



# BELFAST COMMUNITY CO·OP

## RENOVATION SUMMARY 2023



### *About the Renovation Project:*

We have been in our current location at 123 High St. since 1993. Our building has needed improvements for many years. Discussions about renovation or expansion started in 2014 and in 2023 our project began.

*Since 1976, everyone is welcome to shop at the Belfast Community Co-op. Owned by you. Food for all.*

123 High Street • Belfast, ME • 04915  
(207) 338-2532 • [www.belfast.coop](http://www.belfast.coop)

# RENOVATION PROJECT EXECUTIVE SUMMARY

## BELFAST COMMUNITY CO-OP ENDS STATEMENT

The Belfast Community Co-op exists so that our member-owners and our community will have:

1. A thriving, just and sustainable local food economy.
2. A source of healthy, nutritious, affordable food, and water.
3. An efficiently managed, democratically governed, inclusive cooperative enterprise.
4. A greater understanding of health, food systems, cooperatives and economic and environmental sustainability.
5. An invested, engaged and empowered staff that thrive in a safe, respectful, inclusive and equitable workplace.



In the fall of 2016 the Belfast Community Co-op management and Board made a commitment to exploring expansion strategies to renovate and expand our co-op market. Realizing the limitations of our current facility and how those limitations both inhibit future growth and require increasing inputs to maintain their viability due to years of neglect, we began looking at our options for relocation or renovation. Our initial market study with G2G Research Group, a firm with a long history working with co-ops, established the potential for us to increase sales dramatically if we were to gain an additional 3000 square feet of retail area. The Board and I began working with industry professionals and development partners to flesh out three strategies:

1. Build a new larger facility on our current lot
2. Renovate and expand our current location
3. Relocate

In a 2018 shopper survey 69% of respondents were in favor of the co-op growing in the next 3-5 years and the most popular strategy for growth was expanding in our current location.

As the option of relocating was dismissed and the debt service on building a new store on our existing lot was ultimately deemed impossible for us to manage, the most cost effective option that will deliver the necessary return is to renovate our current facility. We have developed a plan that will maximize the retail and production square footage we have to both increase efficiency and allow for future growth. The current renovation fixture plan would increase our retail sales area from 5,094 square feet (59% of total building area) to 6,762 square feet (78% of total building area). In addition to increasing our retail square footage, we will be making significant upgrades to the lower level of the co-op. The addition of off-site Administrative offices at 137 High Street will help us improve the customer experience by maximizing the retail space allotted for customers.

This renovation will allow the Belfast Community Co-op to compete more effectively by:

1. Providing a larger assortment of products in almost every sales department – we gain over 100 linear feet of shelving in dry grocery and nearly 100 linear feet in refrigerated grocery.
2. Facilitate the creation of a new Prepared Foods experience and Café seating that will bring in new shoppers – introducing new programs at the retail level that will drive growth
3. Improving price image through expansion of Co-op Deals, Co-op Basics, introduction of WIC eligible products, and increased capacity for promotions and cross-merchandising.
4. Improve energy efficiency through fixture and facility upgrades – new HVAC solutions, new coolers and freezers, upgraded compressors, and improvements to the building.
5. Offering improved access, visibility, and an enhanced shopping experience to customers.
6. Increasing operational efficiencies with improved receiving, stocking, and office facilities – introduction of a hydraulic lift to deliver product to the sales floor, more efficient use of space, improved processes, and greater safety for workers.
7. Improved aesthetics and interior design on the sales floor and holistic adoption of a consistent brand strategy.
8. Increased potential to grow sales and create a greater impact in the local economy, furthering our ends and supporting and promoting the cooperative model and values.

## LEARN MORE: [BELFAST.COOP/RENOVATION](https://www.belfast.coop/renovation)

When you shop at a co-op, you are buying into a better world: a democratic food system that makes the planet a more equitable and sustainable place for all.

The Belfast Community Co-op is here for you so that everyone will always have reliable, safe access to good local food.

# OPERATIONAL OUTCOMES

Beyond merely improving aesthetics and efficiency, this renovation is vital to ensuring the future growth and prosperity of our cooperative enterprise. Our competitors know the value of reinvestment and are willing to put time and resources into innovation. We must be willing to do the same. Innovation means challenging our historical limitations and charting a brave path forward. I believe that now is the opportune time for Belfast Community Co-op to reimagine ourselves and reaffirm our commitment to our community.

## DEPARTMENTAL OUTCOMES

- The new production spaces will allow us to increase our output of prepared foods and widen our variety of products in Prepared Foods, Cheese, and Meat. There is a tremendous opportunity for our co-op to reimagine our Prepared Foods department and offer programming that will make the store a casual dining destination along with our new and upgraded Café seating.
- Programming overview of this new Prepared Foods iteration includes:
  - A service counter including a hood to accommodate a grill and griddle, fryer, plus refrigeration and production space.
  - Full-service programs to include a 4' bistro style food bar, soup, grilled burger program, and drip coffee.
  - Self-service programs to include dry and refrigerated bakery, grab and go, rotisserie chicken and hot packaged hand held items.
  - A grab-and-go assortment to include basic and upscale sandwiches, take and bake pizza, compound and green leaf packaged salads, family meals that serve 2-4 and 4-6, a variety of casseroles, meal solutions, and refrigerated single serve bakery items.
  - New and upgraded indoor Café with additional warm weather seating options
- The Meat department will be able to offer a combination of pre-packaged and value-added products in a new 24ft, 5 tier refrigerated case and an 8ft frozen case.
- The Produce department will receive new and expanded dry merchandising tables. The storage and cleaning and preparation areas will be renovated and expanded to allow for greater production.
- Increased capacity in our Center Store Grocery will allow us to carry a greater variety of products, creating a product mix that will welcome in a broader spectrum of our community. Targeted marketing and outreach will allow us to combat not only increased competition but also our existing price image. Our Bulk grocery options will improve in equipment and product selection.
- Shop for Me, our online shopping with curbside pick-up program, will have a new location with capabilities to grow into new services and options for our customers.

## FACILITY OUTCOMES

- The addition of a vertical lift at the rear of the building will allow our sales departments to reduce or eliminate the need to carry products from the storage spaces in the lower level of the co-op to the sales floor. The lift will also allow us to eliminate the necessity of the forklift for receiving product and bringing it to the retail sales floor. In my opinion, this practice, though well established, puts workers and inventory at undue risk and will be remedied.
- New HVAC upgrades will increase overall energy efficiency. Mechanical and electrical upgrades will prepare our facility for future growth.
- Interior and exterior aesthetic upgrades will create a more inviting shopping experience that will drive greater traffic through the store.

### IN THIS DOCUMENT:

- 3- Operational Outcomes
- 4- Draft Floor Plan of Store
- 5- Architectural Renderings
- 6- Draft Basement Plan
- 7- Business History
- 8- Financial Snapshot
- 9- Selected FAQs
- 10- About our Project
- 11- Project Phases

**General Questions:**  
[info@belfast.coop](mailto:info@belfast.coop)

Renovation Summary Prepared by  
Douglas Johnson & the Co-op's Marketing Dept  
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[doug@belfast.coop](mailto:doug@belfast.coop)







# ARCHITECTURAL RENDERINGS

*What might our new space look like?*



Co-op Storefront, facing East



Interior Checkout, facing East/ Southeast



Interior Café, facing South



Interior Prepared Foods counter, facing East/ Southeast



Interior Café, facing North

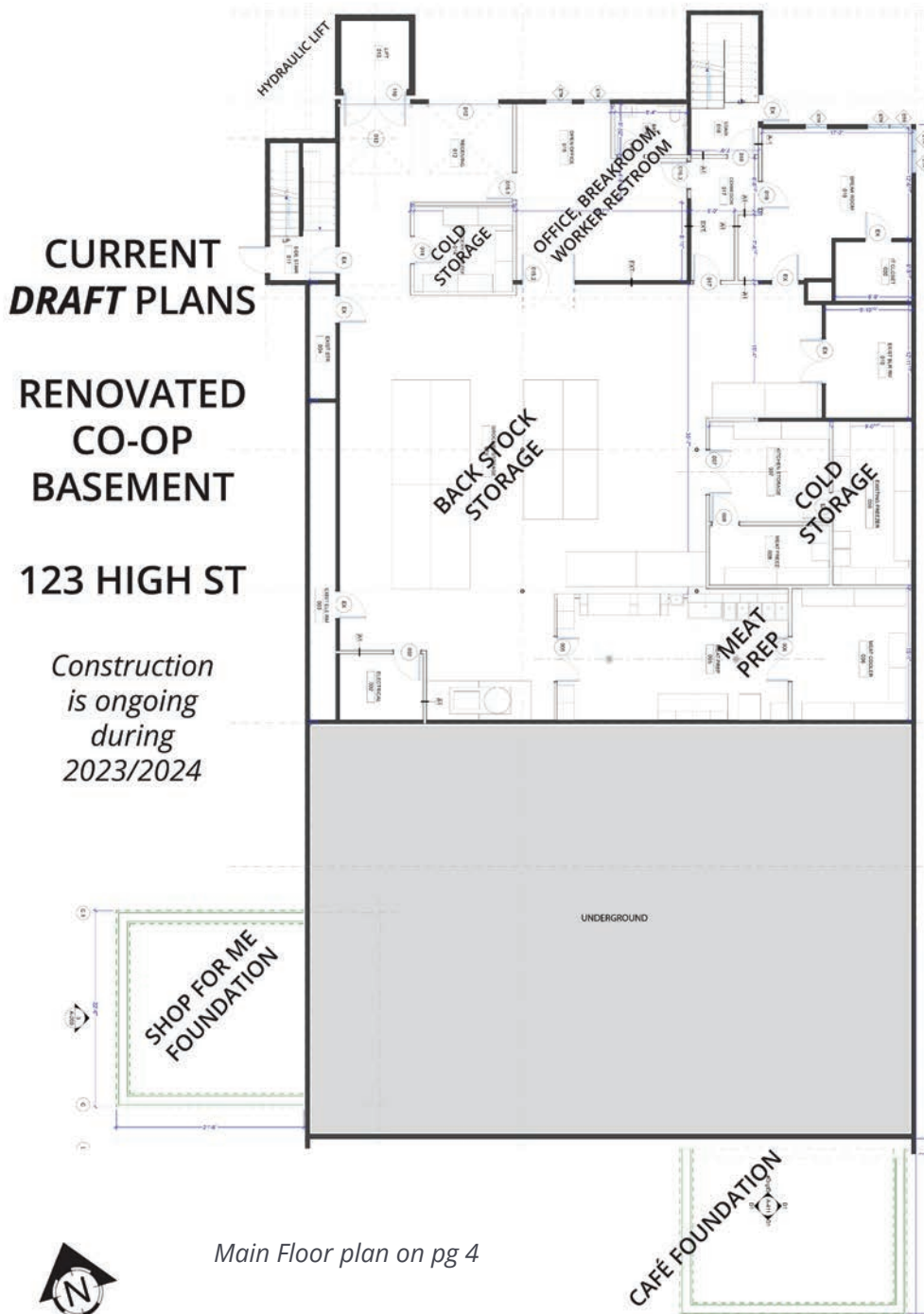


New Outdoor Café Seating, facing North





Co-op Storefront and New Café, facing East



### WHAT HAPPENS IN THE CO-OP BASEMENT?

Before renovation, our basement was used for storage, product backstock, limited cold storage, refrigeration compressors, facilities equipment, forklift garage, worker offices, breakroom, and lots of pipes and wires!

Post-Renovation, our basement will house an up-to-date food and meat prep kitchen, more cold storage, hydraulic lift (and forklift garage), and will continue to have worker offices, breakroom, and many updated pipes and wires!

Much of our electrical, plumbing, and HVAC equipment is outdated. We will gain significant improvements in energy savings and operational costs due to many improvements!

*Some elements will move outside:* Modernized refrigeration compressors, new buried grease trap and overhauled sewage lines, and inground propane tanks behind the building will maximize space and safety.

Main Floor plan on pg 4

# BUSINESS HISTORY

The Belfast Community Co-op grew out of the back-to-the-land movement that took hold of MidCoast Maine in the 1970's. Bolstered by the successes of regional natural foods buying clubs, the first brick & mortar storefront for the Co-op opened at 16 Main Street in 1976. Working out of an 800 square foot shop, the Co-op was very loosely run, with a Board of Directors more committed to providing good food for the community than making money.



As the Belfast area and the natural foods industry grew, so did our Co-op storefront. Busting at the seams with products and shoppers and with sales climbing into the hundreds of thousands, the Co-op moved in 1985 to our second location—a 2,500 square foot storefront at 67 Lower Main Street.

Growing beyond expectations, by 1990 we had begun considering another move. In 1993 the Co-op made its final move into the current location at 123 High Street, site of

the former Belfast A & P. Renovations began there in the late spring of

1993—allowing us to expand to include a deli and cafe and bathrooms for customers and

staff—and we opened shop in November of that year. In the current space sales have grown from nearly \$2M in 1994 to over \$9M in 2020, all without significant increases to our retail square footage. In the past few years we have made reinvestments in our staff and in our facility that have contributed to a resurgence in sales growth after a four year decline.



Belfast Community Co-op sales revenues and sales growth have increased dramatically in the past three years. We are adapting to meet the changing needs and aspirations of a diverse community. Ownership, equity, and participation in the cooperative are at an all-time high and now is the time to ensure that we are growing the operations to match that participation.

*continued*

## 👉 TIMELINE OF OUR PROJECT

- 1963** • A&P Grocery Store opens at 123 High St
- 1993** • Belfast Co-op Store moves into 123 High St
- 2014** • First Market Study from G2G Research Group
- MAY 2016** • Owner Forum on Future Development
- OCT 2016** • Orientation to Expansion Planning Board retreat with consultant Bill Gessner
- JUL 2018** • First "Ready, Set, Grow" Co-op Owner Forum
- 2018** • Shopper Satisfaction Survey
- AUG 2018** • 2nd "Ready, Set, Grow" Co-op Owner Forum
- AUG 2018** • Begin work with Architects/ Construction Grp
- OCT 2018** • 3rd "Ready, Set, Grow" Owner Forum: about "How to Channel Growth"
- JAN 2019** • 4th "Ready Set Grow" Owner Forum: about "Financial Feasibility"
- MAY 2019** • Due to financial concerns about building new: all efforts focused on renovation
- DEC 2019** • Engage NCG\* in picking up project (Bill Gessner passed away 2019)
- JUL 2020** • First fixture plans were presented to the Board of Directors
- FEB 2021** • Scaled down version of fixture plan presented to the Board
- FEB 2022** • Renovation business plan sent to lenders
- MAY 2022** • Your Future Co-op video series was launched
- JUL 2022** • Board formally approves the project
- AUG 2022** • Lenders\*\* CFNE, LEAF, and CEI approve loan to finance the project
- JAN 2023** • 5th "READY, SET, GROW" Owner Forum
- APR 2023** • Capital Campaign succeeds in raising \$1.5M in loans from Co-op Owners
- MAY 2023** • Ground is broken on the Renovation Project

NCG\* (National Co-operative Grocers);

Lenders\*\*: CFNE (Cooperative Fund of New England), LEAF (Local Enterprise Assistance Fund), and CEI (Coastal Enterprises Incorporated)

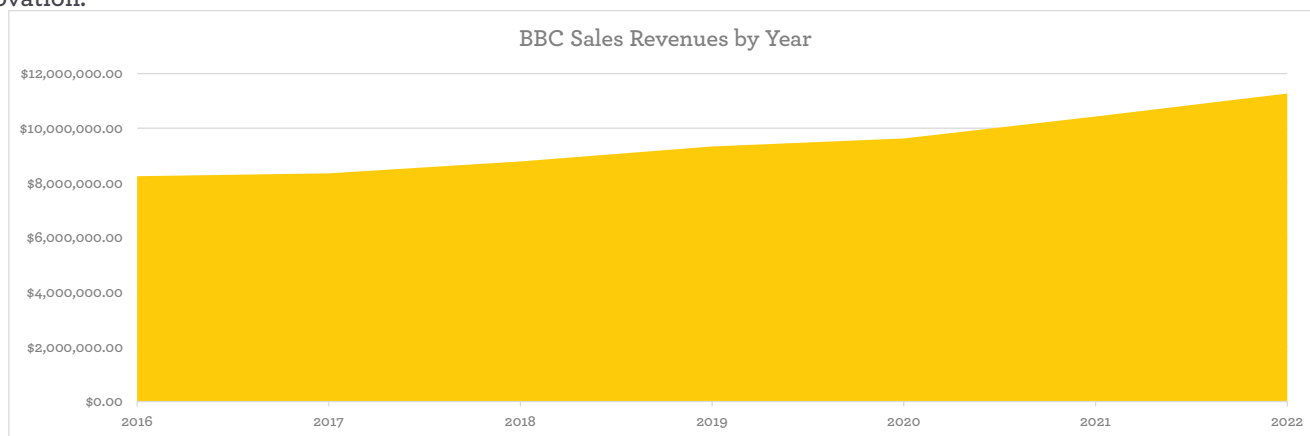


Learn more: [www.belfast.coop/renovation](http://www.belfast.coop/renovation)

continued

In the fall of 2015 the Board of Directors was presented with a market study by G2G Research Group commissioned by the previous General Management Team. In the document the scenario that is being tested supposes either an expansion of the current building or the construction of a new store on the existing property with the goal of achieving 9000 square feet of retail. The findings indicated that there was considerable potential for sales growth in our community were we willing to expand our operation. The market study was revised in 2018 and most recently in September of 2020. The most recent revision proposed the addition of up 30% conventional products to appeal to a broader customer base by becoming a more affordable, healthy, and inclusive store than our current iteration.

In 2018 we launched a shopper satisfaction survey to gauge, among other things, the interest of our community in the Co-op growing our operation in the next three to five years. 69% of shoppers either favored or strongly favored growth and 27% were neutral. 3% were opposed to the Co-op growing. The majority of shoppers were in favor of the Co-op expanding in our current location. After much deliberation and many meetings, in July 2022 the Board of Directors formally approved the renovation.



## FINANCIAL SNAPSHOT

Total investment for this project will be approximately \$6.4 million. Belfast Community Co-op will finance these expansion plans with a mix of equity and debt. These funds will cover the cost of building improvements and equipment purchases

### Summary Sources & Uses

Cash	\$923,554	14%
Member Loans	\$1,500,000	23%
Senior Debt	\$4,000,000	65%
<b>Total Sources</b>	<b>\$6,423,554</b>	<b>100%</b>
Professional Services	\$620,000	10%
Improvements	\$3,600,000	56%
Fixtures	\$1,170,000	18%
Contingency	\$564,200	9%
Other	\$409,354	6%
Pre-opening Staffing and Promotions	\$10,000	1%
<b>Total Uses</b>	<b>\$6,423,554</b>	<b>100%</b>

and installation particular to the store design.

In preparation for opening in the expanded location, Belfast Community Co-op will continue to work with the National Cooperative Grocers (NCG) to plan the physical facility, appropriate organizational changes, and merchandising strategies. Altogether, these strategies will allow Belfast Community Co-op to leverage its strengths and solidify itself as the destination in the region to purchase local, affordable, natural and organic foods.

### Project Overview

	Current Store	Renovated Store
Retail Square Feet	5100	6,700
Dry Linear Feet	349	454
Refrigerated Linear Feet	147	235
<b>Sales Revenues</b>	<b>\$11.4M FY22</b>	<b>\$12.6M yr 1</b>

*Do you have additional financial questions?*

We'll be glad to answer your questions. Reach out to: [info@belfast.coop](mailto:info@belfast.coop) or [board@belfast.coop](mailto:board@belfast.coop)



## SELECTED FREQUENTLY ASKED QUESTIONS

Learn more: [www.belfast.coop/renovation](http://www.belfast.coop/renovation)

### HOW DO WE KNOW THIS IS THE RIGHT PROJECT?

After conducting market and feasibility studies and seeking input from experts, the Board has evaluated various options for the Co-op's future. These options included doing nothing, constructing a new store or mixed-use development on our current property, or purchasing and renovating a different building elsewhere.

Member-owners have expressed their desire for the Co-op to remain the anchor store of downtown Belfast, and for the café to be reopened. They also prioritize improving worker safety, supporting local farmers, providing equal access to nutritious food, protecting the environment, and promoting the cooperative economy. Ultimately, this renovation project is a means of reinvesting in the Co-op and our community.

### WHAT MAKES THIS RENOVATION NECESSARY NOW?

Improving the workplace for our employees, reducing costs, and becoming more environmentally friendly are important goals that we need to achieve. This is the perfect time to take action and make these changes. By redesigning our space, we can increase the retail floor space by 33%, create wider aisles, and improve the kitchen for prepared foods. We will also make the cafe area more comfortable and install a hydraulic lift to protect worker safety. In addition, our building will become more energy-efficient, reducing energy consumption and costs. We need to stay competitive, and this is the perfect opportunity to do so. Customers appreciate our local, independent, and trustworthy business, and we have a solid plan in place that we can afford.

### HOW LONG WILL CONSTRUCTION TAKE?

Construction began in April of 2023. The goal is to have the grand re-opening in 2024!

### WHO ARE OUR PRIMARY PARTNERS?

- Maine Architects, Woodhull (*formerly Caleb Johnson Studios*), and Maine builder Warren Construction Group are the partners that have experience with designing, building, and renovating retail operations in such a way that we can run a thriving business while all of this is going on. Warren Construction built the Portland Food Co-op.
- National Co+op Grocers, (NCG) is a business services cooperative for retail food co-ops located throughout the United States. NCG represents 147 retail food co-ops operating over 200 stores in 38 states.

### WILL THE BUILDING BE MORE ENERGY EFFICIENT?

Absolutely! We're upgrading the old infrastructure, which includes the electrical systems that have been in use since 1963, the HVAC system, and the single-pane windows at the front of the store. The café's new bump-outs and curbside program will be constructed with top-of-the-line efficiency standards.

### WHAT WAS THE RATIONALE FOR RENOVATING INSTEAD OF BUILDING NEW?

After conducting extensive research and considering feedback from owners, we have decided to proceed with a renovation project. We evaluated various options, including building a new facility in our current location with a developer, adding a second floor with low-income housing, or adding upper floors with high-end residences. We also explored the possibility of relocating within or outside of town. However, after careful analysis, we determined that these options would be financially unfeasible, even with a well-funded developer. Therefore, we concluded that renovation is the most viable option. We remained open to exploring other possibilities as they arose, and we dedicated the necessary resources and time to assess their feasibility.

### HOW MUCH IS THE PROJECT PREDICTED TO COST AND HOW ARE WE PAYING FOR IT?

Our project has a total estimated cost of \$6.4 million, which includes a 10% contingency on the whole project and an additional 8% for construction expenses. These funds will cover all costs related to the project, including the purchase of new equipment such as refrigeration, as well as paying off our \$200K mortgage. We are using \$923K of our available cash and have secured a \$4 million loan from the Cooperative Fund of the Northeast in partnership with Local Enterprise Assistance Fund and Coastal Enterprises Incorporated. Our member-owner loan program has proven to be a resounding success, raising \$1.5 million to support our overall financing. Launched on January 16, 2023, the capital campaign reached its fundraising goal through a combination of donations and loans by the time it ended on April 16, 2023. We are proud to have achieved this milestone and grateful for the generous support of our donors and members.

### HOW CAN OWNERS STAY INFORMED?

It's important to stay informed as a member-owner! We welcome any suggestions you may have. Currently, we keep our members updated through in-store announcements, emails, electronic newsletters, and frequent social media posts on Facebook and Instagram. Our website is regularly updated as well. We also invite owners to attend our monthly Board meetings, and the minutes of these meetings are available in-store. Check for updates online: [belfast.coop/renovation](http://belfast.coop/renovation)

### ADDITIONAL QUESTIONS:

[info@belfast.coop](mailto:info@belfast.coop) OR [board@belfast.coop](mailto:board@belfast.coop)  
Learn more: [www.belfast.coop/renovation](http://www.belfast.coop/renovation)

## — ABOUT OUR PROJECT —

### THE CO-OP IS OPEN DURING CONSTRUCTION!

Our goal is to remain open and able to serve the community and sell groceries throughout all phases of the project. Our selections, offerings, and services may change temporarily!

### HOW LONG IS THE PROJECT?

The bulk of the project will be completed in three phases. The first phase started in 2023 and our project is targeted to complete in 2024.

### HOW LONG IS EACH PHASE?

It depends! Due to many factors, timelines around our project can change. Construction is planned around 3 phases. These phases will help us coordinate between Construction teams and our Store teams to continue to provide you food and more during the project!

- **PHASE 1** is the longest phase. A Full basement renovation, infrastructure work, and heavy duty excavation, concrete, and exterior work was started.
- **PHASE 2** will see our Store's sales floor start to change with work starting on our Prepared Foods production and Café spaces. Other work and prep continues throughout back spaces, basement, and main floor.
- **PHASE 3** is when more disruption will come to our Store's sales floor. Plans are in the works for how Store Operations will continue during this phase.

Our priority is to continue to communicate essential information and major changes to our Owners and our shoppers. Sign up for our E-newsletter or visit [belfast.coop/renovation](https://belfast.coop/renovation)

### HOW CAN I HELP THE PROJECT?

- Shop as often as you can at the Co-op
- Pay up your Member-Owner Equity
- Invite your friends to join or shop at the Co-op
- Like and share our social media posts
- Volunteer for one of our Co-op Board committees and consider running for the Board of Directors



## — PROJECT PARTNERS —

### STORE DEVELOPMENT:

#### National Co+op Grocers (NCG):

- Dave Blackburn, NCG Senior Director of Store Dev.
- Larry Polyner, NCG Store Planning & Dev. Director
- Julie Hafer, NCG Store Opening Dev. Director

### ARCHITECTS:

#### Woodhull, Portland, ME: *(formerly Caleb Johnson Studios)*

- Patrick Boothe, Woodhull – Architect Project Lead
- Jenny Dillon, Woodhull – Architectural Designer
- Thomas Jonak, Woodhull – Project Manager

### GENERAL CONTRACTOR:

#### Warren Construction Group, Topsham, ME:

- Ken Hough, Warren Construction – Project Manager
- River Lee, Warren Construction - Site Superintendent
- John Wells, Warren Construction - Site Manager
- Jesse James, Warren Construction - Site Manager

### BUILDING OWNER'S REPRESENTATIVES:

#### O'C Project Management, Belfast, ME :

- Declan O'Connor
- Seth Whited

### LOCAL SUB-CONTRACTORS:

- Lakeside Concrete Cutting, Newport, ME
- Farley Inc., Rockport, ME
- Lajoie Bros., Augusta, ME
- Johnson & Jordan Inc., Brewer, ME
- Paul White Company, Portland, ME
- Moody Painting and Fine Finishes, Monroe, ME
- MAC Electric, Belfast, ME
- EJ Drywall, Greene, ME
- Dow Construction, Newburgh, ME
- Twin City Sheet Metal, Brewer, ME
- Sprinkler Systems Inc., Lewiston, ME
- C.O. Beck & Sons Roofing, Waterville, ME

# BELFAST COMMUNITY CO-OP RENOVATION PROJECT

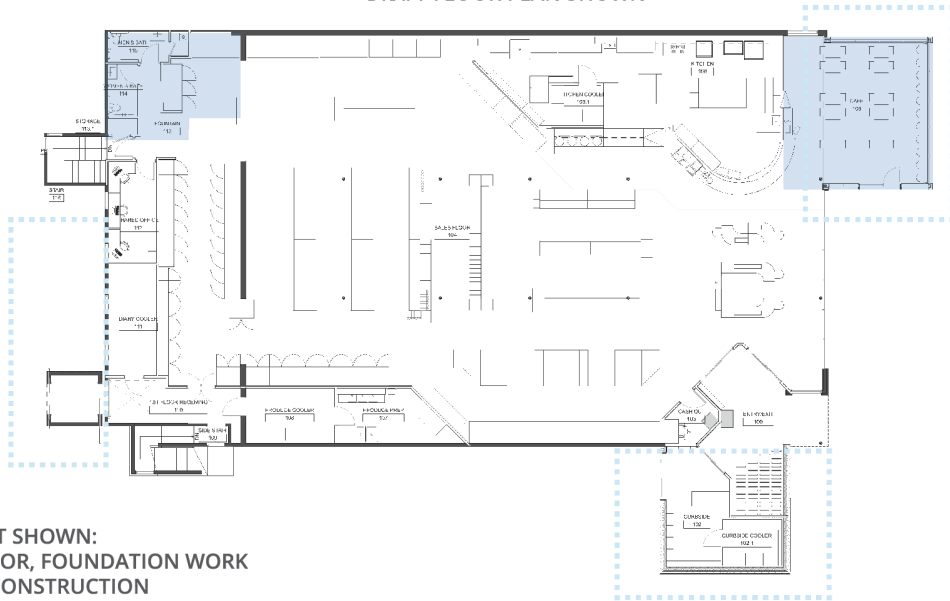
DRAFT FLOOR PLAN SHOWN

## PHASE 1



### PHASE 1 SNAPSHOT

- Additions Start (foundations for café, curbside, and infrastructure)
- Customer Restrooms Start
- Full Basement Renovation
- Infrastructure and Prep



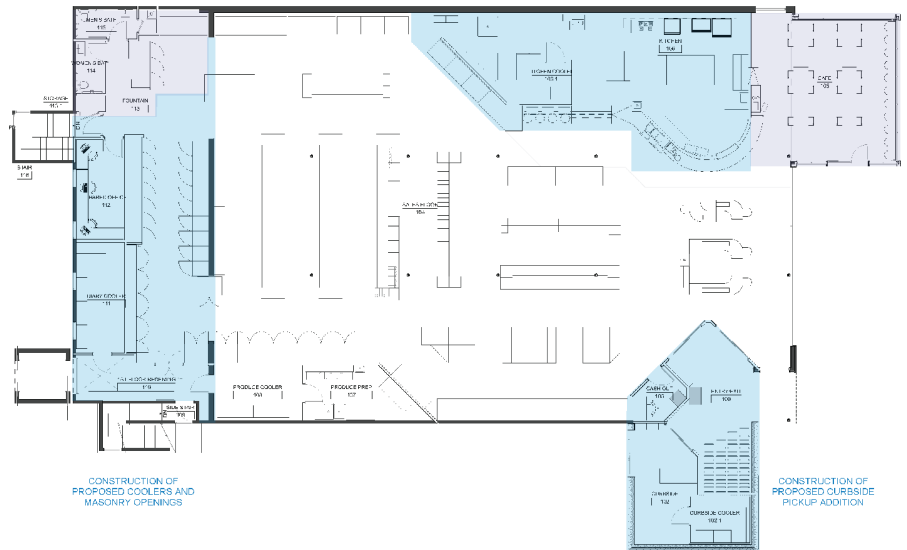
NOT SHOWN:  
BASEMENT, EXTERIOR, FOUNDATION WORK  
UNDER CONSTRUCTION

## PHASE 2



### PHASE 2 SNAPSHOT

- Additions continue
- Basement Renovation continues
- Prepared Foods/ So. Side Renovations
- Infrastructure and Prep



## PHASE 3



### PHASE 3 SNAPSHOT

- Main Floor Renovation TBD
- New POS, Hardware, Tech
- Basement, Addition Finishing
- Infrastructure
- Final Finishes



**PROJECT TARGET: SUMMER 2024**



Located in the heart of downtown, the Belfast Community Co-op has been serving our area since 1976. Everyone is welcome to shop at the Co-op: it is our mission and our pleasure to bring locally-sourced, reasonably priced, organic and natural products to all.

The Belfast Community Co-op is a full-service market with a wide array of items and services. No matter what you're looking for when you come through our doors, we're happy to help you find it. Never been inside a co-op before? We'd love to show you around! We're passionate about what we do.

The Belfast Community Co-op carries:

- The freshest produce, sourced from area farmers as much as possible
- Locally-raised dairy and meats grown and processed here in the Midcoast
- Baked goods from Maine's best bakeries, made with the finest ingredients
- Vitamins, herbal supplements, homeopathics and natural body care items to meet all budgets
- Cleaning supplies and goods to keep a healthy home
- Grains, beans, spices and other essential pantry goods, packaged and in bulk
- Delicious prepared foods like sandwiches, salads, and ready-to-eat meals made in house from scratch
- Organic, gluten-free, nut-free, keto, paleo, vegan and other specialty foods
- An international selection of sauces, snacks, and treats
- Curated wines, craft beers and ciders, including local, GF and sustainable options.

We are proud to be your locally-grown and community-owned grocery store.

Owned by you. Food for all.



**BELFAST  
COMMUNITY  
CO·OP**

*Owned by you. Food for all.*

123 High Street  
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belfast.coop

info@belfast.coop



shop online &  
pick-up curbside

[belfast.coop/shop-for-me](https://belfast.coop/shop-for-me)

**AVAILABLE DAILY**

For your convenience, use our Shop for Me curbside pick-up program. Whether you're juggling kids, immune-compromised, in a rush, or **avoiding construction** you can place your Belfast Community Co-op order online and let us do your shopping for you!

Try it today: [belfast.coop/shop-for-me](https://belfast.coop/shop-for-me)



Open  
Daily,  
8am-8pm

Everyone  
Welcome!