



Request for Proposals

Providers for Preliminary Market Feasibility Study for Sarah Dixon Innovation Center Food Cooperative

Background

Residents of the Greater Hazelwood, duly represented by P.O.O.R.L.A.W. (People Of Origin Rightfully Loved And Wanted) and GH-CARED (Greater Hazelwood Coalition Against Racial and Ethnic Disparities), two non-profit community-based organizations have formed an exploratory committee to assess the feasibility of a community-owned food cooperative in the Hazelwood neighborhood of Pittsburgh, Pennsylvania.

Greater Hazelwood consists of four neighborhoods. They are the public housing community of Glen Hazel, Glenwood, Hazelwood, and Scotch Bottom. These neighborhoods consist of a population of about 5,000 residents and are located in the City of Pittsburgh. Greater Hazelwood is a designated “food desert” by the US Department of Agriculture.

In these early stages of development, the Food Co-op Development Team seeks organizations or freelance consultants to provide a preliminary market feasibility study. The development team led by Oak Moss Consulting created a preliminary feasibility study (please see attached). Identified a preliminary market study to assess the potential trade area and market potential for what the Food Co-op plans to offer.

The purpose of this RFP is to hire a consultant or firm that would build upon and strengthen the information already provided by Oak Moss Consulting in the initial Market Feasibility Study. The revised market feasibility study will do the following: define the co-op’s trade area, name buying power, identify competitors, recommend a store size, recommend areas of focus, project sales and growth, and outline conditions.

The revitalization of the greater Hazelwood neighborhood has started. Many new and exciting housing projects are in various stages of development in the greater Hazelwood area. All these projects will add a significant increase in the population of the Greater Hazelwood community creating a thriving market for groceries and other necessities. With this projected influx of population, the Greater Hazelwood business district will revitalize and draw customers for shopping, hospitality, and other services. The study needs to focus on the current and increased population and forward-looking over the next 5-10 years.

Project Scope

The Revised Market Feasibility Analysis involves the following pieces:

- 1) **Define the Co-op’s Trade Area:** The Market Study will define the optimal trade area for the cooperative, looking at addressing the food apartheid of the Greater Hazelwood area, and focusing on the needs of the current residents in the community in 3-mile and 5-mile radiuses. The target location is the 4800 Block of Second Avenue (4800 Second Ave. Pittsburgh, PA 15207). A larger area may be considered if it does not significantly change the co-op’s focus as a community grocery.



- 2) **Quantify Supply & Demand:** The Market Study should name how much grocery buying power the overall trade area has. Additionally, special attention should be paid to online purchasing practices in the trade area, as well as other perks being offered to the members of the employee-owned community cooperative grocery store such as assisted shopping, shuttle service to and from the store, food delivery service, discounts to all members, the grocery store is located on a bus route with three different bus routes, and finally the store is within walking distance of 70% of residence who do not own vehicles.
- 3) **Identify Competitors:** With regard to the market viability, the study concludes the following: The projected population growth will significantly increase the demand and the market size for groceries and household items in Greater Hazelwood. Meet with developers of the new projects to firm up and align the population growth estimates. Continue market research to refine and optimize the market concept and product offerings. The Study should name the co-op's competitors and how much of that trade area buying power they are capturing.
- 4) **Recommend Store Size:** The Study should recommend square footage for the space including retail/store floor, storage, and parking. The Study should also recommend a target membership size for consumer member-owners.
- 5) **Recommend Area of Focus:** The Study should recommend a product mix (natural, organic & local vs conventional) as well as other areas of focus to consider (deli, bakery, hot foods, etc.).
- 6) **Project Sales & Growth:** The Study should project general sales of the target area for a minimum of three years as well as speed of sales growth.
- 7) **Outline Conditions:** The study should clearly outline what conditions must be met to attain the projections.
- 8) **Community Demographics:** A breakdown of the demographics for the community of Greater Hazelwood (Glen Hazel, Glenwood, Hazelwood, and Scotch Bottom).

Criteria for Selection

In the review of proposals, the Steering Committee will be assessing the following criteria:

Qualifications

<i>Experience in the grocery industry</i>	To what extent does the bidder possess the experience and education required to do this project?
<i>Experience in food co-ops</i>	To what extent does the bidder have experience and expertise working in cooperatively owned grocery stores? Does the bidder have experience working with food co-ops owned by its customers? By its employees?
<i>Experience with startup food co-ops</i>	To what extent does the bidder demonstrate experience working with start-up food co-ops? Evaluate a bidders understanding of the specific challenges that startups face.
<i>Experience working in similar communities (population, demographic)</i>	To what extent does the bidder demonstrate experience working in similar communities? Has the bidder worked in small communities (pop: 10,000 or less) with high poverty rates (>25%) and large communities of color (>40%)?



Guidelines and Requirements

This is an open and competitive process for qualified professional service firms and freelance consultants. Submissions will be accepted until **January 31st at 5:00pm**.

If the execution of work to be performed by your company requires the hiring of sub-contractors you must clearly state this in your proposal. Subcontractors must be identified and the work they will perform must be defined. In your proposal please provide the name, address, and EIN of the sub-contractor. We will not refuse a proposal based upon the use of subcontractors; however, we retain the right to refuse the sub-contractors.

The proposal should include the following information:

- Proof of qualifications (resume, client recommendations, etc.)
- All staff/subcontractors that will likely be part of the development team
- Case studies and/or samples of work in preliminary market feasibility studies, especially those conducted for similar communities
- Budget breakdown (demonstration of how time/budget will be spent on various aspects of scope)

Timeline

- **January 31 st at 5:00 pm** - Deadline for submissions
- **February 8 th** - A final decision on the provider will be made
- **March 29 th** - A final product should be received

Proposals can be submitted via email to **poorlaw@gmail.com** with “Preliminary Market Feasibility Analysis for Greater Hazelwood Food Co-op” in the subject line. Following your submission, consultants who submit qualifying proposals may be interviewed. Final decisions will be made by the Food Co-op Steering Committee on/or before **February 8, 2024**. The Food Co-op Steering Committee reserves the right to not make any award should none of the proposals be acceptable. A final product should be delivered by **March 29, 2024**.