

Apple Street Market Board Meeting

4/1/2021

Online

Board Members: Kristen Barker, Paloma Correa, Clement Tsao, Heather Zoller

Others: Heather Sturgill, Kathleen Hebbler, Reba Hennessy, Rebecca Williams, Florence Rothenberg, Mckenzie, Sharon, Matie Senerchia

Check-Ins, Agenda

- Agenda approved
- February and March minutes approved

Finances

- AWG Co-op: We paid \$30K for a share in order to become a member. Without a location, they are not able to maintain our membership. Therefore, they are returning \$36K (we earned some money through the membership investment). We can repurchase our share (currently at a lower cost) when needed.
- We need to repay our LEAF loan, approximately \$28K.
- We will receive money from AWG from our pre-paid refrigeration, which will go back to Interact for Health.
- Budget: Continued minimal spending
- Roughly \$7K available
- Funds being distributed from grants that must be spent

Status of the Project

- In 2019, we lost the site. In 2020 we scoured the area for other sites, including College Hill.
- Only Hoffner Park (Gaslight property) and the property that PLK is developing around the Triangle were deemed financially viable sites by the experts at AWG (who have accurately predicted store sales to within 10% for the last decade). The Gaslight Property is not available and there is no timeline for development. They have not shown interest in working with us.
- We need 10K square feet, adequate parking and a loading dock. ASM worker- and community-owned cooperative needs to be financially stable. Fundamental keys to success in mixed or lower-income neighborhoods. Also, connect with the community, train workers for great customer service, and co-locate services whenever possible.
 - Some owners have expressed interest in a smaller store that would be less costly to open, but Morsel and Nosh is expanding their grocery offerings, so the small store with more costly options niche is being met.
 - The promise of ASM is affordability. A small store without AWG does not fit our mission.
- PLK is asking for city support (they need zoning approval and a right-of-way). There is a Community Benefit Agreement committee working on what PLK could give in exchange.

Although their community survey showed that affordable housing and Apple Street Market are the top two priorities for the community, the committee did not believe that PLK would support the grocery. Negotiations are not going well.

Discussion of History

- Gem City is using our business model and opening a store in Dayton within the month. One key difference between the two projects is that they received \$1.5 million from hospital and insurance companies who are headquartered there.
- Cincinnati Children's gave Avondale Town Center \$500K and the project developers and foundations gave \$1.8 million. Unfortunately, the Northside area is not connected with the major hospitals or other institutions, and they have been unwilling to support the project (plus other funding).
- We did receive \$500K from City Council, but because they chose to disburse that to NEST, we lost the site when NEST decided to use the money for LGBTQ housing instead of Apple Street Market. That happened in part because we temporarily lost our New Market Tax Credit when Trump took office because of uncertainty in the banking industry. The NMTC was a major source of funding for our project. One reason the city distributed the money through NEST was because of doubts about our viability due to Clifton Market. All of this was unfortunate because we were able to raise significant funds through an escrow account shortly after.

Discussion of Options

- Discussion of Last Mile Food, Harvest Mobile Market, Our Harvest Senior Delivery and Our Harvest Food Hub (which may be expanding). Incubator Kitchen Collective
- Supporters could continue to press for an opening related to the Gaslight property at Hoffner Park.
- Many of these efforts are fundamentally different from the Apple Street Market project, and would require starting from scratch. We encourage supporters who are interested in building another alternative to meet and discuss. The current board members have served for longer than a normal term and we have been unable to replace board members. Therefore, there would be a need for a new volunteer base. Many people are disillusioned by the lack of success.
- Without an unexpected shift in PLK's willingness to work with us, we do not currently see a path for opening Apple Street Market as a worker and community owned cooperative. These issues will be discussed at an Annual Owner's Meeting.

Adjourned

Next meeting scheduled for 5/6/2021 at 6 PM