



Legislation Text

File #: 80323, **Version:** 1

Fiscal Note

The proposed resolution authorizes a \$136,800 grant from the Economic Development Division's Healthy Retail Access capital program (Munis program 63009) to support final start-up costs for the new grocery store at 3554 E Washington Ave (Gooh Groceries). It further authorizes the award to exceed the \$100,000 limit originally established by adopted RES-15-00521 (File 38465) in 2015.

Providing this funding will support final project start-up costs related to opening the store and launching the business, including but not limited to procuring initial inventory and remaining equipment. Gooh Groceries has previously received a Healthy Retail Access Program grant in the amount of \$125,000 (Leg file 64416, RES-21-00211).

The proposed grant will be funded by \$136,800 currently available in the Healthy Retail Access capital program. No additional City appropriation is required.

Title

A resolution to update File No. 38465 regarding the Healthy Retail Access Program to authorize a one-time increase in the maximum award amount for Gooh Groceries (Gooh Groceries, LLC) project in the amount of \$136,800. (District 12)

Body

WHEREAS, On June 19, 2015 Common Council adopted RES-15-00521 to create the Healthy Retail Access Program and authorized the Madison Food Policy Council to make awards through this program of up to \$100,000; and

WHEREAS, Since that resolution was adopted, the Healthy Retail Access Program Fund has grown to \$250,000 in annual appropriations within the Capital Budget; and

WHEREAS, The Madison Food Policy Council has received an application from Gooh Groceries, LLC to open a community grocery store, which provides affordable, healthy, and culturally relevant food products to residents of the Carpenter-Ridgeway, Hawthorne, and Truax neighborhoods, in the amount of \$136,800 because of rampant inflationary cost escalations, which have increased the cost of the project nearly 100%; and

WHEREAS, On October 4, 2023 the Healthy Retail Access Review Team of the Madison Food Policy Council met and recommended that the Madison Food Policy Council approve the Gooh Groceries application and tentatively award full funding at their upcoming October 18, 2023 meeting; and

WHEREAS, >80% of the total costs (\$2,757,176) of launching this business -- building acquisition, building renovations, equipment purchases, inventory procurement, and other costs associated with a start-up business -- is being financed by the owners of the Gooh Groceries, LLC,

NOW, THEREFORE BE IT RESOLVED, That the Common Council authorizes the Madison Food Policy Council to make a Healthy Retail Access Program grant agreement awarding \$136,800 to the Gooh Groceries, LLC as described above; and the Mayor and Clerk are authorized to sign the contract(s) needed in a format approved by the City Attorney, as set forth in the original resolution.

