

THE NOVEMBER GENERAL MEETING: TIME FOR ANOTHER COOP LOCATION?

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A COOP-WIDE VOTE ON PLANS FOR SECOND STORE



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By Hayley Gorenberg

The November 29 General Meeting focused on balancing factors for access, equity and financial sustainability, thanks to a report kicking off a multiyear process to assess adding a new Coop site elsewhere in Brooklyn.

The Park Slope Food Coop Second Location Study Committee’s Draft Report and Recommendations recognizes that the PSFC has, for nearly a half-century, “been bucking the system and showing the world how we provide good food at low prices for working members,” and identifies key steps for expanding to a second Brooklyn site.

THE REPORT ON OPENING A SECOND COOP PROPOSES RAISING UP TO \$20 MILLION THROUGH MEMBER LOANS AND OUTSIDE FINANCING.

The analysis, conducted by a committee of members that included up to three general coordinators, finds that the proposed expansion could best be accomplished through long-term lease or purchase of a building roughly the same size as the existing store, to “allow us to double our pre-pandemic membership and revenue.”

WHERE SHOULD THE NEW BUILDING BE LOCATED?

The report recommends finding a site near Park Slope “where a critical mass of Coop members living close by could seed the new store as we recruit members from the neighborhood to join.” It also proposes raising up to \$20 million through Coop member loans and outside financing.

COOP VOTE ON THE ISSUE

To move ahead, the report recommends a membership-wide referendum to create a new Second Location Steering Committee to prepare for expansion, accompanied by relevant authorizations to let Coop officials implement the plan—and also to allow the new steering committee to “abandon the project if it is unworkable or undermines the financial strength of the Coop.”

The report was completed just as the COVID-19 pandemic took hold. It was presented now, as membership is burgeoning, Coop finances improving, and “it is clear now that we will emerge from the pandemic financially solvent.” As the introduction to the report states, “once the IRS pays us for the tax credits that we are entitled to, we will have close to \$6 million in cash on hand—\$1.8 million more than when the pandemic started. And, with folks returning to work their shifts, and the Coop once again admitting new households at a rapid clip, we are rebuilding our membership and sales. We have grown the Coop by 3,000 members for a total of 14,693 over the past 11 months, and net sales are up 10% through week 36 compared to the same point last year. ”

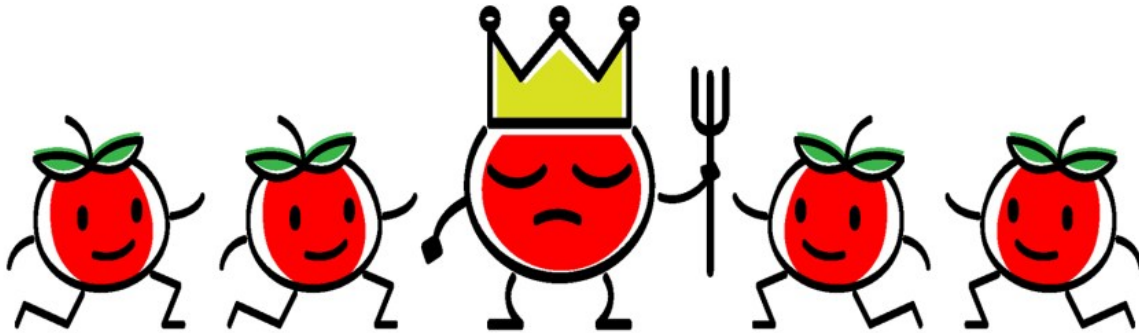


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LOTS OF QUESTIONS

Members who attended the November GM peppered the presenters with questions probing the location for a proposed second site, asking about the potential to spread the Coop’s benefits farther from Park Slope (perhaps even in another borough), and to consider locating the new site in a low-income community.

Presenters discussed the committee’s parameters for a viable second location, emphasizing the importance of a “fairly dense” population at least 1.5 miles from the Union Street location, with access to mass transit no less than a 10-minute walk and a ride of no more than 45 minutes. They also emphasized the importance of finding a “sweet spot” with proximity to existing members, such that the new site would have a base of Coop shoppers—but also far enough from Union Street to attract new members for whom the current location is inconvenient.

Many GM participants questioned whether prioritizing a mixed-income community adequately reflected the Coop’s commitment to diversity and inclusion. Presenters discussed the importance of financial viability, and particularly the significance of com-

munity members' purchasing power, and referenced one sample site the committee had looked at, which included space in a New York City Housing Authority building for low-income New Yorkers in a gentrifying neighborhood.

Member Michael Freedman-Schnapp, referencing his professional experience in the area, raised the need to "balance tensions," since a large number of members with very limited purchasing power, for example, using food stamps, would likely require a financial subsidy for the Coop.

MEMBERS AT THE NOVEMBER GM ASKED THE PRESENTERS QUESTIONS ABOUT THE LOCATION FOR A PROPOSED SECOND SITE.

Nonetheless, toward the end of the GM discussion, Study Committee Member Cary Hirschstein stated the committee was "hearing loud and clear" that a site enabling strong access for lower-income members was a priority.

The report document can be found [here](#), and the Second Location Committee can be reached via email at secondlocation@psfc.coop.

OTHER GM HIGHLIGHTS

The GM also featured an open forum discussion of the potential to expand use of home-compostable produce bags, along with an estimate by General Coordinator Joe Szladek that doing so would cost approximately \$50,000 annually.

General Coordinator Ann Herpel addressed questions about allowing visitors at the Coop, noting that capacity limits due to COVID-19 and sheer holiday crowding posed barriers to opening up access for visitors. Noting that demand for visitor access tends to coincide with Coop members' holiday shopping, Herpel said the General Coordinators are endeavoring "to make it a better system that works for everyone."

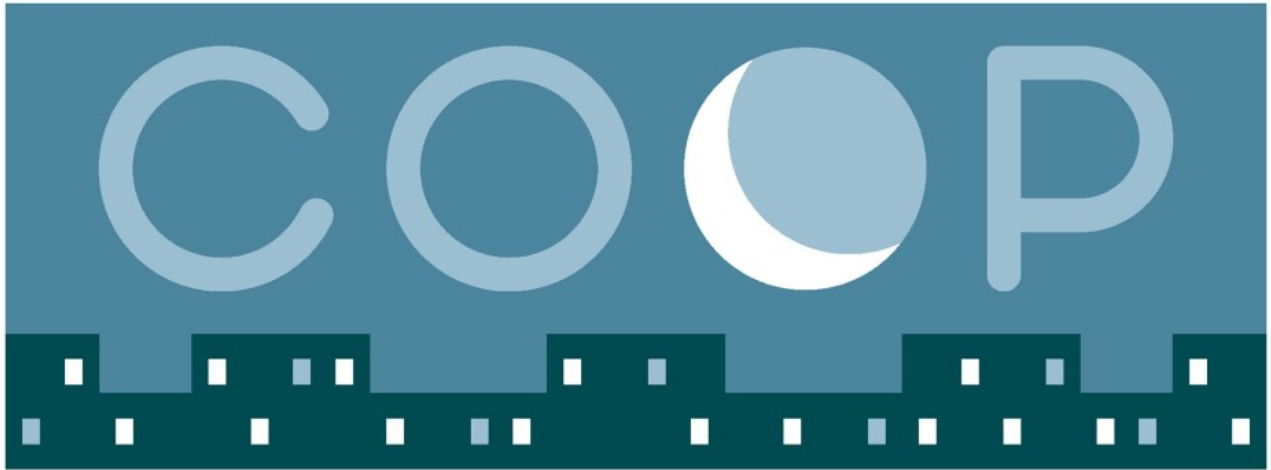


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In response to questions about extending hours, the coordinators reported that the Coop is low on member labor, as well as staff who want to work at night, as would be required to extend evening hours—and also that pandemic-era lifestyle rhythms seemed to have changed, such that the Coop was seeing reduced demand for night-time hours.

In response to a member question about whether the pandemic-triggered 25% markup might be reduced back to 21%, Holtz acknowledged that the general coordinator’s report to the October GM had touched on meeting the criteria necessary to reduce the markup, but that financial analysis indicated it was “not prudent to do so at that time.” Holtz noted the Coop’s commitment to report back on the potential to change the markup in January 2023.

Hayley Gorenberg is a longtime Coop member and civil rights advocate.