HOW REGIONAL FOOD SYSTEM INVESTMENT CREATES MORE EQUITABLE COMMUNITIES

September 21, 2017
Presentation Outline

- Technical Orientation
- Welcome
  
  *Wallace Center at Winrock International*
- Introductions
- Case Studies
- Questions and Answers
- Upcoming Opportunities, etc.
WALLACE CENTER at WINROCK INTERNATIONAL

- Market based solutions to a 21st Century food system
- Work with multiple sectors – business, philanthropy, government
- Healthy, Green, Affordable, Fair Food
- More Good Food to All Communities
NATIONAL GOOD FOOD NETWORK: VISION
SOME RESOURCES

• Wallace Center
  http://wallacecenter.org

• National Good Food Network
  http://ngfn.org
  http://ngfn.org/webinars <-- 60+ archived webinars!

• Food Hub Collaboration (& links to the Food Hub Community of Practice)
  http://foodhub.info
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- Technical Orientation
- Welcome
- Introductions
  - Federal Reserve System
    - Andrew Dumont
      Board of Governors
- USDA
- Case Studies
- Questions and Answers
- Upcoming Opportunities, etc.
Harvesting Opportunity:  
The Power of Regional Food System Investments to Transform Communities

Andrew Dumont  
Senior Community Development Analyst  
Federal Reserve Board

Andrew.M.Dumont@frb.gov
The analysis and conclusions set forth in this presentation represent the work of the author and do not indicate concurrence of the Federal Reserve Board, the Federal Reserve Banks, or their staff. Mention or display of a trademark, proprietary product, or firm in the presentation by the authors does not constitute an endorsement or criticism by the Federal Reserve System and does not imply approval to the exclusion of other suitable products.
The Federal Reserve System
Find Your Federal Reserve District
Community Development at the Fed

• Why?
  • “The Board of Governors of the Federal Reserve System and the Federal Open Market Committee shall maintain long run growth of the monetary and credit aggregates commensurate with the economy’s long run potential to increase production, so as to promote effectively the goals of maximum employment, stable prices, and moderate long-term interest rates.” 12 U.S.C. § 225a

• Economically and financially healthy consumers and communities promote stable regions and a more robust economy overall
Harvesting Opportunity

Electronic version is freely available at:
https://www.stlouisfed.org/community-development/publications/harvesting-opportunity
Presentation Outline

- Technical Orientation
- Welcome

**Introductions**
- Federal Reserve System
- **US Department of Agriculture**
  
  **James Barham**  
  *Rural Development*

- Case Studies
- Questions and Answers
- Upcoming Opportunities, etc.
Food Value Chain Framework
The food value chain may look a lot like a traditional supply chain on the surface, but...

- Businesses intentionally structure their core operations to **produce both financial success and social benefit**

- **Shared mission and operational values** support decisions and processes

**What is a Food Value Chain?**

**Shared Mission Values**
- Examples:
  - Farm viability
  - Farmland preservation
  - Healthy food access
  - Sustainable production methods

**Shared Operation Values**
- Include, but are not limited to:
  - Accountability
  - Long-term commitment
  - Open and ongoing communication
  - Transparency
Key Takeaway:
It’s Not About Infrastructure, It’s About Relationships!
➢ The best investment is often in human capital – i.e., Value Chain Coordinators

Role of Value Chain Coordinators

- **Market Matchmaker**: Identify and connect key stakeholders through referral services and other forms of short-term or one-off engagement. This “public interest broker” role is key to development of food value chains because many businesses are stepping outside their normal channels to find new collaborators.

- **Convener/Relationship Builder**: Build the necessary relationships across the food value chain by engaging key stakeholders, maintaining communication channels, and fostering a trusting environment. Examples include convening stakeholder meetings, forming working groups, and implementing other forms of longer-term engagement.

- **Technical Assistance**: Work with food value chain members to build capacity through education and training programs in such areas as sustainable production practices, food safety, marketing/branding, etc.

- **Policy Thought Leader**: Raise policy issues and partner with others to address policies and procurement requirements, such as bidding procedures and preferred-vendor practices that may interfere with the ability of food value chains to access certain marketing channels.

- **Resource Prospector**: Identify and pursue resources, such as grants, loans, and services to support value-chain collaborators as they develop their enterprise.

- **Catalyst/Innovator**: As a resource prospector, value chain coordinators can also utilize grants and other external resources to test new business models and thus lower the financial risk of the businesses engaged in the value chain.
Value Chain Partners

3 Types of Value Chain Partners
- Transactional Partners
- Demand Partners
- Support Partners

Mapping a WealthWorks value chain

The chart below shows what a tomato soup value chain map might look like at the start.

Source: https://www.wealthworks.org/basics/construct-wealthworks-value-chain/demand-transactional-and-support-partners
Value Chain Partners

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Case Studies

Business Incubator

Latino Economic Development Center

John Flory
Special Projects Director

Jaime Villalaz
Agricultural Business Development Program Director

- Coordinator
- Funder

Questions and Answers
Upcoming Opportunities, etc.
Cooperativa Mercado Central – LEDC’s Beginning
Agua Gorda Cooperative
Location

Long Prairie – Agua Gorda
Demographic January 2012

- 3,500 Population
- 35% Latinos
- From Agua Gorda, Michoacán
- Jennie-O o Long Prairie Packing Co.
- 2-parents household, 2 children $35,000
## Trainings

<table>
<thead>
<tr>
<th>Topic</th>
<th>What we do</th>
<th>Session</th>
</tr>
</thead>
<tbody>
<tr>
<td>Co-op Formation</td>
<td>Co-op development, articles of incorporation, bylaws, conduct meetings</td>
<td>3</td>
</tr>
<tr>
<td>Farm Plan Training</td>
<td>Their first introduction to farming and organizational aspects of it</td>
<td>3</td>
</tr>
<tr>
<td>Farm Tour</td>
<td>A hands on, on the land opportunity to learn at a working plan</td>
<td>1</td>
</tr>
<tr>
<td>Business Training</td>
<td>Business plan, loan process, markets and recordkeeping</td>
<td>4</td>
</tr>
<tr>
<td>Further trainings</td>
<td>Organic certification, Good Agriculture Practice (GAP), others</td>
<td>As needed</td>
</tr>
</tbody>
</table>
Leasing Small Size Ag Land
We Bring Trainings to Their Communities
Agua Gorda Loans & Technical Assistance

- $5,400 LEDC guaranteed, 2012
- $9,000 Shared Capital Co-op, 2013
- $10,000 Ag Star, 2014
- $150,000 LEDC loan for farm, 2015
Technical Assistance to Buy Equipment
As Farmers Progress Expansion is a Must
Markets must Expand
Markets and Support

➢ 2013 lost 50% revenue lack sales
➢ 2013 signed contract for tomatillo
➢ 2014 joined Shared Ground Mkting
➢ 2017 signed contract MN Fresh $35K
➢ 2017 Sales $100K vs $6.5K in 2012
➢ Provide employment to community
¿Preguntas Compañeros?
Latino Co-op Developer Training in Sebring, FL

- 16 Community organizers
- 4-day intensive training
- LEDC collaborated with UWCC
- Democracy at Work Institute
- Farm Worker Association Florida (FWAF)
- 2018 possible training in WA state
Hmong American Farmers’ Association

• Access to Farmland
Shared Ground Farmers Cooperative
Kitchen on the Bluff - Processing
Wirth Cooperative Grocery Store
¡Gracias!

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Presentation Outline

- Technical Orientation
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Case Studies
- Business Incubator

Coordinator
- Benjamin Bartley
  La Montañita Co-op
  *Value Chain Specialist*

- Funder

Questions and Answers
- Upcoming Opportunities, etc.
La Montañita Co-op
Who We Are

New Mexico’s largest community-owned, local and organic food retailer

Six grocery stores
Central distribution center
Over 16,000 member-owners

I LOVE THE CO-OP BECAUSE
It’s a Community
What We Do

- Create market opportunities for new farms and support the growth of existing farms

- Enable shoppers to support their local economy through the local business multiplier effect

- Develop our local food sector by offering options for funding, business development, food safety education, distribution, and more
Why We Do It

- Increased access to, and purchase of, healthy food
- A growing regenerative agriculture sector that uses sound environmental practices
- A thriving and sustainable local economy that benefits members and community
- A strengthened cooperative community
How We Do It: Value Chain Coordination

“How chains connect supply and demand to support **fair prices** to farmers, **fair wages** and **working conditions**, encourage **sustainable practices**, and offer healthy food to **all communities**”

http://www.wallacecenter.org/food-linc/
# Equity and the Local Food System

New Mexico Demographics (2010)

<table>
<thead>
<tr>
<th>Race/Ethnicity</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hispanic/Latino</td>
<td>46.3%</td>
</tr>
<tr>
<td>Non-Hispanic White</td>
<td>40.5%</td>
</tr>
<tr>
<td>Native American</td>
<td>9.4%</td>
</tr>
<tr>
<td>Black/African American</td>
<td>2.1%</td>
</tr>
<tr>
<td>Asian/Pacific Islander</td>
<td>1.5%</td>
</tr>
</tbody>
</table>
Equity through Value Chain Coordination

• Vendor Development
• Product Development
• Technical Assistance
• Resource Prospecting
Vendor Development

Whole Carcass Native Bison Program
Product Development

- Anthony Youth Farm
- Agri-Cultura Network
Technical Assistance

On-Farm Food Safety Workshops
Resource Prospecting

- USDA Value Added Producer Grants
- La Montañita Microloan Program
Lessons Learned

• Intentionality
• Frequent reevaluation
• Appropriate programming
• Building confidence through results
Presentation Outline

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Case Studies
- Business Incubator Coordinator

Funder
Olivia Rebanal
Capital Impact Partners
Director of Loan Programs

- Questions and Answers
- Upcoming Opportunities, etc.
Capital Impact Partners
Building Inclusive Food Systems

Olivia M. Rebanal
orebanal@capitalimpact.org

September 21, 2017
National Good Food Network Webinar
OUR MISSION:
Through capital and commitment, Capital Impact Partners helps people build communities of opportunity that break barriers to success.

OUR VISION:
A nation of communities of opportunity built on a foundation of equity, inclusiveness, and cooperation.
Over 30 years, we work to address systemic poverty, build equitable communities, create healthy communities and ensure inclusive growth.
Strategic Pillars

ADDRESS SYSTEMIC POVERTY
Effect systemic change at scale—from social systems to government programs—so that all people have paths out of poverty.

CREATE EQUITY
Support equitable access to quality services and economic opportunity regardless of race, ethnicity, gender, or income.

BUILD HEALTHY COMMUNITIES
Foster connections and social supports that strengthen the links between health, education, housing and opportunity that help people and communities thrive together.

PROMOTE INCLUSIVE GROWTH
Build diverse, mixed-income communities that promote economic mobility and empower individuals to break the barriers to success.
Our Inclusive Food Systems Work

DELIVERING HEALTHY FOOD IMPACT TO UNDERSERVED COMMUNITIES NATIONWIDE

$150 MILLION+ Financing
83 Retailers
1 MILLION+ Customers

National Co-op Grocers

MICHIGAN GOOD FOOD FUND
Building Inclusive Food Systems Logic Model

Assumptions

Activities

Outputs / Indicators

Outcomes

Impact

- Equitable access to healthy food
- Increased consumption of healthy food
- Decrease in preventable diseases (i.e. obesity, diabetes)
- Increased employment in inclusive food systems
- Increased programming to raise awareness and better equip individuals to make more informed behavior and nutrition choices
- Decrease in food insecurity by county

- Equitable society
- Healthy communities
- Improved health outcomes
- Stimulate local economy
- Reduced poverty
- Economic mobility
- Lower unemployment rates
- Greater civic engagement
Various Financing Products

Building inclusive food systems across two key dimensions: ACCESS and OPPROTUNITY
FUND IMPACT TO DATE
Growing Michigan’s Good Food Future

$10.5+ MILLION INVESTED
In good food enterprises from field to fork.

47+ BUSINESSES SUPPORTED
With financing and business assistance.

5 WORKSHOPS & WEBINARS
From Business Boot Camp to online webinars.

390+ JOBS CREATED OR RETAINED
Across the state and the value chain.

Cumulative results from Fund launch to August 2017.
PROGRAM OBJECTIVES

Mission-Driven Lens

• Healthy Food Access
• Economic Development & Job Creation
• Racial & Social Equity
• Local Sourcing
• Environmental Stewardship
Scorecard Example from Michigan Good Food Fund

Project Priorities

- Healthy Food Access: 100%
- Local Sourcing
- Economic Development & Job Creation
- Racial and Social Equity
- Environmental Stewardship

0%
# Scorecard Example: Healthy Food Access

<table>
<thead>
<tr>
<th>Question</th>
<th>Answer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the enterprise market, promote, and place fresh produce and perishable foods?</td>
<td></td>
</tr>
<tr>
<td>Does the enterprise increase access to healthy foods?</td>
<td></td>
</tr>
<tr>
<td>Does the enterprise offer Michigan’s Double Up Food Bucks program or other programs that incentivize the purchase of healthy foods?</td>
<td></td>
</tr>
<tr>
<td>Does the enterprise make local foods affordable/competitive</td>
<td></td>
</tr>
<tr>
<td>Does the enterprise produce or provide healthy products including whole, minimally processed foods or foods that help people achieve a diet consistent with the Dietary Guidelines for Americans (natural, “whole” ingredients v. artificial, nutritionally deficient)?</td>
<td></td>
</tr>
<tr>
<td>If the enterprise is in agricultural production, has it participated in the Hoophouses for Health program?</td>
<td></td>
</tr>
</tbody>
</table>
## Scorecard Example: Racial and Social Equity

<table>
<thead>
<tr>
<th>Question</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Is the enterprise owned or operated by a woman/person of color/low-income resident?</td>
<td></td>
</tr>
<tr>
<td>Does the enterprise employ women/people of color/low-income residents and intentionally reach out to these populations with job opportunities?</td>
<td></td>
</tr>
<tr>
<td>Are the food offerings culturally appropriate/specific to the community where they are sold? Are fresh produce and perishable foods being marketed in a culturally sensitive way?</td>
<td></td>
</tr>
<tr>
<td>Do women/people of color/low-income residents have access to the products and/or services offered by this enterprise?</td>
<td></td>
</tr>
<tr>
<td>Are women/people of color/low-income residents part of the enterprise target market?</td>
<td></td>
</tr>
</tbody>
</table>
**Scorecard Example: Economic Opportunity**

<table>
<thead>
<tr>
<th>Question</th>
</tr>
</thead>
<tbody>
<tr>
<td>Does the enterprise currently offer or anticipate creating quality jobs?</td>
</tr>
<tr>
<td>Does the enterprise offer a career path for employees?</td>
</tr>
<tr>
<td>Are there policies in place to ensure workers in the enterprise and/or the supply chain are treated fairly?</td>
</tr>
<tr>
<td>Does the enterprise hire LMI community members?</td>
</tr>
<tr>
<td>Does the enterprise anticipate creation of new quality jobs in limited access communities?</td>
</tr>
<tr>
<td>Does the enterprise provide training for employees?</td>
</tr>
<tr>
<td>Does the enterprise have systems controls in place to manage finances?</td>
</tr>
<tr>
<td>Is the enterprise linked with existing business-to-business support networks (e.g. MI Food Hub Network, FoodLab Detroit, M Farm to Institution Network, etc.)?</td>
</tr>
<tr>
<td>Have the owner/operators received any business training or assistance?</td>
</tr>
<tr>
<td>Has the enterprise ever received loans/investments or utilized economic development incentives or government financing?</td>
</tr>
</tbody>
</table>

COMMITMENT TO EQUITY

Save the Date!

ADVISORY COUNCIL MEETING

WHEN: 9am to 3pm | Tuesday, March 28
WHERE: Greenstone Farm Credit
3515 West Road, East Lansing, MI 48823

AGENDA
MORNING
The Michigan Good Food Fund has a unique and serious commitment to racial and social equity. To inform and strengthen this focus, we are inviting Dionardo Pizaña, Diversity and Personnel Specialist at MSU Extension, to lead an interactive session entitled Exploring Cultural Competency for Personal, Organizational and Community Change.

• 100% of attendees were satisfied or very satisfied with the session
• “We need to do this more”
• “We should continue to talk about race, power, class systems, and their outcomes”
• “Maybe do a full-day?”
Thank you for joining!
Questions and Answers

**Jim Barham**
*USDA Rural Development*
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**John Flory**
*Latino Economic Development Center*
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**Jaime Villalaz**
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**Benjamin Bartley**
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**Olivia Rebanal**
*Capital Impact Partners*
orebanal@capitalimpact.org
Webinars are Archived

Topics!

http://ngfn.org/webinars
Upcoming NGFN Webinars

- From the Ground Up: Inspiring Community-based Food System Innovations
  http://communityfood.wkkf.org
  - Oct 12: #CommunityFood: Investing in the Future
  - Nov 2: #CommunityFood: Return to Roots
  - Dec 14: #CommunityFood: It Takes a Network

- Jan 18: National Food Hub Survey

http://ngfn.org/webinars
National Good Food Network Conference

March 27 – 30, 2018 | Albuquerque, NM

- food hub operations, efficiencies, and innovations
- market assessments and business planning
- value-chain coordination
- integrating livestock value chains and food hubs
- effective partnerships and collaborations (across hubs, across sectors, across geography, etc.)
- community-based approaches to value chain development
- financing and finances
- **increasing equity** in food value chains
- managing supply and demand
- meeting market and regulatory requirements
- sales, negotiation, and other business skills
- facilitation and communication
- measuring economic, social, environmental, health impacts
Get Connected, Stay Connected

http://ngfn.org

National Good Food Network Database
Click to learn more

Search for: Wallace Center

YouTube

contact@ngfn.org

@ngfn
http://ngfn.org

contact@ngfn.org