

East Lansing Food Co-op Board Meeting called to order 7:15pm – 6-4-2018

Attendees

Board: Marshall Clabeaux, John Reich, Dave Reyes-Gastelum, Steve Andre, Michele Bridges, Stephen Gasteyer

Staff: Peggy Cunniffe

Owners: Kriss Ostrom

Approval of 5-14-18 Board Minutes – John moved, Marshall seconded; approved unanimously

ELFCO owner comments – Kriss Ostrom brought up her visit the Liberty Street Argus Farm market [the store ELFCO is using as a model for its current project].

Staff Updates

Peggy – Owners claimed approx. \$21,000 in excess equity; about 30 percent of owners with excess equity asked for reimbursement. That leaves us about \$121,000 in credit union account.

We have 2 outstanding reimbursement requests: one is one day late; we are inclined to support this owner's request. The other is 2 weeks late and was made by the spouse of the owner rather than the owner herself. Marshall made a motion, seconded by John, that the owner who was one day late in their request should receive their excess equity. Motion passed unanimously.

Regarding the second case (the one that was 2 weeks late), Michele motioned that we should return the equity. Stephen seconded. Michele maintained that the couple had been long time shoppers and we should show appreciation for that. However, the motion failed 1-4.

John made the motion that in this case and subsequent cases of late claims, Peggy is authorized to deny the request unless there are extenuating circumstances. Dave seconded. Motion passed unanimously.

Peggy mentioned that she completed the 2017 US Economic Census. This is required by law as we were open for one month last year.

Moving Forward Committee

Fundraising

- John presented a sketched out proposed budget -- We look at expenses of \$419,220 --
 - Numbers are not that far off from what most people say...
 - But would need \$300,000 for startup, and \$500,000 in revenue to break even
- We will need \$300,000 for the launch

- We will need to raise \$200,000 to make the launch happen
- We will need to raise money just to launch...
- We should all relook at Center for Regional Food Systems funding guide (“New Funding Sources”)
- Opportunities are out there – Discussing applying for \$100,000 from MDARD and MEDC
- Also looking at possibility of an “owner loan campaign”
- If funding comes together, we might want to solicit another article in LSJ so that we get the word out about our project...
- Additionally we have owners who would like to donate money.
- Many owners are telling us they would like us to do the project...
- Did have one owner complaint about locating the store in East Lansing...

Farmer Vender Survey: Have roughly 17 replies from vendors selling meat, flowers, and everything in between – generally positive; only one “no” response; lots of enthusiasm and a diversity of respondents. The next step planned was to call vendors who didn’t respond to the survey, but there was a general feeling to not call them until we are on firmer footing with financing.

Building Search: The general sense prevailed that we should keep track of the old Battery Shop building and take next steps. We will ask that they call us if there are other serious potential buyers. We are not in a position at this moment to lease that building; our issue is funding. We are waiting to see what happens with MDARD and MEDC.

Networking:

- We need to develop relationships and partnerships.
- How can we address the needs of new people at MSU, or food security in East Lansing generally?
- Peggy brought up the 2018-19 Ingham County health equity and social justice workshops. Marshall will probably attend.

MDARD Licensing and Regulation: logistics – Peggy is trying to reach out to MDARD on licensing, etc. so we can have some of our questions answered about license requirements for ELFCO and its vendors, coffee shop health and safety standards, etc. The answers will assist us with cost and design issues.

Argus Farm Store Training: Peggy also mentioned that Argus Farm Stop has mentioned available training in setting up a store that follows the Argus model. Cost is \$200/day for up to 4 attendees.

Management personnel: Looking forward, we should prioritize a project manager or general manager hunt. The issue is going to be finding the funding and then finding a person. We could start with a project manager who understands numbers and has a business background.

Note: Peggy will be on vacation June 21-29.

NEXT MEETING: MONDAY, JULY 2, 7PM AT THE OFFICE.