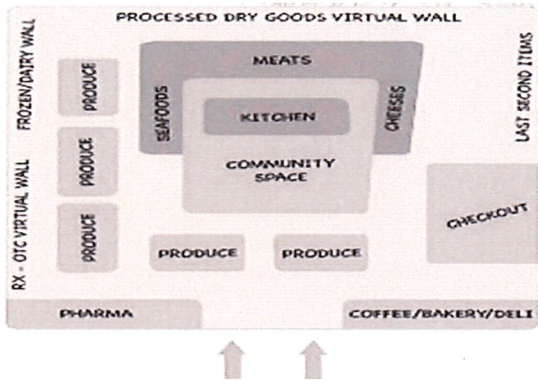




March 1, 2018

Members of the Healthy Retail Access Work Group,

My name is Mariam Maldonado. I am a wife and mother of two, a six-year resident of the Allied-Dunn's Marsh neighborhood, and a servant of the greater Madison community. I love my neighborhood and my family cares about the well-being of our neighbors. We have longed to see a permanent place where residents can walk to get fresh, affordable food.



Allied-Dunn's Marsh is a neighborhood is culturally and economically diverse: African-American, African, Latinx, Southeast Asian, White, apartment dwellers, single-family homeowners, Habitat for Humanity homeowners, new and longstanding residents, and most importantly, people that support one another. This is what I love about living here. As you know, however, the neighborhood is considered a "food desert". The closest grocery stores are located several miles away, limiting food choices to many neighbors who do not have vehicles. Our children and families often rely on convenience stores, fast food, and overpriced and old produce if they do not want to take a long bus or expensive cab rides to other neighborhoods.

Our goals at Luna's Groceries are simple: to meet the needs of the local community, to provide fresh, healthy, and affordable food and products to residents, to provide a safe, clean, and welcoming environment to customers, and to provide employment opportunities to community members.

Luna's will be located on 2030 Red Arrow Trail, a 2,240 square-foot building across the street from McDonald's and next to Reach Dane. We will offer a range of fresh, organic produce, packaged foods, beverages, pastries, newspapers, pet foods, medicines, and beauty items. Our food products will cater to the cultural diversity of the neighborhood. We will include a common area where groups can hold meetings, purchase coffee and pastries, and build relationships with their neighbors, family, and friends. Many of our neighbors grow their own food—we would like to reserve a section of Luna's featuring the produce of local growers. Finally, we aim to hire two-part time positions, giving preference to residents of Allied Neighborhood.

The City's financial support for Luna's through the Healthy Retail Access Program would alleviate some of the financial burdens of financing, renovating, and opening a store from the ground up in an area that has long been associated with and continues to struggle with acute food access issues. Our grand opening date is Aug 18th, 2018 and we want the whole neighborhood to join us. There will be music, games, and prizes throughout the day.

I look forward to meeting with this group on Tuesday, March 6th and talking in more detail about Luna's Groceries and answering questions group members might have.

In the meantime, if you have any questions please let me know.

Sincerely,

Mariam Maldonado, Owner, Luna's Groceries



City of Madison Healthy Retail Access Program Application



APPLICANT INFORMATION

Primary Contact Name:

Mariam Maldonado, owner

Total Project Amount: \$630,942

Healthy Retail funds requested: \$157,735 (Max. \$35,000)

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

Luna's Groceries

Telephone #:

(608) 698-6107

Email: info@lunasgroceries.com

Applying as a:

Retailer ☒

Organization ☐ (Must Fill out Form A)

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

YES ☒ (**PAPERWORK SUBMITTED – In-Process**)
USDA FNS #: _____

NO ☐

PROJECT INFORMATION

Please limit each answer to the space provided. You may attach additional information related to the questions and budget to this application.

Please describe, in detail, the proposed project:

Luna's Groceries, a 2240 square foot project on 2030 Red Arrow Trail estimated to cost \$630,942 will open August 2018. The closing of Cub Foods in 2009 left the Allied-Dunn's Marsh neighborhood as a food desert. Residents, including the owner of Luna's, have long sought a permanent place where they can walk to get fresh, affordable food. Luna's seeks to meet those needs and requests a Healthy Retail Access Program grant of \$157,735, covering 25% of total the total project cost with a focus on startup costs such as building down payment, improvements, and equipment. Luna's will fund the remainder of the project through a personal loan from Park Bank and owner's personal funds.

The location is ideal, across the street from McDonald's, next to Reach Dane, and near two heavily accessed bus stops. The store will offer a range of fresh, organic produce, packaged foods, beverages, pastries, newspapers, pet foods, medicines, and beauty items. Products will cater to the cultural diversity of the neighborhood. Luna's will include a common area where groups can hold meetings, purchase coffee and pastries, and build relationships among residents. Luna's will include a section featuring the produce of local growers. Finally, we aim to hire two-part time positions, giving preference to residents of Allied Neighborhood.

As a six-year wife and mother of the Allied-Dunn's Marsh neighborhood, I have seen and experienced the need for an accessible and affordable option for healthy food firsthand. My husband and I have devoted a great deal of our time and life working in the community with hopes to make Madison advance Madison to becoming as inclusive as it is diverse. Allied-Dunn's Marsh is culturally and economically diverse: African American, African, Latin, Southeast Asian, White, apartment dwellers, single-family homeowners, Habitat for Humanity homes, new and longstanding residents. Currently my neighborhood is a food desert with the closest grocery store located several miles away. This unfortunately limits food choices for residents who do not have vehicles. Given the fact that many health concerns that most minorities encounter come from a unbalanced diet, Luna's will provide that missing and needed alternative to the current fast food choices available. With extensive experience in retail, workforce development, and an educational background in business administration, I feel that I can successfully bring healthy lifestyles to one of Madison's areas of highest need. As a family, we are dedicated to improving our community and feel that Luna's Groceries will become a staple in this community.

Please describe how the project improves access to healthy food in the neighborhood you serve:

Luna's is in an area that the City of Madison identifies as a 'Focus Area' on the Food Access Improvement Map (Area 1B), approved in January of 2018. The nearest full-service grocery stores are between 2 and 3 miles away of many residents. Additionally, many residents do not own cars and rely largely on public transportation, which can be time consuming and costly. Luna's will be less than one mile away from several apartment complexes that serve primarily low-income residents, allowing them to purchase healthy food quickly and inexpensively.

Luna's will feature a small coffee shop, meat department and fresh produce, which will provide the Allied neighborhood with quality products at sustainable prices.

Finally, Luna's will accept WIC payments and will be a SNAP eligible store, meeting the nutritional and economic needs of low-income residents. This will be ideal to the customer base given the average household income statistics for the community.

Please describe any organizational partners or other collaborators and their relationship to the project:

Luna's will be a member of the Latino Chamber of Commerce of Dane County. The Latino Chamber has already provided valuable advice in the initial development of this project, identifying potential funders, distributors, and lenders, connecting with owners of grocery stores throughout the county that serve similar demographics. As a member of the chamber, Luna's will have access to business related trainings and a community of other businesses and service providers. Luna's will also be a member of the Black Chamber of Commerce, providing similar services and networks for business owners in the African American community.

Allied Dunn's Marsh Neighborhood Association and the Mothers of Allied have both engaged residents through neighborhood outreach, community events, and connections to city and county services. Both organizations and the neighbors they represent have expressed the need for a grocery store for years. After meetings with both organizations, they have expressed excitement for the arrival of Luna's and will promote the store throughout the neighborhood, both in Madison and Fitchburg. They also have committed to helping identify and recruit two neighborhood members for two potential part time staff Luna's.

Additionally, I have met with Alice Howard (President – Allied-Dunn's Marsh NA, active member Allied Community Co-op) who has expressed support and interest in collaborating to disseminate a community survey, which will gauge community resident's preferences on food offerings at the grocery store. Alder Maurice Cheeks (District 10, which includes Allied Dr) is also supportive of the project and has been involved with conversations about the development of the business.

In the opening of its Northside location, Willy Street Co-op partnered with Second Harvest Food Bank to provide SNAP education to staff and customers. Similarly, Luna's will engage Second Harvest to provide that education for its customers and staff.

The owner of Luna's has over a decade of experience in workforce development training, having managed staff, sold merchandise, and trained and recruited for the Urban League of Greater Madison's Workforce Training Program. She has access to a network of businesses, human resources staff, and job seekers. Additionally, the owner and her husband have a strong relationship with local media outlets, including Madison365, Capitol City Hues, La Comunidad, Umoja, WKOW, and Channel 3000. Given the context of the neighborhood's longstanding need for fresh food providers, Luna's will solicit these outlets to promote its Grand Opening Community Block Party.

Please take some time to describe the types of technical assistance that you may need to help with completing the project. Some examples of technical assistance include: Business plan development, marketing assistance, financial planning, grant-writing assistance, market research, book-keeping, project management, etc.:

Luna's has two primary needs: 1) Marketing and promotion through city website and relevant city sponsored events and 2) Access to previous data via past feasibility studies on neighborhood demographics and need.

- 1) Luna's is looking for assistance with promotion in collaboration with the City of Madison. Given that the target customer base is the local community of the Allied-Dunn's Marsh neighborhood it will be hard to focus only on local marketing and promotions. Expanding the Luna's name out to the entire city of Madison can greatly be achieved through focused and supportive marketing and promotional efforts.
- 2) Since first looking into this venture, I have had great difficulty locating or obtaining previous information on the property. Any assistance on gaining more information on the physical property for renovation purposes would be ideal. Additionally, if there is any availability to view previous assessments of the neighborhood needs, that would be appreciated.

Please indicate a general timeline for the project:

Renovations for Luna's are planned to begin by April 1st. There will be a soft opening of Luna's on Sunday, July 1st. Equipment will be installed by June 1st with inventory being stocked throughout June. Luna's will open publicly on August 18th, 2018 and include music, games, locally grown produce, and prizes.

BUDGET SUMMARY

Please Include a project budget that includes items such as construction costs, materials, labor, etc. Please include specifically how city dollars would be utilized within the project budget. Also include other funders, lenders, or in-kind supporters that are contributing to the project.

| Item | Total Cost | Amount of City Dollars Requested | Amount of Other Revenues/In-kind Support |
|--------------------------------|------------------|----------------------------------|---|
| Building Down Payment | \$64,000 | \$64,000 | Owner will assume cost of the mortgage |
| Equipment | \$60,000 | \$15,000 | Owner will assume through commercial loan |
| Building Renovations | \$60,000 | \$40,000 | Owner will contribute own funds (\$20,000) and assume commercial loan |
| Fixtures and Furniture | \$15,500 | \$8,735 | Owner will assume through commercial loan |
| Initial Inventory | \$60,000 | \$30,000 | Owner will contribute own funds (\$15,500) and assume commercial loan |
| Real-Estate-Building | \$301,000 | \$0 | Owner will assume through commercial loan |
| Real Estate-Land | \$33,000 | \$0 | Owner will assume through commercial loan |
| Prepaid Insurance | \$658 | \$0 | Owner will assume through commercial loan |
| Legal and Accounting | \$1,135 | \$0 | Owner will assume through commercial loan |
| Utility Deposits | \$1,049 | \$0 | Owner will assume through commercial loan |
| Supplies | \$1,350 | \$0 | Owner will assume through commercial loan |
| Advertising/Promotions | \$375 | \$0 | Owner will assume through commercial loan |
| Licenses | \$2,615 | \$0 | Owner will assume through commercial loan |
| Other Initial Costs | \$5,000 | \$0 | Owner will assume through commercial loan |
| Working Capital | \$3,000 | \$0 | Owner will assume through commercial loan |
| Pre-Opening Salaries and Wages | \$19,760 | \$0 | Owner will assume through commercial loan |
| Other | \$2,500 | \$0 | Owner will assume through commercial loan |
| Total | \$630,942 | \$157,735 | |

FORM A

A) Please list the retailer(s) and location(s) that are directly working with and/or for this project:

Not Applicable

B) Please specifically describe the organizational support that you are providing to the retailers as a part of this project proposal:

Not Applicable

LETTER OF INTENT

Please attach a letter, signed by the owner or manager for the retailer(s) involved that describes their active participation in the project.

DISCLAIMER AND SIGNATURE

I certify that my answers are true and complete to the best of my knowledge.

Signature:



Date:

3/1/2018

