

Milwaukee Neighborhood Food & Pharmacy Stabilization Initiative

A Community-Centered Food & Pharmacy Investment Strategy

Proposed by Alderman Russell W. Stamper II

Executive Summary

The Milwaukee Neighborhood Food & Pharmacy Stabilization Initiative is a strategic investment program designed to stabilize, strengthen, and grow locally owned grocery stores, neighborhood markets, cooperatives, pharmacies, and farmer-supported retail operations in underserved Milwaukee neighborhoods.

In recent years, the City of Milwaukee has experienced multiple grocery and pharmacy closures, disproportionately affecting North Side communities and other historically disinvested areas. These closures have intensified food apartheid, reduced access to fresh, affordable, and culturally relevant foods, limited pharmacy access, and weakened neighborhood economic stability. The resulting impacts extend beyond food access — affecting public health outcomes, small business vitality, workforce retention, and overall quality of life.

Locally owned grocery stores, neighborhood markets, cooperatives, pharmacies, and local farmers are essential community anchors. They provide reliable access to healthy food and medication, create neighborhood jobs, support local supply chains, and keep economic activity circulating within the community. However, traditional grant structures — including high matching requirements and reimbursement-only disbursement models — have created structural barriers that limit participation by small, locally owned businesses and farmer-led enterprises.

This initiative restructures the City's investment approach to remove those barriers. By reducing match requirements, allowing partial upfront funding, expanding eligible uses to include working capital and supply chain development, and prioritizing community-based ownership models, the program ensures that local operators can realistically access and utilize funding.

Supporting locally owned grocery stores, pharmacies, and local farmers is not simply an economic development strategy — it is a public health, equity, and neighborhood

stabilization strategy. The Milwaukee Neighborhood Food & Pharmacy Stabilization Initiative positions the City to prevent future closures, strengthen local food infrastructure, and build long-term, community-controlled economic resilience.

Program Purpose

Milwaukee has experienced repeated grocery and pharmacy closures, particularly in historically disinvested neighborhoods. This program is designed to prevent closures, stabilize locally owned retailers, expand local farmer access, improve fresh food and pharmacy access, and build community ownership and long-term neighborhood wealth.

Core Program Features

- Infrastructure & Equipment Investment (refrigeration, shelving, farm-to-store systems)
- Inventory & Supply Chain Development prioritizing local and regional sourcing
- Business Stabilization & Working Capital support
- Farmer & Producer Retail Access expansion
- Technical Assistance including accounting, legal, and cooperative development

Program Enhancements

- Targeted recruitment and retention incentives (rent stabilization, utilities, public safety coordination)
- City-supported group purchasing model for wholesale pricing competitiveness
- Stronger partnerships with local producers
- Public health and sustainability funding alignment
- Marketing and branding support positioning stores as Community Health Anchors
- Establishment of a Standing Food & Pharmacy Access Roundtable

Financial Structure

- Minimum Grant Award: \$25,000
- Maximum Grant Award: \$200,000+ based on demonstrated community impact
- Standard Match Requirement: 50%
- Match Flexibility: May be reduced or waived for small businesses, cooperatives, and farmer-owned enterprises
- Eligible Match Contributions: Cash investment, documented in-kind contributions, equipment, or farmer inventory investments
- Upfront Disbursement: Up to 50% of grant funds may be provided at project initiation
- Remaining Funds: Milestone-based disbursement schedule
- Eligible Uses: Working capital, inventory, infrastructure, equipment, and supply chain development
- Scaled Job Creation Requirements: Flexible standards based on project size to avoid penalizing small operators

- Project Completion Timeline: Flexible implementation schedule aligned with operational capacity

Structure

- 50% match required
- Reimbursement structure (up to 25% up front available to qualifying applicants)
- Rigid job creation formula (1 FTE per \$35,000)
- \$210,000+ maximum grant based on impact
- Full ecosystem development approach
- Scaled and flexible job creation requirements

Projected Outcomes (3–5 Years)

- Stabilization of 10–20 locally owned grocery stores
- Expansion of pharmacy access in underserved areas
- Creation and retention of 100+ neighborhood jobs
- Increased local farmer revenue
- Improved fresh food access in food-insecure areas
- Strengthened regional food economy and community wealth retention

Innovation

- Explore delivery systems for food & medication
- Explore delivery apps **(101 technology education for those over 50 to safely use phone apps such as food selection and delivery. Overlay with population that receives discounted phone services from government)**
- Explore food operator for seniors
- Explore food preservation as a last step for food pantry's
- Food Co-op
- Urban agriculture **(City assets and community partners...pay for produce)**
- Healthy & nutritious meal delivery
- Cooking programs for kids and adults **(via funded CBO's and community kitchens. Offer them additional funding for this service)**
- White box city commercial real estate for sale or lease
- **Church food bank partnerships**
- **Outreach to think tanks such as the Pew Charitable Institute to explore shifting dynamics in food delivery models (is having a grocery store within x number of blocks of a primary residence still the measuring stick or is warehouse to delivery for certain products a prospective model)**

The Milwaukee Neighborhood Food & Pharmacy Stabilization Initiative (MNY-PSI) provides reimbursable matching grants to projects that fit one of the following categories:

- Purchase of new equipment associated with the sale of fruits, vegetables, meat, and/or dairy (“healthy foods”) or licensed pharmaceutical products to retail customers at a fixed location
- Start-up inventory for businesses looking to create or expand existing grocery or pharmacy retail options
- Professional services, technical assistance, and/or equipment that may be necessary to assist in the profitability of the business or access additional forms of financial assistance

Eligible Applicants Applications will be accepted from for-profit, non-profit, or co-op grocers or pharmacies that either currently do business in the City of Milwaukee, or are willing to commit to doing business in the City of Milwaukee and local farmers.

Eligible applicants must meet the following criteria:

- Existing or proposed healthy food retail or pharmacy operations must serve a geographic area with limited access to healthy food retailers or pharmacies. Applications that cannot demonstrate the provision of service to an area with limited access to healthy food retailers or pharmacies in a satisfactory manner will not be considered
- Proposals must involve the sale of healthy food or pharmaceutical products for purchase by customers. Projects that only propose to sell healthy foods or pharmaceutical products via delivery methods will not be considered. A retail component at a fixed location must be included
- Applicants who owe past due property taxes on properties in the City of Milwaukee are ineligible to apply
- Proposals must meet applicable Health, Building, and Zoning codes
- Businesses controlled by a national franchise are not eligible to apply. Locally-owned and operated franchises may be considered
- Other eligibility criteria as stipulated for the Commercial Revitalization Grants program will also apply

Application Information and Evaluation Grant applications are considered on a rolling basis according to the schedule shown for the Commercial Revitalization Grants.

Please find applicable monthly deadlines on the Commercial Revitalization Grants webpage here:

<https://city.milwaukee.gov/DCD/BusinessToolbox/bids/CommercialRevitalizationFund>.

Grant applications must be completed and submitted, along with all required additional documents listed in the application, through the following link: INSERT APPLICATION LINK HERE

Applications will be accepted until sufficient funding for program operations is no longer available. Applications will be evaluated by a review panel that includes staff from the City of Milwaukee as well as representatives of outside organizations with appropriate subject matter knowledge.

Decisions of the review panel are final. If selected, applicants will be notified of grant selection by letter. Applicants that are selected for grant awards will be required to submit additional materials.

Grant Terms The following terms apply to applicants through the

- Maximum grant amount: \$200,000 (larger grants may be considered on a case-by-case basis)
- Minimum grant amount: \$25,000
- At least 50% (1:1) match of eligible costs is required
 - For example, an applicant seeking to purchase \$50,000 worth of equipment would be eligible to receive a maximum grant award of \$25,000
 - The match requirement may be waived for a small business that currently employs low- or moderate-income City of Milwaukee residents from the surrounding neighborhood.
- Applicants must agree to create new job opportunities for low- or moderate-income City of Milwaukee residents o
- At least one Full-Time Equivalent (FTE) job opportunity must be created for every \$35,000 that the applicant is awarded
 - For example, an applicant awarded \$140,000 will be required to create at least four ($\$35,000 \times 4 = \$140,000$) FTE job opportunities to be held by low-/moderate-income City of Milwaukee residents

- Reimbursement will only be provided once the project is complete to the satisfaction of the City of Milwaukee, following submission of relevant invoices, proof of payment, and hiring documents
- Equipment purchased using awarded grant funds may need to have a UCC lien filed against it with the Wisconsin Department of Financial Institutions
- Applicants will have up to nine months from project approval to complete the project and request reimbursement
- Awardees of other commercial grant funding from the City of Milwaukee are eligible to apply to this program but award amounts may be reduced in light of previous assistance

Grant applicants are required to provide a full budget for the proposed project, identifying the sources and uses of all funds. While a project may include in-kind donations of various kinds, only the cash expenditures involved in the project will be considered when calculating the amount of a grant or reimbursement. Total project costs must be at least twice the amount of the requested grant amount.

Award amounts may need to be underwritten by an external underwriting partner prior to finalization of grant award. Documents necessary for underwriting the grant must be provided in the application. Grant award amounts may be subject to change following completion of the underwriting process.

Grant awards are not finalized until the applicant enters into a written grant agreement with the City of Milwaukee.

The agreement will specify that the grant will be provided as reimbursement for paid expenses or direct payment to equipment vendors. The agreement will also specify documentation that the grantee must provide for reimbursement of grant expenditures. No upfront grant funds will be provided, and funding will only be provided as a single disbursement once the project has been completed.

If City or State licenses are required to operate the proposed project, no payment will be made until the grantee presents evidence that these licenses have been issued and/or are current.