


MEMORANDUM

May 1, 2018

TO: Health and Human Services Committee

FROM: Linda McMillan, Senior Legislative Analyst 

SUBJECT: **Manna Food Center Warehouse and Office Relocation**

PURPOSE: Consider request from Manna Food Center for FY19 funding to assist with expansion and relocation of services

Attendees for this session:

Mitchell Glassman, Manna Food Center, Board of Directors
Uma Ahluwalia, Director, Department of Health and Human Services
Greg Ossont, Deputy Director, Department of General Services
Josh Watters, Office of Management and Budget

Manna Food Center opened in 1983 and is a critical partner in the County efforts to feed its residents. Manna serves as a food bank, food distribution center, food recovery center, and source for nutrition education. Manna's website notes that they distribute over 16,000 pounds of food daily and serve over 40,000 people per year. Manna serves single adults, families, and provides weekend SmartSacks to school children. Manna has been a partner in engaging the community in the East County Opportunity Zone initiative and is working to develop strategies to better serve the East County.

Manna Food Center recently approach the County with a proposal to expand and relocate its services. If Manna moves forward with this plan, it would have two major components:

1. Enhancing its food distribution hub by relocating to a warehouse and distribution site that would have 23,000 square feet, which would almost double the current 12,000 square feet at its current location.
2. Move its offices to a building located on Route 29 that would become an East County Center for Ending Hunger.

Manna is asking the County to contribute \$500,000 toward this effort. It would be used for two purposes (see attached) and would serve as seed money for a significant capital campaign. The attachment notes that Manna has already received \$244,000 in pledges.

1. **Cold Storage Capacity: \$340,000** Increase cold storage capacity (drive-in freezer and refrigerator) in a warehouse to serve as the distribution hub for food delivery.
2. **Equipment for East County Choice Pantry: \$160,000** Obtain equipment for East County choice pantry (shelving, checkout counters, tec.), high-tech learning collaborative space (high speed wireless, fully-equipped presentation technology) in new lease-to-purchase property at Tech Road and Columbia Pike.

Because the owner of the building has an interest in selling the building or entering into a lease with an option to buy agreement, and, because the County is in looking to develop a service hub for the East County in addition to the East County Regional Center, the question was asked, should the County purchase the building?

The Department of General Services toured the building to determine whether it might be an appropriate location for County services. The Department found many positives regarding the building, although because of its age (built in 1984) it is in need of certain renovations. However, because the building has several private tenants, the County cannot purchase this building with General Obligation bonds as it would not be used only for County uses, programs, or services. If Manna does relocate to the building, there will still be some unleased space and the County could consider at a future date if it is a good place to co-locate services with Manna.

Options

County funding to assist Manna could be an operating budget item. It could be included in the "Cost Sharing" CIP but would require additional current revenue. Some options available to the Council:

- Place one \$500,000 item on the Reconciliation List.
- Place the items on the Reconciliation List separately; \$340,000 for the warehouse and \$160,000 for the East County Pantry.
- If the Council is unable to fund the full \$500,000 now, it could return later in the fiscal year once plans are firmer and consider additional funding.
- Defer a decision on a County contribution until after Manna has made a final decision on whether it will relocate.

Council staff recommends placing the items on the Reconciliation List separately. If at this time funds cannot be provided for both, Council staff suggests placing a priority on the funds for the East County Choice Pantry in support of the East County Opportunity Zone. If Manna decides not to move forward with the East County building, the purpose could be amended to allow it to be used to support a different part of its plan.

April 20, 2018



Councilmember George Leventhal
Chair, Montgomery County Council HHS Committee
100 Maryland Avenue
Rockville, MD 20850

Dear Mr. Leventhal,

Thank you for the time you spent with me and Mitchell Glassman to discuss Manna Food Center's plan to expand high-quality, responsive service delivery in East County. I have met with key members of the DSA and OMB teams, and I'm writing to request \$500,000 in County support in FY2019. As discussed, the funding will help Manna reach 10,000 new residents with food services in high need neighborhoods, as well as set the stage for further nonprofit-sector engagement in the East County Opportunity Zone.

County investment at this critical moment will supplement \$244,000 in pledges Manna has received to date from current individual donors and will support our solicitation to other major donors, including the foundation community, as we work toward a goal of \$2million. The \$500,000 will enable Manna to purchase:

- **Cold Storage Capacity: \$340,000** Increase cold storage capacity (drive in freezer and refrigerator) in a warehouse to serve as the distribution hub for food delivery;
- **Equipment for East County Choice Pantry: \$160,000** Obtain equipment for East County choice pantry (shelving, checkout counters etc.), high-tech learning collaboration space (high speed wireless, fully-equipped presentation technology) in new lease-to-purchase property at Tech Road & Columbia Pike.

By increasing and re-engineering warehouse space in the Upcounty, and establishing daily food access and high quality programming in the East County, Manna will expand the impact of our work while laying a solid foundation for future coordination with the non-profit HHS delivery system. All of us at Manna Food Center appreciate the commitment you and the other members of the HHS Committee have shown to our mission in the past. We appreciate your continuing investment, in ways that will uniquely benefit East County and our entire community, for many years to come.

Should you have any questions over the next two weeks, while I am on international travel, please contact Mitchell Glassman, mlgconsulting1@gmail.com or call: 301-908-6402. I look forward to charting next steps together in the busy budget season of May.

Sincerely,

Jackie DeCarlo, Chief Executive Officer
Direct line: 240-268-2524

Cc: CM Roger Berliner; CM Craig Rice/HHS Committee Members