



GEM CITY MARKET



ANNUAL REPORT 2019-2020

We have missed you! Stay healthy. Stay Connected.



Our mission is to serve, engage, and empower our neighborhoods by providing affordable, high quality food in a clean and welcoming environment that is worker and community owned.



Letter from the Board President, amaha sellassie

Greetings co-leaders and member-owners of the Gem City Market,
I think back to our humble beginnings, as a small group brought together to discuss unequal access and opportunity across Dayton when we asked the audacious question, “What if we opened up our own grocery store?” And now, 5-years later, Gem City Market has welcomed our 2,600th community member-owner while we are laying the physical foundation of the Market. All I can do is be thankful to have witnessed what community power and collective hope can achieve when context and opportunity galvanize a community into action.

For me, the Market is a tangible example of the work required in the moment we find ourselves in now, as a community, nation, and world. The emergence of the Gem City Market has been the culmination of broad-based community action, as many have contributed their gifts and talents for the realization of a shared vision and future. We have come a long way to get where we are now, yet there is another river to cross as we are enveloped in the construction phase of the Market. This, I feel, parallels where we are as humanity: we, too, have one more river to cross in realizing our common humanity.

**" The market stands as a beacon of hope of what a community can do when it exercises its self-determination and acknowledges the gifts and talents within our midst. "
— amaha sellassie, Board President**

The question right now is not, “Do black lives matter?” The question is how do we live into the fundamental truth that black lives matter. How do we, decenter whiteness, and emerge a space that acknowledges the dignity and worth of every human being and reimagine how the shift ushered in by the pandemic can lead us into a more beloved community.

The underground railroad of old was a collective effort of blacks and whites together who risked their lives to proclaim this fundamental truth. Gem City Market, born out of a vision of Erica Bruton, an African American woman, has been brought closer to reality by the combined collective efforts of blacks, whites, and people of color from across the city, working together towards addressing the wrongs birthed out of a false notion of white superiority that created the structural mechanism of redlining and the fruit of food apartheid.

The market stands as a beacon of hope of what a community can do when it exercises its self-determination and acknowledges the gifts and talents within our midst.
- amaha sellassie

2019 Board of Directors



amaha sellassie
President



Carrie Scarff
*Vice President
Community Elected
term: 2018-2020*



Fred Holley
Treasurer



Erica Fields
Secretary



Lela Klein
Founder's Seat



Shavelta Harding
*Community Elected
term: 2019-2021*



David K. Greer
*Community Elected
term: 2018-2021*



Rick Carne
Board Member



Lowell Harris
Board Member

BOARD SEAT TERMS:
Full details, see our bylaws!
GemCityMarket.com/bylaws



Construction continues at Gem City Market. Our foundations and site walls were poured in May. You can see the new walkway along the Salem facade taking shape. The loading dock off of Superior, where we will take most of the Market's deliveries, can be seen as well. Masons are laying a new block wall along the west side of the building. Everything west of that wall will be outdoor facilities (storage, dumpsters) and parking for the Market. The construction trailers are currently sitting on a parcel reserved for future development.

During the site work phase of construction, costs were higher than anticipated due to removal of construction debris and unexpected cisterns buried in the ground

that had to be removed and replaced with appropriate fill materials. These additional costs are covered by our contingency planning.

In accordance with our Community Benefits Agreement, about 35% of the building contract spend is going to minority and women-owned businesses. All construction work is being done in accordance with a project labor agreement with the Dayton Building Trades and at a union wage.

The Board would like to express gratitude to Architect Matt Sauer for his vision, his patience, and his guidance through the process of design, bidding, and construction.

"Gem City Market shows to me how a community comes together to solve its own problems when others had given up on it."

— Yetunde Rodriguez, local textile artist



We are also excited to see local artist Yetunde Rodriguez's stunning pattern work enhancing the visual impact of our Market's exterior and interior design.

Finance Committee Report

The Gem City Market Co-op has raised over \$400,000 in equity from members, supporting members, and donated equity. We have closed on a loan of \$935,000 for our start-up operations from the Finance Fund, a statewide Community Development Financial Institution with a mission to drive access to food, housing and equitable development. We also received a Program Related Investment (PRI) from the Dakota Foundation. Combined, these represent the *sources* of the \$1.5 million startup budget allocated amongst the *uses* shown in the chart below.

To construct the building that will house our Market, over \$4,000,000 in grants were raised from foundations, businesses, individual donors, city, state and federal funds. These dollars were leveraged, with the help of partners, in a New Market Tax Credit (NMTC) financing transaction with a net benefit of nearly \$1.5 million (*see chart below*). This would not have been possible without the partnership of the Miami Valley Community Action Partnership, which stepped in to serve the nonprofit building-owner in the transaction; Greater Dayton Premier Management, who provided a \$997,020 grant

that closed our final gap and will also own the land under the Market with a 50 year lease to the project; and Thompson Hine, the law firm that provided pro bono support to prepare us to be able to take advantage of the tax credit. Citywide Development, the Reinvestment Fund and PNC Bank also played critical roles in the building financing.

There is still approximately \$30,000 left to be raised to complete the building's capital needs and grants are being sought to close this gap, which is currently financed via a bridge loan.

SOURCES

Gem City Market Cooperative	Status	Capital Type	Amount
Finance Fund	Committed	Debt / Revolver Line of Credit	\$935,000
Dakota Foundation	Committed	PRI	\$75,000
Supporter Memberships + Contributions	In-hand	Equity	\$206,000
Community-Owner Memberships	In-hand	Equity	\$200,000
Additional Community and Supporter Memberships	Needed	Equity	\$100,000
Total:			\$1,516,000
Community Market Partners (Landlord Entity)	Status	Capital Type	Amount
Additional Grants - Bridged by Loan	Needed	Debt/Equity	\$28,041
Grants and Philanthropy - Bridged by Loan	Committed	Equity	\$502,861
Grants and Philanthropy	In-hand	Equity	\$2,130,166
State of Ohio Contribution	In-hand	Equity	\$200,000
City of Dayton Contribution	In-hand	Equity	\$225,000
NMTC Transaction Partners	Committed	Equity	\$1,484,912
Montgomery County Contribution	In-hand	Equity	\$175,000
HUD Hope VI Contribution from GDPM	In-hand	Equity	\$997,020
Total:			\$5,743,000

Gem City Market Cooperative	Amount
Inventory	\$300,000
Finance Costs	\$15,000
Startup Costs	\$439,000
Working Capital	\$317,000
Non-fixed Equipment and Commerical Kitchen	\$400,000
Contingency	\$45,000
Total: \$1,516,000	
Community Market Partners (Landlord Entity)	Amount
Equipment	\$600,000
Demolition	\$148,000
Architecture	\$100,000
Site Acquisition	\$75,000
Construction	\$4,204,000
Predevelopment/Soft Costs	\$260,000
Contingency	\$256,000
Developer Fee	\$100,000
Total: \$5,743,000	

USES

Committee Updates

OUTREACH AND ENGAGEMENT COMMITTEE

Our Outreach Committee fosters community engagement with a commitment to expanding capacity by engaging more member-owners.

Initiatives include:

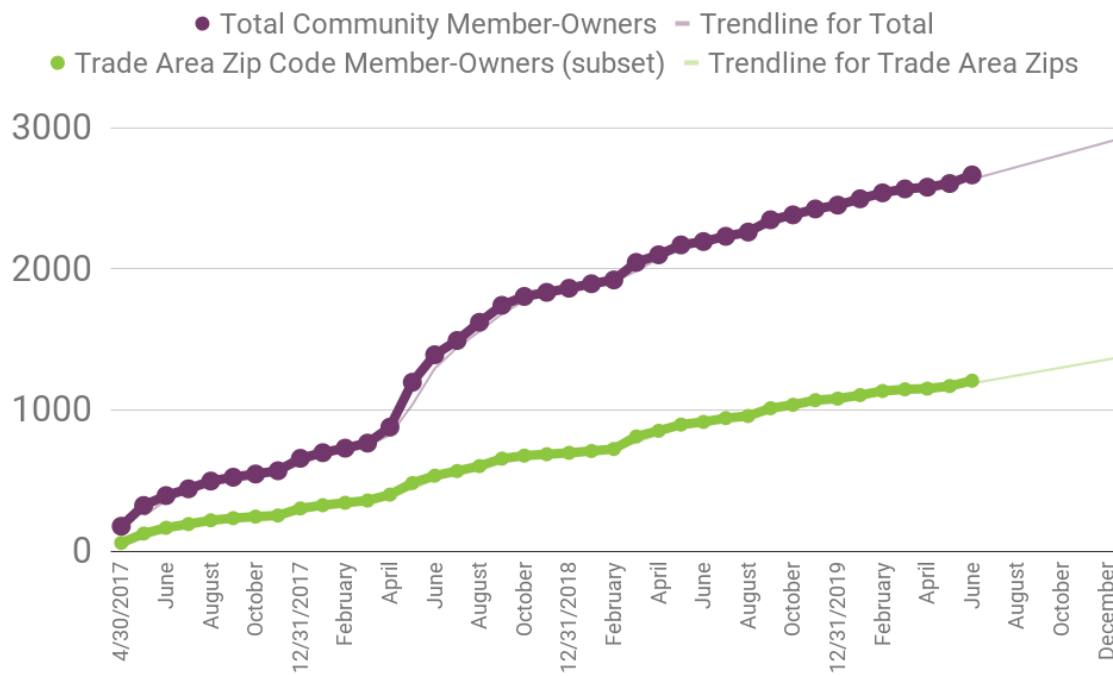
- Deep Listening Campaigns
- Art Installation for Construction Fences
- Beer and Wine Petition Signature Gathering
- Membership Campaign Phone Rallies
- One-to-one meetings with community member-owners

MARKETING COMMITTEE

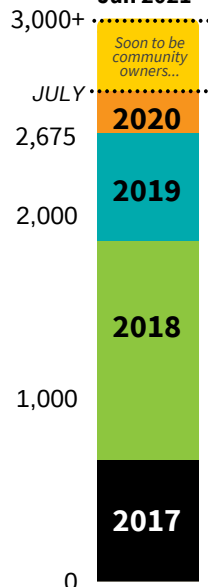
Our Marketing Committee establishes and coordinates the marketing needs of GCM during construction through Open, working with our marketing agency Firebrand.

- Launched logo and branding refresh
- Finalizing new member brochure
- New membership campaign kit - email
- Support other committees' initiatives
- **30** newsletters sent with
- **1,050** average opens per newsletter
- Distributed **100** yard signs (We'll order more once a project leader steps up!)

Community Member-Owner Growth, 2017-2020



OUR GOAL:
3,000+ Community
Member-owners by
Jan 2021



MEMBERSHIP COMMITTEE

Our Membership Committee processes new memberships, coordinates the Annual Members Meeting and member education.

- Presented **6** New-Member Orientations
- Welcomed **500+** new community member-owners! For a Jul 13th, 2020 total of **2,675**!
- Supported Phone Rallies connecting with more than **150** Trade Area member-owners Apr-Jun 2020.
- Currently **1,224 Trade Area Member-Owners**, our goal is **1,600** by Jan 2021. (Zips 45402, 05, 06, 16, 17, 26) (graph)

HEALTH AND WELLNESS COMMITTEE

Our Health and Wellness Committee provides support for the overall well-being of our community through educational programming and local partnerships.

Programming for:

- Teaching kitchen
- Community room
- Mini health clinic

THE IMPACT OF COVID-19 ON OPENING TIMELINE

*You may notice a distinct
lack of dates on the
timeline!*

Our Annual Meeting has
been postponed (see note),
and there have been other
construction related delays
in part due to the
Coronavirus pandemic.

Work is moving forward on
building construction.



MAY 2020
THRU
PRESENT

Concrete Work and Foundation

Framing and Walls

Grow Your Co-op!

Opportunities for member-owners to help grow Gem City Market. (see next page)

Electrical, Plumbing, and HVAC

Furniture, Fixtures, and Finishes

Board Elections + Annual Meeting

The Annual Meeting is postponed until it is safe to convene in person again and will include online virtual access. The Board has extended the term of the seat up for re-election; Community-Elected Board Member Carrie Scarff will continue to serve until elections can be held at the Annual Meeting.

Job Fair, Hiring, and Training

Product Delivery - Stocking the Store

Ribbon Cutting! Open for Business!

EARLY
2021

Grand Opening Celebration

Shop at the Market!



THANK YOU

**2,675 Community
Member-Owners**

As of Jul 13, 2020
One-Member/One-Vote.

**184 Supporter
Members-Owners**

As of Jul 13, 2020
No Voting Rights, No patronage dividend.

**future Worker
Member-Owners**

One-Member/One-Vote.

Opportunities to Grow Your Co-op!

(Current and upcoming)

- Volunteers are needed for **Phone Rally Membership Campaign** (training provided)
- Project Leader needed to organize the **Yard Sign Campaign** for a safe pickup event and/or possible delivery. Requires project and volunteer management skills, minimal staff support.
- **Membership Coordinator** (part-time, paid position) supports Membership Committee; must love spreadsheets and people.
- **Various other projects** need leaders in order to move forward. Are you a member-owner willing to take on more responsibility in the co-op? Let's hear from you!
- Educate your network about Gem City Market with our **Membership Campaign Kit** on next three pages. (current)



Questions? contact@gemcitymarket.com

