

# Larger Store Here We Come: New Co-op Location Selected

By Matt Stanley, General Manager

We heard loud and clear that our community wants more space to shop and more parking. So we want you to be the first to know... it is official! Astoria Co-op Grocery has signed a long term lease which includes construction of a new grocery store at Millpond, located at 23rd Street and Marine Drive in Astoria. The plan is to build a larger version of the current store you love, with more fresh produce, meat, cheese, and deli, more parking (50 spaces), and a dedicated indoor/outdoor eating area. Our new space will include approximately 7,500 square feet of retail space (compared to our current 2,100 sq. ft.).

We aim to welcome lots of new shoppers and owners in this new location so that the Co-op can increase its positive impact on our community. Think: more sales of local products, more money to local farmers, more good jobs, and growing the cooperative economy in our region. Envision more of your friends and neighbors joining the Co-op and benefiting from our increase in selection and services. Go Co-op!

Following a strategic planning process which included an outpouring of support for a new store, the Board and I did some serious due diligence (more than three years of searching) to find a site that would allow us to meet the community's

needs and the logistics needed for a retail grocery site. This wasn't an easy quest, but our market research confirms that this new location will allow us to offer this increase in selection and services and maintain our financial health long into the future.

This is the former site of the Astoria Plywood Mill (a worker-owned co-op) which closed decades ago and was redeveloped into mixed income housing with a vacant commercial site where we plan to build the store. It is near the Columbia River, Riverwalk, Columbia Memorial Hospital and Astoria Aquatic Center. It is highly visible and easily accessible, with plenty of room for parking.

There will be a long road ahead with land use approvals and financing, and we're going to need your

support. We look forward to keeping our owners and shoppers in the loop as the project progresses and there will be opportunities for you to provide feedback and get involved. Stay tuned for draft drawings of what the new store will look like and the launching of a capital campaign likely in the fall. Please check out our web page for updates on expansion and don't hesitate to contact me or find me in the store during your next Co-op shop. Together we grow!

Matt's contact information:  
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*You're invited to a Co-op Conversation with Matt following our big announcement. Bring your questions and concerns to Shively Hall in Astoria June 8 at 7:00 p.m.*



# Co-op Expansion: Frequently Asked Questions

## **How does Astoria Co-op Grocery know that it is time to expand?**

We've heard from our shoppers that they'd like a wider selection, seating area and more parking. Several market studies confirm our area can support a larger store if located in a highly visible location with ample parking.

Our store's physical capacity is reaching its maximum for the level of sales and customer traffic we achieve. It is becoming increasingly difficult to keep the shelves stocked with limited room for storage and no dedicated receiving area for our ever-larger deliveries of healthy groceries, produce, and meat.

## **Did you ask owners about expansion?**

Three years ago the Board of Directors initiated communication with the ownership and community about expanding the store. The process began with a shopper survey with nearly 800 responses. More than 85% supported the idea of expansion, 13% were neutral, and less than 2% opposed.

The Board also did in-store tabling to discuss expansion, held an owner forum, and interviewed focus groups with local stakeholders. Using the input gathered, the Board developed a strategic plan as a guide toward expansion.

## **Will Astoria Co-op owners get to vote on expansion?**

Our Board will approve major milestones, including signing a lease and construction contract. As part of our cooperative structure, our Board is elected by Co-op owners and therefore is empowered to represent owner interests and make important decisions on their behalf. Board members have spent the last several years learning about Co-op expansions, consulting with experts, and soliciting feedback from owners, and are prepared to make the complex decisions involved with an expansion to best serve diverse owner needs.

## **How does expansion serve the greater Astoria community?**

By expanding, the Co-op seeks to increase access to healthy food and good nutrition for the community by offering a broader selection of natural foods, more deli and ready-to-eat foods, improved meat selection, and more space for fresh produce. By expanding the Co-op we also seek to increase our sales of locally-grown and made products so we can keep

more dollars circulating in the local economy.

Additionally, the Co-op seeks to increase its impact by growing our capacity to support and partner with like-minded organizations with missions surrounding local health. Finally, the operation of the new store will require more employees. More local jobs that pay living wages in our community will certainly have a positive impact.

## **Will it still feel like a Co-op?**

At 8,000 square feet of retail space our new store will be about four times the size of our current space. As a comparison, Safeway is about 60,000 square feet. If you've ever been to co-ops in Port Townsend or Ashland, the size store we are planning would be a bit smaller and those places still feel very much like a co-op. And we'll still generate that co-op smell!

## **How will the expansion be financed?**

The Co-op is preparing to issue a preferred stock to owners that are Oregon residents. This stock will build the Co-op's equity, strengthening our position when we apply for financing. An important way for Co-op owners to participate in the expansion will be owners investing in our preferred shares campaign to occur later this year. More information on the capital campaign will be available later this year.

## **How can Astoria Co-op Grocery owners be involved as the project progresses?**

The Co-op will continue to provide updates on our web page, newsletters, emails, social media, and printed information in the store. Updates will occur at our annual meetings and other special meetings of owners as needed.

