

# Gadfly is satisfied that the Bethlehem Food Co-Op grant meets the funding criteria

The Bethlehem Gadfly | Bethlehem Food Co-Op, City government, Co-Op, Bethlehem Food, Serious Issues | November 23, 2019

 *The latest in a series of posts on City government* 

*Gadfly would like to bring some closure to the discussion about whether or not the Bethlehem Food Co-op meets the criteria for funding by a Federal government CBDG grant.*

*Remember that the City approved \$100,000 this year but that several residents raised reasonable questions, not about the mission of the Co-op (everybody is enthusiastic about that!) but whether it fit the guidelines for Federal funding. (See [“Co-op”](#) on the Gadfly sidebar to refresh yourself on the discussion so far.)*

*At the November 6 City Council meeting (see [Council video, min. 25](#)), Gadfly (a BFC member) expressed support for the BFC but expressed desire that we had enough specific information about it to know that funding was “cleanly” done and that no “shadow” would fall on the BFC as it progressed forward.*

*In short, after obtaining additional information, Gadfly is satisfied that the BFC grant meets the funding criteria.*

*At the November 6 City Council meeting, a number of people spoke in support of the BFC funding (see [video, part 1, min. 57:25](#) and [video part 2, the opening 3:25 mins.](#)).*

*Gadfly thought the presentation most effective at addressing in brief time the specific question of whether the BFC met the guidelines for CBDG funding in a positive manner was done by a woman whom he thinks was Colleen Marsh, past Head of the BFC ([video part 2, the opening 3:25 mins.](#)). Gadfly thinks you will find Colleen’s remarks a profitable 3 minutes.*

*Gadfly obtained the document package provided to prospective grant applicants plus both the 2018 and 2019 BFC applications for the CBDG grant via a Right-to-Know request to the City. Tip o' the hat to the City staff.*

*As you can imagine, the paperwork for a government grant is long and dense.*

*But here are a few important highlights.*

*From the application package:*

**PROGRAM INTENT –**

1. Activities benefiting low- and moderate-income persons.
2. Activities eliminating conditions of blight or deterioration.

**PROGRAM ELIGIBILITY –**

1. Activities serving local housing needs
2. Activities encouraging local economic development
3. Activities relating to neighborhood revitalization needs
4. Activities providing needed public facilities or services
5. Citizen sponsored projects, which serve one or more of the aforementioned criteria and which would not proceed except with block grant funding.

*For fiscal year 2020, the BFC applied for \$189,840 for physical improvements. The entire application (73 pages) is linked here: [Bethlehem Food Co-Op 2019 application](#).*

*Here is a key “nutshell” statement of the project:*

**The Bethlehem Food Co-op respectfully submits its proposal to the City of Bethlehem for \$189,840 to support professional services and initial infrastructure for the construction of a grocery store in downtown Bethlehem.**

**The Bethlehem Food Co-op intends to open a full-service community-owned grocery store in downtown Bethlehem, in an area defined as both a food desert, as identified by both the Economic Research Service and USDA, and a CBDG low/moderate income area. Placing a grocery store within the planned area would greatly improve fresh food accessibility for local residents. While specific location information must remain confidential until we have executed a lease with contingencies, the Co-Op negotiating team has made significant progress towards this milestone.**

*For most of us, the first 10 pages or so of BFC's application will be the most pertinent. Gadfly always encourages followers to go to the primary source and make personal observation and judgments. But here are just a few selections from this opening portion of the application that struck him as fitting the grant guidelines:*

Despite the resurgence of Bethlehem's downtown, the north side of the city still lacks anything resembling a full-service grocery store. The USDA Food Access Research site indicates that as many as 21% of residents in this low-income area are without cars<sup>1</sup>. With full-service grocery stores being well outside of the downtown, convenience stores or time-consuming and inconvenient public transit rides are the only options for those with limited transportation availability. According to the Economic Research Service, North Bethlehem is a food desert. Most of downtown North Bethlehem is both low-income and at least half of a mile from the nearest supermarket or full-service grocery store. The locations being considered for the store would serve areas overlapping the city's LERTA zone and Northside 2027 boundaries.

The Bethlehem Food Co-Op will also benefit the local and regional economy. According to the *Healthy Foods, Healthy Communities*<sup>2</sup> report issued by the National Cooperative Grocers Association food cooperatives work with approximately 150 local farmers, twice as many as the 65 a conventional store might work with. Food co-ops spend three times as much of what they spend on inventory on local goods as compared to conventional grocers (12% compared to 4%). These differences add up to a large impact on the local economy. According to Buy Fresh Buy Local of the Greater Lehigh Valley's *Assessment Report*, if each Lehigh Valley household spent \$10 a week on local foods during the growing season, an additional \$67 million dollars would be kept in the Lehigh Valley.

The Bethlehem Food Co-Op will also provide a source of well-paying and stable jobs for the area. At present the cooperative is budgeting for 21 full and part-time jobs. *Healthy Foods, Healthy Communities* notes that nationally, cooperatives pay above average for their sector (\$14.31 vs. \$13.35 per hour) and are able to pay for a larger share of health insurance premiums. In addition, the Co-Op will be a source of jobs within walking distance of much of the city's residences. Beyond those who could walk to the store, our market study showed that as many as 145,000 people would be in the defined trade area. The Bethlehem Food Co-Op will be a step towards a healthier, wealthier, happier and more connected Bethlehem.

According to the 2013 Buy Fresh Buy Local Greater Lehigh Valley *Assessment Report*, which was incorporated in the 2014 Lehigh Valley Planning Commission Report, *One Lehigh Valley*, "In 2006, the Economic Research Service (ERS) began identifying census tracts in the United States with limited food access. A census tract was labeled as a "food desert" if it met two criteria: low-income (a poverty rate of 20 percent or greater, or a median family income at or below 80 percent of the statewide or metropolitan area median family income); and low access to conventional full-service food retail resources (at least 33 percent of the urban population living more than 1 mile from a supermarket or large grocery store)." The USDA Food Access Research site also provides a multi-layer look at food access across the U.S., demonstrating that most of downtown Bethlehem is both low income and located at least half a mile from a supermarket. North Bethlehem, defined as north of the Lehigh River, east of the Monocacy Creek, south of Elizabeth Avenue, and west of Linden Street is a low-income census tract where about 21 percent, or 683 households, do not have any access to a vehicle. The same is true for South Bethlehem, here

The Bethlehem Food Co-Op's primary geographic area of interest for store location reaches from the Lehigh River north to Elizabeth Avenue, and from 3rd Avenue on the west to Linden Street on the east. This area of interest, along with the Co-Op's mission, aligns with many publicly identified goals and initiatives for the City of Bethlehem, overlapping the City's LERTA zone<sup>10</sup> and Northside 2027<sup>11</sup> boundaries. In fact, the Co-Op has been an active partner in the Northside 2027 initiative, participating in the steering committee and associated program events. The Co-Op's market study identified a moderate-sized primary trade area extending between two and eight straight-line miles. The defined trade area was found to have a population base of 145,000 persons, which is significantly higher than the co-op database store average of 93,800 persons. Particular locations of interest, which are confidential at the time of this application, are along prominent retail thoroughfares and fall within census tract 108, which is one of the low-income tracts on the provided CDBG map (010800-1).

As the physical storefront development proceeds, the Co-Op has already begun living out numerous parts of its mission, offering programs such as community education classes in partnership with Northampton Community College, which have covered topics such as cooking, composting and informed consumer purchasing. The Community, Cooking, and Conversation program, held in partnership with West Side Moravian Church, has brought together dozens of Co-Op members and non-members alike for intergenerational, intercultural food preparation, meal sharing, and discussion. Additionally, the Co-Op has offered presentations on nutrition, food equity, local economy, cooperative enterprise in a number of local venues, such as Lehigh University's Multicultural Resource Center, VegFest, the Familia festival, and Donegan Elementary School's Spark program. The Co-Op often partners with other local businesses, bringing in dozens of customers during otherwise slow periods and forming a strong sense of community among attendees. The educational aspect of the Co-Op's mission will grow even further as a physical space is established to support programs.

*There are Gadfly followers more skilled and experienced in such matters than he. Further comments, of course, always welcome.*