, is in discussions with the U.S. Economic Development Administration (EDA). The EDA is not interested in the retail aspects of the Public Market, but is interested in the food production and business development components of the project. The City will continue working with EDA to see if a grant application is feasible. In addition, the City staff is in discussions with the Wisconsin Economic Development Corporation (WEDC) about the potential to secure a Community Development Investment grant. This program funds economic development projects with up to \$250,000 in state support.



Project Design and Development Updates

The City is finalizing work with Graham Baba Architects on the conceptual design for the Public Market facility. Guided by the project's business plan, the current design calls for the Public Market facility to be approximately 45,000 square feet. This includes the main "Market Hall" as well as the "Food Innovation Center" which will focus on food processing, product development, storage, and business incubation.

Current plans call for the Public Market to be built through a Public/Private partnership with the development team that currently owns the site. The Public Market will be adjacent to privately-built, owned, and operated retail space, offices, and apartments.

Additional details on the project plans can be found in the updated Public Market Business Plan ([Available here](#)). The City is continuing to work with the developer on the terms and structure of this partnership. The objective of City staff and the Public Market Development Committee is to structure a partnership and a development plan that can accomplish the mission of the Public Market within the budget identified in the proposed 2018 Capital Budget. This plan would then be brought before the Madison Common Council for review and approval.

City staff expects to have a draft Letter of Intent outlining the terms of this partnership that will go before the Common Council before the end of the year. The project would also then be required to go through the City's

required land use entitlement and design review processes.

Taste of the Public Market Event

On October 11, the Madison Public Market Foundation hosted a "Taste of the Public Market" event at 945 East Washington Avenue. The event included 17 potential Public Market vendors offering products. Over 600 community members attended. Curt Brink hosted the event within the "Archipelago Village Design Center" space on East Washington Avenue. Dane Dances provided a DJ and dance party. Trey and Shelly Sprinkman of Sprinkman Real Estate sponsored the event with a \$10,000 donation and an additional \$900 was raised through small contribution at the door.

Updated Public Market Business Plan

The City of Madison completed the Business Plan for the Madison Public Market from 2013 to 2015. This process engaged thousands of community members through surveys, focus groups, and dozens of workshop and public meetings. The Madison Common Council approved the Business Plan in October of 2015. Since then, the City staff, the Public Market Development Committee, and the Public Market Foundation have implemented key next steps identified in the Business Plan and the plan continues to be a guiding document for the project.

To ensure that the plan is up-to-date, the City Staff and the Public Market Development Committee recently completed a detailed update and reorganization of the Business Plan. That updated document can be found online at



the link below. The updated business plan includes updated information on the Public Market's building program, sources of capital, governance, vendor selection, operating pro forma, equity and inclusiveness strategies, and other items. [Public Market Business Plan](#)

Recent News

Some recent media coverage of the project:

[Wisconsin State Journal 9/24/2017](#)

[Capital Times 7/31/2017](#)

[Badger Herald 10/11/2017](#)

[Channel 3000 \(9/26/17\)](#)

[WKOW Ch. 27 10/11/2017](#)

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