



Community Development and Healthy Food Access in New Jersey

Lifting Up Nationwide and
Local Models That Promote
Nutrition and Health Equity



TABLE OF CONTENTS

| | |
|---|-----------|
| EXECUTIVE SUMMARY | 3 |
| METHODOLOGY | 4 |
| FINDINGS AND KEY THEMES | 6 |
| BEST PRACTICES..... | 6 |
| PROMISING PRACTICES AND INNOVATIONS | 10 |
| CHALLENGES..... | 12 |
| CONSIDERATIONS..... | 14 |
| RECOMMENDATIONS..... | 16 |
| NATIONWIDE MODELS | 19 |
| CASE STUDIES | 19 |
| > INDEPENDENT GROCERS | 19 |
| > EARLY-STAGE ENTERPRISES | 22 |
| > FOOD SYSTEM INNOVATORS | 24 |
| CONCLUSION | 28 |
| APPENDIX..... | 29 |
| INTERVIEW LIST | 29 |
| KEY RESOURCES | 30 |
| ACKNOWLEDGMENTS..... | 31 |

Despite considerable progress over the past 20 years, more work needs to be done in New Jersey to increase equitable access to healthy food, and to invest additional resources in community-led and -supported healthy food retail development. In many places throughout the state, such as Newark, Trenton, Camden, and rural parts of South Jersey like Salem County, inadequate access to healthy food is connected to high rates of diet-related disease among residents. For example, according to The State of Childhood Obesity, 27.7% of adult New Jerseyans are obese, and the rate is often higher in cities such as Camden and Trenton, as well as rural South Jersey.¹

The built environment is deeply intertwined with the social determinants of health, and communities without a strong healthy food infrastructure also experience lower levels of employment, higher rates of food insecurity, higher transportation costs, and a range of other challenges. To guide a response to these issues, The Food Trust has developed this paper, which summarizes a national and local scan of private, government, and philanthropic-supported initiatives that focus on equity and justice by investing in new or expanding food retail models (e.g. grocery stores, food hubs, co-ops).

This paper highlights promising initiatives that could address access to healthy food and promote equitable community development in the state of New Jersey. In addition, the scan assesses models operating in other cities and states around the country that could be replicated and/or adapted for New Jersey. This community development approach will complement Food Research & Action Center's (FRAC)² environmental scan and development of policy solutions to improve the coordination and enrollment in federal nutrition programs (e.g. Supplemental Nutrition Assistance Program [SNAP], Child and Adult Care Food Program [CACFP], Special Supplemental Nutrition Program for Women, Infants, and Children [WIC]) that help reduce food insecurity in New Jersey.

¹ Robert Wood Johnson Foundation (September 2021). Adult obesity rates. State of Childhood Obesity. Retrieved from <https://stateof-childhoodobesity.org/adult-obesity/>.

² <https://frac.org/research/resource-library/nj2022>

This paper represents a national scan of existing and promising local, private, government, and philanthropic-supported initiatives that focus on equity and justice by investing in new or expanding healthy food retail models such as grocery stores, food hubs, co-ops, and other initiatives.

This national study of existing and emerging community development investment, centered on increasing access to healthier and more affordable food, includes interviews with a cross-sector group of leading organizations in community and economic development, academia, public health, business, and transit, to help identify gaps and opportunities in low-income, under-resourced communities.

Paper authors examined private, public, foundation, and community-engaged efforts to:

- Increase healthy food availability in non-traditional settings
- Provide low-income populations with resources for healthy and local food where they live
- Connect local agriculture to low-income populations in the state
- Support healthy food entrepreneurs' expansion and sustainability

Authors also sought to document comparable efforts underway in other cities and states nationally with an eye toward identifying both successful approaches as well as gaps in service delivery and the potential for innovation in New Jersey.

The analysis has been conducted through a series of key informant interviews and additional online research utilizing both The Food Trust and Robert Wood Johnson Foundation's relationships in New Jersey and nationwide. These conversations, along with multiple complementary resources (see *Appendix*), have informed the high-level recommendations regarding strategies at the policy and program level to more effectively streamline funds and leverage existing efforts, and to better advance healthy and equitable food access and promote community development in New Jersey.

The research included four key components:

1. High-Level Scan of Existing and Planned Programs/Policy Efforts

The Food Trust conducted a scan of its national network of community development practitioners, as well as private, public, and philanthropic-supported initiatives that focus on healthy food access equity and justice. This included Community Development Financial Institutions (CDFIs), national intermediaries, professional community- and market-driven associations, and leading philanthropies. The aim was to identify existing and promising food-centered community development initiatives that could be replicated or adapted for support in New Jersey.

2. Stakeholder Interviews

Nearly 30 interviews were conducted with key stakeholders across the country from September 2021 through January 2022. Stakeholder interviews were conducted by videoconference with organizations undertaking significant and potentially well-aligned efforts in the field. Each interview was approximately one hour in duration. Often interviewees offered additional resources for review (see below). *A list of interviewees is included in the Appendix.*

3. Relevant Resource Review

Through stakeholder conversations and communications with the foundation, relevant research and examples were identified related to understanding how the field of healthy food access has evolved, lessons learned, and best practices. *See Appendix for the full list.*

4. Development of Recommendations

From the research and interviews, this report includes a select number of New Jersey-centered recommendations for the foundation's investment considerations to help reduce food insecurity and promote equitable community development in its home state. These recommendations are based on the information identified in the project described here, along with high-level strategic recommendations, and include a review of current program and policy initiatives, as well as concepts for the state to consider with examples of new and expanded promising efforts. The recommendations are also intended for use by healthy food access funding practitioners across the country.

Best Practices

Through the interviews, key themes and best practices emerged related to the development of healthy food retail and other key food systems projects. These include:

Community-driven solutions

COMMUNITY-INFORMED PROJECT DEVELOPMENT

Interviewees recommended reaching out to organizations and community leaders to understand where the community is currently purchasing or receiving fresh food and mapping gaps in the food landscape; how the community envisions healthy food access; and what community-led projects are on the horizon and ready for support. They emphasized building on existing relationships that have been established in communities.

Practitioners highlighted the importance of community feedback and connection as a key to a successful grocery business. A store operator's outreach to the community is a critical way to achieve community support. Research on product preferences can help address residents' needs and create a space that encourages shoppers to return. Further, stores can become a community hub that fosters social interaction by offering things like free community meeting spaces.

FUNDING FOR EQUITY-PROMOTING PROJECTS

Projects work best when they are developed along with partners who are already invested in the communities where these food retail options are intended to make an impact. "Community input is a key factor for success for healthy food retail projects," as projects with strong community support tend to be the projects that are sustainable and have the most meaningful impact in a community.

Public-private partnerships

GOVERNMENT SUPPORT: GRANTS, TAX INCENTIVES, DONATED BUILDINGS, STATE BONDS

Projects benefit when there is a culture of support from government that is food retail development-friendly and a streamlined source for funding. Some interviewees suggested ensuring there is a central contact or "one-stop shop" for healthy food retail and other food system projects, to help streamline development processes such as permitting requirements, licenses, parking, signage, and other requirements.

"Community input is a key factor for success for healthy food retail projects," as projects with strong community support tend to be the projects that are sustainable and have the most meaningful impact in a community.

For example, some projects are able to leverage existing industry infrastructure from local governments. Other programs discovered the gaps in their financing structures and had their government help create funding structures. While grants tend to be the most important incentive, they are enhanced when the government can issue other incentives such as state bonds, tax incentives and New Market Tax Credits.

Further, it can be helpful to identify and understand all the possible funding mechanisms that can support projects in a region. A good example is the Landscape Map for Financing Detroit's Food System, recently released by the Council of Development Finance Agencies.³ This tool describes the litany of relevant finance tools that might be

³ Miller, A., Rittner, T., Moses, D., & Rowland, A. (2021, July). Food Finance Detroit: A landscape map for financing Detroit's local food system. Council of Development Finance Agencies. <https://www.cdfa.net/cdfa/cdfaweb.nsf/ordredirect.html?open&id=2021DetroitFoodFinanceLandscapeMap>.



used to fund food system projects in that region, including tax credits, revolving loan funds, clean energy funds (which can support refrigeration and equipment upgrades), etc. Having all these potential resources in one place can help more effectively support food system projects.

FOOD POLICY COUNCILS

Partnerships with food policy councils have been successfully used to gain insight into local food system operations. Food policy councils offer an “on-the-ground” perspective in terms of community needs and community-led opportunities. Involving food policy councils in the conversation about healthy food retail and other food systems financing projects can help with project identification, as well as understanding community needs and opportunities. However, interviewees noted that sustainable funding can be challenging for food policy councils, and results have been inconsistent depending on local context.

In New Jersey, the New Jersey Food Democracy Collaborative (NJFDC) is a state food system organizing and advocacy initiative, inspired by the food policy council model.⁴ NJFDC has recently issued a report,

“NJ Roadmap for Food System Resilience,” which identifies 11 “Core Opportunities for Action” to promote equity and resilience in the food system. These recommendations are an important resource for other state efforts to improve healthy food access.

Involving multiple implementing partners

Many of the interviewees are involved in the implementation of Healthy Food Financing Initiatives (HFFIs)—public-private partnerships that offer grants and loans to support the development and retention of healthy food retail projects in under-resourced areas—and noted that a key feature of most programs has been a group of partners collaborating on implementation. Each partner has a different strength and responsibility they bring to the table. The following outlines key partners described by multiple HFFI programs.

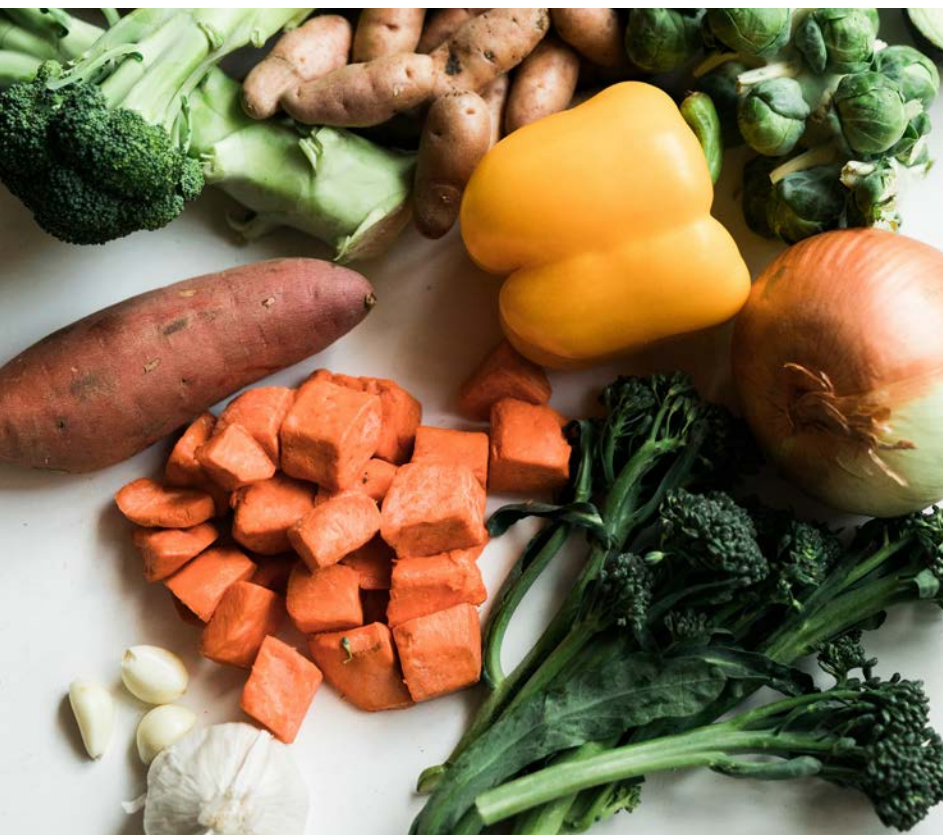
COMMUNITY DEVELOPMENT FINANCIAL INSTITUTIONS (CDFI) AND/OR A LENDERS NETWORK

Programs can have one to several partnerships with CDFIs. An advantage of working with multiple CDFIs is the ability to

⁴ Stockton University. NJ food democracy collaborative. Retrieved from <https://stockton.edu/food-democracy-collaborative/>.

expand the program's geographic footprint, as well as the range of lending. For example, some CDFIs only focus on larger loans or awards, and others are able to support much smaller loans and therefore smaller businesses. Involving more than one CDFI can help a program be more responsive to healthy food access needs across a region.

CalFreshWorks, a California-based HFFI operated by the CDFI Community Vision, formed a Lenders Network, which helped the program respond to a larger range of projects that included community-based, for-profit, and nonprofit CDFI lenders.⁵



FOOD ACCESS ORGANIZATION (FAO)

Food access organizations offer expertise in food access landscape assessment and often work with HFFI programs to undertake the eligibility review process for applicants, assist with data and impact collection, conduct marketing and outreach for the program, and provide technical assistance for funded projects. Food access organizations can be nonprofits with healthy food access missions, such as Fair Food Network and The Food Trust, or university partners such as Kansas State University Research and Extension.

UNIVERSITY PARTNERSHIP

Two specific initiatives (the Kansas Healthy Food Initiative and Michigan Good Food Fund) highlight university partnerships that bring additional capacity and resources to programs. For example, the Kansas Healthy Food Initiative includes Kansas State University (KSU) as a key partner. KSU has a librarian on the team who created a database of technical assistance resources that helped the program become more responsive to project technical assistance needs.

COMMUNITY

As noted above, many practitioners seek to include community perspective in their analysis of what projects to fund, understanding that projects are more likely to thrive when fully supported and/or led by the communities they serve. This usually includes cultivating relationships across the region to understand what local community food access preferences are, as well as any identified projects in process.

Notably, the Michigan Good Food Fund is actively in the process of changing the way the program identifies projects through the creation of a stakeholder board, which will include community members to help decide where funding should go and how the fund should direct the program. They are developing a 20- to 25-seat board that will include a variety of sectors with an emphasis on community voice. This shifts the program structure from a more top-down approach, to proactively engage the community in developing food access solutions.

Funding for technical and business assistance

Technical and business assistance are crucial to help retailers obtain loans and to be successful, viable businesses. Almost all interviewees emphasized technical and business assistance as an important complement to funding in supporting a range of healthy food retail.

- Programs have identified an array of technical assistance needs depending on the size and type of the project ranging from financial and business planning, to addressing human resources needs, and store conversions to increase healthier

⁵ Pacific Community Ventures (2021, September). California FreshWorks' Social and Economic Impacts 2018-2020. California FreshWorks. <https://www.cafreshworks.com/wp-content/uploads/2016/05/California-FreshWorks-Impact-Report-2021.pdf>

offerings. Some programs have a wide range of partners that provide technical assistance.

- Programs have developed multiple ways to offer technical assistance, including the development of a referral list and intensive workshops on specific topics.
- Programs also emphasized the importance of cultivating relationships with funded businesses that will last for many years, to continue to understand and address their operational and business needs.

To bring communities together and build an equitable, thriving food system takes time and multi-year support for projects.

Financial equity

To bring communities together and build an equitable, thriving food system takes time and multi-year support for projects. There are many barriers to accessing capital for under-represented communities, and HFFI programs have adopted several strategies to narrow the financial equity gap. For some projects, small grants can have a big impact. Continuing to financially support them over multiple years increases their capacity to succeed and grow. In addition to having a range of grant sizes, multiple HFFI programs have shown that having a range of lending tolerance has been successful and presents no greater risk than other loans.

Marketing and outreach

Program practitioners emphasized the importance of reaching out to organizations and community leaders to let them know that resources are available for business owners. Relationship building as part of an outreach plan means that, in some cases, programs work on building relationships with proposed grocery projects over a period of time before the project even applies for funds. Further, practitioners recommended targeting marketing and outreach efforts to the appropriate audiences to reach the most qualified and impactful projects. It is important for programs to fund both capable, experienced operators and new, innovative projects.

Connection to complementary programs that support affordability

Many programs coordinate with Nutrition Incentives programs, such as SNAP Incentives and Produce Prescriptions, to support funded grocery projects and enhance their impact by promoting affordability.⁶ Projects offering SNAP and WIC are also prioritized, as a means to understand how the project supports low-income shoppers.

The Milwaukee Market Match program provides matching funds so that people who receive SNAP benefits can buy twice as many fruits and vegetables at farmers markets, produce stands and CSAs.

⁶ <https://www.ngfta-center.org/nutrition-incentives/>



Promising Practices and Innovations

Many practitioners emphasized supporting food businesses that meet local community infrastructure needs.

Through interviews, it became apparent that CDFI and other practitioners were adapting their practices to better respond to healthy food access and retailer needs in their region. The following promising practices and innovations emerged from these conversations:

Funding projects across the food system

The food system is interconnected, and creating a strong food system requires filling in and supporting gaps. Many interviews emphasized the impact a grocery store can have in a community, but encouraged healthy food funding practitioners to not solely support supermarkets. Practitioners in the Massachusetts Food Trust Program (MFTP) emphasized the impact of urban farms and food hubs and highlighted their responsiveness to community needs throughout the pandemic. Other organizations, such as Revolution Foods (a national organization that supports nutritious, culturally appropriate meals through partnerships in 23 states—see page 25 for more information), work at different points in the food system, having a deeper focus on food preparation and distribution. This type of project has additional capacity to expand to serve more communities.

Flexibility and adaptability with programming

Many programs emphasized the importance of avoiding a very restrictive mission and allowing for some flexibility with program



implementation. In addition to being interconnected, the food system is broad and complex; therefore, there should be an emphasis placed on supporting food businesses that meet local community food infrastructure needs. Programs have successfully adapted as different needs arise. However, there is an important balance to strike, as broadening the definition of what can be funded means fewer resources are available to focus on grocery store and other healthy food retail development and preservation in under-resourced areas.



The Michigan Good Food Fund has expanded its scope to support restaurants in areas with limited access to healthy food.

For example, the Michigan Good Food Fund has expanded its scope to support not only healthy food retailers such as grocery stores, but also restaurants serving low- to moderate-income communities. This allows them to better support Black, Indigenous, People of Color (BIPOC) businesses and to increase wealth in marginalized communities.

However, other programs, such as California FreshWorks, typically do not fund restaurants. California FreshWorks has a few exceptions, such as a restaurant converting to a cafe, with an emphasis on nutritious and culturally appropriate food, to a nonprofit or community facility, or a café opening in an area with limited access to healthy food. They noted that some restaurant projects have significant influence and impact in communities through introducing healthy food in a way that is culturally relevant and engaging. FreshWorks program partners will fund this type of restaurant because it operates as a vehicle for change, influencing healthy food in a community.

Still another program, Hope Credit Union's Deep South Healthy Food Initiative, has recently gotten more involved in project implementation. They are collaborating with We2gether Creating Change, a local nonprofit in Drew, Mississippi, to support an online ordering and pickup operation at a community facility in the town. The community led the development of this

delivery program which makes it easier to access healthy foods and also provides additional supports including health screenings, nutrition education, cooking classes, meal planning, and budgeting.⁷ The project leveraged funding support from multiple public and philanthropic partners and launched earlier this year.

The food system is broad and complex; therefore, there should be an emphasis placed on supporting food businesses that meet local community food infrastructure needs.

Match underwriting requirements to the needs of entrepreneurs in under-resourced areas

As noted in the following "Challenges" section, many food retailers are unable to access traditional capital because the businesses' documentation and financials are not organized to the degree necessary to obtain traditional financing. CDFI practitioners recommended tailoring their underwriting requirements to the needs of entrepreneurs in the areas they are trying to serve. Tools can include credit enhancements such as grants and first loss capital to offset risk.

⁷ <https://hopecu.org/author/mallory/>

Challenges

The Food Trust's scan of local private, government, and philanthropic-supported initiatives revealed various challenges that emerge when attempting to bring healthy, affordable food to low-income, under-resourced communities. Notable challenges include:

Inadequate funding for technical and business assistance

Most organizations interviewed acknowledge the crucial role business and technical assistance plays in the success of any food retail project. However, a common challenge appears to be obtaining funding for technical and business assistance for projects.

A challenge that many healthy food financing programs face is finding the balance between financing new, innovative projects that are often associated with more risk, and financing experienced, capable operators who are poised to expand.

A lack of access to capital for food retailers

Many small food retailers are unable to access traditional capital because the businesses' documentation and financials are not organized to the degree necessary to obtain traditional financing. There are many socio-economic reasons that make it difficult for some entrepreneurs to have the documents or history necessary to qualify for lending. This challenge was elevated during the onset of the COVID-19 pandemic, as many small entrepreneurs were unable to access COVID relief

funding due to not having organized or accessible documentation. Some financing organizations are attempting to overcome this challenge by matching their underwriting requirements to the needs of entrepreneurs in the areas they are trying to serve.

Funding both capable, experienced operators and new, innovative projects

A challenge that many healthy food financing programs face is finding the balance between financing new, innovative projects that are often associated with more risk, and financing experienced, capable operators who are poised to expand. Part of this challenge is targeting marketing and outreach efforts to the appropriate audiences to reach the most qualified and impactful projects or businesses.

Statutory and regulatory issues in New Jersey are often a barrier for both innovative and more traditional projects

There are many groups in New Jersey working to develop solutions to food access; however, a challenge that these groups repeatedly face are specific state statutes and regulations that prevent projects from being implemented. For example, the Right to Farm Act contains several eligibility requirements that prevent smaller and more non-traditional models, like urban farms, from being protected under the act and participating in programs like Farmers Market Nutrition Program (FMNP) vouchers. Examples of these barriers include requiring farms to be at least 5 acres and have a minimum of \$50,000 in sales. Recent



attempts have been made to reform this regulation, and improvements may be on the horizon.

Another example is the New Jersey limitation criteria placed upon the Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) that prevents new supermarkets from enrolling, discouraging supermarket investment in high-need areas statewide, and limiting small stores' ability to accept these benefits by requiring minimum square footage (1,000 square feet). The limit on the total number of stores allowed to offer this program within a one-mile radius is an additional barrier. However, it is important to note that if stores are too close, store owners can have trouble generating enough sales to maintain minimum inventory requirements. Any changes to the program should be carefully vetted with store owners and participants.

These requirements perpetuate further challenges for food retailers, as many potential stores are unable to secure business loans from banks unless they are assured of their ability to participate in nutrition programs such as WIC and SNAP. Additionally, limiting WIC Authorization to new vendors is a disservice to WIC clients, who then have fewer choices of stores where they may redeem their benefits.

This restriction should be re-examined for a state with the density of New Jersey. The current WIC requirements can be found

on the forms section of the New Jersey Department of Health (NJ DOH) website.⁸ NJ DOH oversees WIC and has the regulatory authority to change these guidelines. Stakeholders would need to explore what supports the NJ DOH would require to be able to make that change with minimal disruption to service delivery.

Maps of SNAP and WIC vendors across the state as well as where WIC recipients live can be helpful in identifying areas particularly impacted by these restrictions. Mapping resources can be found on the USDA Food and Nutrition Service's SNAP retailer locator website⁹ and the NJ DOH's WIC store locator.¹⁰

Another statutory barrier cited by retailers to the development of new stores with public economic development resources is the prevailing wage requirements that accompany the use of such incentives. Requirements to pay a prevailing wage and to unionize through a labor harmony agreement increase costs on an already razor-thin margin of profit business. Wage and labor costs should be considered when structuring financial and other public incentives to assess to what extent such regulations mitigate the desired impact of the program.

Lack of coordination between people/organizations working to address food insecurity

New Jersey is home to many organizations and government agencies working to address food insecurity across the state. There is room for improved coordination and collaboration between these groups to strengthen existing programs and initiatives, innovate new ideas, discover new funding streams, and work together to create solutions that address food insecurity.

⁸ New Jersey Department of Health State WIC Program. Vendor selection criteria. Retrieved from <https://www.nj.gov/health/forms/wic-6.pdf>.

⁹ U.S. Department of Agriculture Food and Nutrition Service. Where can I use SNAP EBT?. Retrieved from <https://www.fns.usda.gov/snap/retailer-locator/>.

¹⁰ State of New Jersey Department of Health. Find a WIC store near me. WIC. Retrieved from <https://www.state.nj.us/health/fhs/wic/participants/find-wic-store/>.

Considerations

Healthy food access needs can vary across regions. However, practitioners elevated some common themes and considerations. Programs developed to improve access to healthy foods should take into account the following factors:



Grocery stores have multidimensional impacts in communities

Grocery retail development plays a vital role in addressing food insecurity, improving health and well-being, strengthening relationships, and creating economic opportunities in low-income and under-resourced communities.

¹¹ http://thefoodtrust.org/uploads/media_items/grocerygap.original.pdf

HEALTH

Research shows an association between people without convenient access to a supermarket or other healthy food retail options and disproportionately high rates of diet-related disease.¹¹ Access to healthy food is a foundational component of efforts to improve diet and health.

SOCIAL COHESIVENESS

Grocery stores can act as a community hub. They are a place where people frequent and can connect with their neighbors, learn, and share information.

ECONOMIC IMPACT

Food retail can strengthen economic opportunities within communities. New food retail projects provide jobs, stabilize home value, generate local taxes, often provide workforce development opportunities, and promote additional spending in the local community.

Research shows an association between people without convenient access to a supermarket or other healthy food retail options and disproportionately high rates of diet-related disease.

Balancing healthy food access and broader food system issues

Food access programs are balancing the dichotomy between broadening their scope of work to be inclusive of the issues that affect the whole food system, and staying true to their mission and goal of improving access specifically to healthy food.



Some programs have stretched to support projects beyond healthy food markets to include businesses like restaurants, farms, farmers markets and food hubs. These additions help expand the impact across the food system, which can ultimately help address important gaps in getting healthy food into under-resourced communities. However, with limited funding, the broader the definition of what types of projects programs can fund ultimately reduces their ability to directly support grocery access in under-resourced communities.

Food Distribution/E-commerce

Food distribution efforts are evolving, due to changes in needs for customers and distributors. Online SNAP and eWIC are rapidly developing as options for consumers, particularly as a result of the COVID-19 pandemic, as shopping online became an important way to maintain social distance while acquiring food.¹² As a result, people in regions across the country have been pushing for the ability of more stores to accept SNAP and WIC online. Opening the ability to support SNAP and WIC purchases online to more retailers across the state would be another mechanism to support access to healthy foods in New Jersey. According to the NJ DOH, eWIC is planned to roll out in 2022, and the launch is imminent as of the writing of this report.

New Jersey practitioners should actively identify potential technical and other support for businesses looking to capitalize on this investment.

The cost associated with establishing the proper technology system is a barrier to the widespread expansion of offering these programs online. For the system to work effectively, more work needs to be done to identify a funding source to offset the cost of delivery fees, an ineligible use of SNAP and WIC dollars, and a barrier to online purchasing for low-income populations. Additionally, while e-commerce can better connect people with food resources, such efforts do not have the ancillary benefit of facilitating community development in places that may be struggling economically unless they are directly connected with grocery venues in such communities.

¹² A growing list of SNAP online stores in New Jersey can be found here: <https://www.fns.usda.gov/snap/online-purchasing-pilot>.

Based on conversations with healthy food financing leaders across the country and throughout New Jersey, these recommendations were developed both for the Robert Wood Johnson Foundation (RWJF) and the state of New Jersey as they invest in grocery access through their emerging Food Desert Relief Program, as well as for seasoned and emerging healthy food funding practitioners across the country:

1 Prioritize investments in food access at RWJF.

- Over the course of 2022, conduct additional research on New Jersey communities to inform project goals and scope.

2 Support the New Jersey Economic Development Authority (EDA) as it launches the Food Desert Relief Act.

- Establish a formal work group composed of major stakeholders to identify promising projects, understand community perspectives, and match capital needs with funding sources.
- Engage with local food policy councils across the State of New Jersey to identify promising projects, and connect local needs with state level resources.
- Develop a Food Finance Landscape, similar to what the Council of Development Finance Agency has prepared for Detroit, so EDA's resources can be coordinated with other potentially relevant sources of funding, such as Property Assessed Clean Energy (PACE) Financing, Tax Increment Financing (TIF), and other potential financial supports.¹³
- Coordinate with partner agencies (e.g. the New Jersey Department of Community Affairs and its Neighborhood Preservation Program) that can provide additional supports for projects.

3 Ensure the fund prioritizes new and expanded independent grocers in communities with low access.

- New Jersey has a wealth of independent grocers who are nimble and capable of investing in communities that lack food access. However, at the same time, reflect on challenges from years past, and address why projects like the Camden Price Rite and New Brunswick Fresh Grocer have failed to thrive, such as community connection, research on culturally appropriate product offerings, and brand recognition.

¹³ Miller, A., Rittner, T., Moses, D., & Rowland, A. (2021, July). Food Finance Detroit: A landscape map for financing Detroit's local food system. Council of Development Finance Agencies. <https://www.cdfa.net/cdfa/cdfaweb.nsf/ordredirect.html?open&id=2021DetroitFoodFinanceLandscapeMap>.

4 Ensure that innovative and early-stage healthy food access enterprises are also supported by the fund through robust business and technical assistance support.

- Innovation is prevalent in the food sector among newly formed businesses, nonprofits, and social enterprises. Oftentimes such projects can be ways to foster economic empowerment among marginalized populations. Such projects require flexible funding and, more importantly, various forms of technical assistance to get to scale. RWJF support can consist of both flexible funding for businesses and support for technical assistance providers.
- Explore a partnership with organizations like Rutgers Food Innovation Center. It has the capacity and experience to offer both business and industry training programs related to business management, sustainability, and scaling, as well as produce management.

5 Enhance RWJF's current pool of funding for healthy food retail with grants and other flexible funding to support food projects, with a focus on identifying gaps in resources from currently available funding programs from the state, Fair Food Fund's impact investment in Camden, and others.¹⁴

- Additional work could be conducted over the course of 2022 to develop the ideal size of such a funding program, as well as what specific uses of funds would be most impactful.
- Grants are a key part of the funding package and are often the critical incentive.
- Programmatic gaps in similar programs identified by interviewees have included deal discovery, evaluation, technical assistance, and community engagement.
- As noted in the "Best Practices" section, targeted marketing and outreach will be important to supporting a range of grocery projects.
- As also noted in the "Best Practices" section, funds can benefit from the perspective and capacity of more than one lender, and multiple CDFIs could be engaged in supporting this fund.

6 Provide targeted support to organizations around the state working with small store owners on efforts to improve healthy food access that can enhance complementary funding streams like SNAP-Ed.

- Corner stores and convenience stores are frequent in communities across New Jersey. The decade of work to help those retailers sell more healthy and affordable food can be sustained and enhanced, specifically with an eye toward new and innovative practices and projects in small stores, such as the Camden Association of Corner Store Operators, and micro-level social service hubs.
- An assessment of previous rounds of corner store funding might re-examine the current state of the multiple organizations who implemented Healthy Corner Store Initiatives work over the past 10 years, including the American Heart Association, Rutgers, Zuffall Health, EZ-Ride, and more, and identify the best strategies to drive future progress.

¹⁴ Fair Food Network's Fair Food Fund. <https://fairfoodnetwork.org/projects/fair-food-fund/>

7 Identify projects outside the scope of healthy food retail with capacity (e.g. Revolution Foods, which provides healthy meals to institutions like schools and hospitals) and develop targeted supports to drive expansion of these projects and their ability to serve residents of the Garden State.

- More mature food systems projects such as Revolution Foods have noted the capacity for expansion in New Jersey if they are able to address critical barriers related to their service end users. Work conducted over the course of 2022 could identify a cohort of such projects that likely exist in New Jersey. Existing state food policy councils and those in development could be a helpful mechanism to identify such projects.

8 Maximize use of WIC/SNAP and other nutrition programs that help promote affordability.

- SNAP and WIC are important foundational supports for healthy food access. Efforts should be pursued to maximize program participation through improved administration, outreach, and policy.
- Connect funded projects with resources to promote affordability at grocery stores in low- to moderate-income communities, such as Food Bucks (nutrition incentives) and Veggie Rx (fresh produce prescription program).

9 Further explore WIC-only stores.

- WIC-only stores currently have both important supporters and prominent detractors. The potential for WIC-only stores to better serve clients seems notable; however, pursuing this strategy may generate pushback from businesses who may lose a share of the WIC program, and consumers who may need transportation to get to these stores.

Case Studies

To address healthy food access in under-resourced communities, interviews highlighted the importance of supporting both traditional independent grocery retailers, as well as early-stage enterprises, and food system innovators. Following are some examples of these types of projects across the country that could inform New Jersey's approach to healthy food retail investment, as well as that of others across the country:

Independent Grocers

SUPERMART EL TORITO (KANSAS HEALTHY FOOD INITIATIVE)

Despite one-quarter of Topeka Public School students being of Hispanic origin and having a Hispanic population of more than 19,000 across the city, Topeka, Kansas, lacked a full-service grocery store that provided authentic Hispanic foods. In some parts of Topeka, residents have to travel more than one mile to reach a grocery store, and people in Topeka and surrounding cities were driving to Kansas City or Wichita to find authentic Hispanic foods for their families, including to one Hispanic grocery store owned by Octavio Sosa. Sosa's customers frequently asked him to open another store in Topeka, and with support from the Kansas Healthy Food Initiative (KHFI), Octavio opened Topeka's Supermart El Torito in December 2018.

The KHFI supported Supermart El Torito with a \$52,000 grant and \$455,000 loan. Funding was used to purchase inventory and provide working capital for opening this new ethnic grocery store.¹⁵

NORTHGATE GONZALES (CALIFORNIA FRESHWORKS)

Northgate Markets, a family-owned grocery chain with 34 locations in Southern California, responded to Inglewood residents' request for better access to healthy food. Located southwest of Los Angeles, Inglewood is a diverse community, with large African-American and Latino populations. Coming out of the Great Recession, the Inglewood community has continued to face economic hardships, with 21 percent of the population living below the poverty level, compared to 14 percent statewide. The California FreshWorks Fund (CFWF), managed by NCB Capital Impact, disbursed \$8.5 million in New Markets Tax Credit financing for tenant improvements and other costs related to the development of the 42,625-square-foot store, which improved food access for 105,000 nearby residents. Northgate also serves as a critical economic anchor for the area, creating 125 new jobs, most of which are held by local residents.



¹⁵ Written by Kansas Healthy Food Initiative partner, Sarah Jolley, PhD, Center for Applied Research & Evaluation (CARE), Wichita State University.



Neighborhood Market in Saxonburg is now the family's third family-run supermarket.

Since opening in 2020, the store has created over 60 jobs for the community, and has served nearly 70,000 customers, thus becoming a vital food access point for Saxonburg. The store has also begun offering delivery services to customers to better serve residents during the COVID-19 pandemic.

SUPERMERCADO MEXICO (MICHIGAN GOOD FOOD FUND)

Supermercado Mexico opened its third store in Western Michigan's Grand Rapids metro area, with support from the Michigan Good Food Fund, a program that has provided more than \$17 million in loans and grants since 2015. The project received a \$346,800 loan from Northern Initiatives with \$100,000 participation from Fair Food Network's Fair Food Fund.

According to the case study featured on Michigan Good Food Fund's website:

"The Division Street location opened in 2011 in a corridor of businesses serving a largely Hispanic and Mexican clientele. It has since become its anchor location store with a full-service butcher, produce, baked goods, and other culturally relevant products and services. The Supermercado stores are owned by Olvera Enterprises, which is led by brothers Javier and Pablo Olvera. The Olveras are deeply connected to the community and leading other local economic development projects supporting Hispanic-owned businesses in Grand Rapids.

As Supermercado outgrew its Division Street location, store owners purchased a nearby building to expand. The new store will triple the store footprint allowing them to expand offerings and bring on 20 new full-time employees. In July 2021, Michigan Good Food Fund lenders Northern Initiatives and Fair Food Network's Fair Food Fund joined together to provide a loan supporting building improvements, equipment, and working capital for the new store."

Sprinkle's Neighborhood Market created over 60 jobs for the community since opening its doors in 2020.

Since opening, the store has participated in a variety of complementary initiatives to improve access to healthy food. For example, Northgate Market operates a nutrition incentive program, Más Fresco, which provides shoppers purchasing groceries with SNAP additional coupons for fresh fruits and vegetables. They are the only brick-and-mortar retailers operating such a program in LA.¹⁶

SPRINKLE'S NEIGHBORHOOD MARKET (PENNSYLVANIA FRESH FOOD FINANCING INITIATIVE)

In 2018, Saxonburg, a small town in Butler County, Pennsylvania, lost its only grocery store, leaving residents with few fresh food options. Doug Sprinkle, of Sprinkle's Neighborhood Market, saw this need and took it upon himself to fill the fresh food gap. With a \$50,000 grant from the Pennsylvania Fresh Food Financing Initiative, the Sprinkle family purchased the vacant building and re-opened the store under their management. Sprinkle's

¹⁶ The Food Trust. HFFI Impacts: Nationwide Success of Healthy Food Financing Initiatives. <http://thefoodtrust.org/administrative/hffi-impacts/hffi-impacts-case-studies/california>

This is the second investment in Olvera Enterprises by Northern Initiatives on behalf of Michigan Good Food Fund. The first investment was in Placita Olvera, a mixed-use project bringing together Hispanic businesses, including a brewery, multiple restaurants, outdoor farmers market, and business incubator space currently in development in Grand Rapids.¹⁷



SUPER NATURAL PRODUCE III (PENNSYLVANIA FRESH FOOD FINANCING INITIATIVE)

In 2020, the Pennsylvania Fresh Food Financing Initiative provided experienced grocer Leopoldo Sanchez with a \$50,000 grant toward opening a new supermarket, Super Natural Produce III, in downtown Reading, Pennsylvania, a community that lacks access to a full-service grocery store. Once open, Super Natural Produce III will offer fresh, affordable, healthy food and culturally relevant Hispanic food options to the Reading community. Additional loan financing was provided by Community First Fund, a partner of the Pennsylvania Fresh Food Financing Initiative.

This financing is being used to renovate a vacant building into an extensive 17,000-square-foot supermarket. Sanchez plans to transform the first floor of the building into a full-service grocery store, and the second floor into a manufacturing and warehouse space. The second-floor

space will support both the supermarket and Sanchez's distribution business, which will provide Hispanic food products to local corner stores and food service operators throughout Reading. Once completed, Super Natural Produce III will bring high-quality, affordable food to the community, and have a strong local economic impact. Sanchez has over two decades of grocery retail management experience, and oversees and works closely with the new store manager, who has 15 years of grocery retail management experience.

Super Natural Produce III expects to be fully operational in summer 2022.

VICENTE'S TROPICAL SUPERMARKET (MASSACHUSETTS FOOD TRUST PROGRAM & USDA HFFI)

Vicente's Tropical Supermarket in Brockton, Massachusetts, is owned by the Barbosa family, which has been in the grocery business for nearly 20 years since their father emigrated to the U.S. from Cape Verde in 1994. In 2001, they took over a historic grocery store building that had been vacant for 20 years, and have continued to slowly expand and improve the space. In 2015, they invested in a second store located 1.3 miles from their original site. The new store, co-located with the Brockton Neighborhood Health Center, received financing from several CDFIs and other entities through the federal HFFI program. With both stores remaining profitable, Vicente's renovated its original store in 2019 to bring it up to par with the new store in terms of appearance and variety of fresh food offerings. The renovation included façade improvements and an interior "facelift," including new equipment and larger produce, meat, and dairy departments. Vicente's Supermarket received a \$300,000 loan and \$25,000 grant to renovate the interior and exterior of its full-service grocery store in Brockton.

Reflecting the demographics of downtown Brockton, Vicente's serves primarily customers of Cape Verdean and Haitian descent, providing culturally appropriate products that are not commonly available elsewhere. There are about 100 employees at each Vicente's store, and almost all employees are hired from the local community and reflect the diversity of the

¹⁷ Michigan Good Food Fund. Supermercado Mexico. Projects. Retrieved from <https://migooodfoodfund.org/projects/supermercado-mexico/>.

area. As an employer, Vicente's focuses on upward mobility for its associates and provides opportunities to develop staff's skill sets and responsibilities. Through demographic analysis of their workforce, they discovered that many of their employees were living at or below the poverty line prior to being hired, and through working at Vicente's, they have now achieved financial self-sufficiency.

The supermarket accepts SNAP and WIC. It also sources locally grown produce, particularly through working with World Farmers, a cooperative that supports over 250 immigrant farmers.

Early-Stage Enterprises

CAMDEN ASSOCIATION OF CORNER STORE OWNERS (THE FOOD TRUST'S NEW JERSEY HEALTHY CORNER STORE INITIATIVE)

For 10 years, The Food Trust has operated a healthy corner store network in the City of Camden with support from Campbell Soup Foundation that has provided technical assistance and resources to store owners in the city to sell healthy food at their stores. When the COVID-19 pandemic emerged in March 2020, The Food Trust established a WhatsApp group to provide owners with regular updates on the shifting guidance from state, local, and federal public health authorities. As conversations progressed, the store owners realized that by coming together as a group, coordinating their activities, and pooling resources, they could better advocate for their needs as immigrant entre-

"Every day that goes by, we are going to learn more, and this group creates miracles communicating everything that another person knows. Those that don't know who are new in this business, we learn from the old guys who have been store owners for years and have been fooled. We have all been fooled but every day we are going to learn more."

— JOSE TAVARES, OWNER,
TAVAREZ SUPERMARKET

preneurs, and develop tools and processes that could strengthen all of their businesses. Out of that knowledge, they decided to form the Asociación de Empresarios Unidos.

"The beautiful thing about this group is that before we would run into each other and no one knew each other and no one said hi to each other. Now we are all brothers and we have to maintain this friendship and union that we have created."

— FRANKLIN HERNANDEZ, OWNER,
LUZ GROCERY

The tagline of the group, "Together we are many, united we are more," explains the goals for unity and training that the group has for Camden's store owners. Store owners who join the association receive monthly trainings related to their financial, legal, and regulatory needs, as well as access to a Store Owner Orienteer who can help navigate individual problems or barriers that store owners might be facing with state and local government. As the association takes shape, they are also developing plans to identify a lending institution that can provide them with the ability to take out small loans to improve their stores, and they are developing a mechanism that will allow them to donate money and resources in a collaborative effort to support local and international communities. Also in development are plans for purchasing and real estate development cooperatives. Plátanos Purchasing will be an LLC with the goal of collective purchasing to lower the prices at the corner store. Services such as health insurance, equipment maintenance, and others will be collectively purchased. Raíces Real Estate is also in the process of becoming established as an LLC with the goal of lifting up the city of Camden and reinvesting in the infrastructure through acquiring property to build apartments for residents.

In just over a year, the group has already recruited 85 members, with plans to grow.

ROSEMARY MINI MARKET (THE FOOD TRUST'S NEW JERSEY HEALTHY CORNER STORE NETWORK)

Rosemary Mini Market is a longtime member of The Food Trust's Healthy Corner Store Network, and has been receiving technical support from The Food Trust since 2013. In 2014, Rosemary began offering Heart Smarts lessons to provide nutrition education for customers. Owners Danny and Dulce Galvan said that before joining the Healthy Corner Store Network, they were not successful in selling fresh produce because it always went bad. Once they started the program, Danny began buying a few bags of produce at a time, and now they receive bi-weekly produce deliveries, with demand so high that they often run out of fruits and vegetables before the next delivery and Danny has to go buy more.

Unfortunately, Rosemary lost its ability to accept SNAP, and the associated sales important to the business, due to issues related to an unsophisticated Point of Sale (POS) system, and large purchases that were flagged as unexpected for a smaller store. Loss of SNAP can be devastating to a small grocery business, and requires time-consuming and expensive legal fees to reinstate, and so Danny was excited to take a risk and remodel his store to prioritize healthy options to see if this could help him boost sales. Danny, with help from The Food Trust, focused on the placement of healthy items in Rosemary Mini Market while creating more space for the deli, which now offer smoothies and healthy grab-and-go options.

Danny is also a member of the Camden Association of Corner Store Owners and used his micro loan from FINANTA to buy a worktable for hot food and wood paneling to improve the appearance of his store. Danny loves the technical assistance trainings through the Affinity Group because he believes that you can never stop learning.

To make fresh food even more accessible to its community, Rosemary Mini Market began accepting Food Bucks Rx coupons in December 2019. The program not only provides fresh food resources to people facing food insecurity, but has brought new business to the store. Rosemary Mini Market will be expanding its frozen and canned section to

include no-salt-added vegetables, so that customers have more variety to choose from when using their Food Bucks Rx coupons.

LA JACKA MOBILE (CALIFORNIA FRESHWORKS)

La Jacka was founded in 2016 with the goal of introducing a healthy and affordable meat alternative for traditional Mexican foods in California's Central Valley. After three years of operating as a food truck, in 2019 La Jacka started catering and using a commissary kitchen that they shortly after purchased through the help of multiple partnerships and support from California FreshWorks financing. The project received a \$46,157 working and equipment capital loan, two grants totaling \$49,130 in 2020, and one grant totaling \$8,000 in 2018.

The following information was provided by California FreshWorks' Social and Economic Impacts 2018–2020 report about the partnerships involved in supporting this project:¹⁸

"As part of taking on the commissary kitchen, La Jacka partnered with FreshWorks Market Maker Carissa Garcia and two organizations: Cultiva La Salud and the Pan Valley Institute. Cultiva La Salud had been involved with the commissary kitchen previously as an advocate and collaborator with Food Commons Fresno, helping connect mobile food vendors who participated in the organization's health and local economy program to the kitchen. Cultiva La Salud helped La Jacka take on a grant to place a deposit down for the kitchen to help the kitchen remain community-owned. Following acquisition of the kitchen, Carissa Garcia and the Pan Valley Institute helped identify and connect women-owned and -run immigrant businesses in need of culturally sensitive kitchen space with La Jacka's commissary kitchen."

— CALIFORNIA FRESHWORKS' SOCIAL AND ECONOMIC IMPACTS 2018–2020 REPORT

¹⁸ <https://www.cafreshworks.com/wp-content/uploads/2016/05/California-FreshWorks-Impact-Report-2021.pdf>

RIQUEZAS DEL CAMPO (MASSACHUSETTS FOOD TRUST PROGRAM)

Established in 2019, Riquezas Del Campo is an immigrant-led and worker-owned cooperative farm located in Hatfield, Massachusetts. The co-op members select which culturally appropriate foods to grow for their own communities and are given farmer training on agricultural practices, like organic farming. Funding from the MFTP enabled Riquezas Del Campo to expand its wholesale operations into selling directly to low- and moderate-income shoppers through pop-up and farmers markets. MFTP fund uses included the purchase of waterline hook-up to bring fresh potable water into the farm that allowed them to bring clean produce to market, a solar-powered cooler to increase harvest schedule, a truck for distribution, a tractor, and a greenhouse that is essential in enabling the farmers to start their own seedlings and extend their growing seasons into the spring and fall. This funding increased capacity for a project that was already running, but also advanced social and racial equity by creating wealth within their own community and empowering BIPOC farmers to select what foods are grown for their community.

The project received a \$10,212 grant and a \$140,000 bridge loan from MFTP.

NORTH FLINT FOOD MARKET [CO-OP] (MICHIGAN GOOD FOOD FUND & USDA HFFI)

In 2015, when residents in North Flint mobilized as a response to the Flint water crisis and the departure of two major grocery stores in the community, the outcome was the creation of the North Flint Food Market, the community's first member-owned co-op grocery store. Since then, the store has recruited more than 800 member-owners. The project will work with North Flint Reinvestment Corporation to revitalize a long-vacant building into a new co-op urban grocery store, bringing walkable, fresh produce to a community that currently lacks access to healthy food retail. The project is expected to generate a total capital investment of \$7 million and create upwards of 27 permanent, full-time jobs.

North Flint Food Market has received both local and national support, including a \$40,000 grant from the Michigan Good Food Fund to support pre-development work and \$200,000 from the USDA's Healthy Food Financing Initiative to support development of the project. Additionally, the project received a \$1.25 million performance-based grant from the Michigan Strategic Fund and \$200,000 in Community Development Block Grant funds from the City of Flint. North Flint Food Market has been praised by both Governor Gretchen Whitmer and Flint Mayor Sheldon Neeley, as an example of a community-driven effort and a symbol of hope for healthier food resources in Flint, MI.^{19,20,21}



Food System Innovators

EVERYTABLE (CALIFORNIA FRESHWORKS)

Everytable is an innovative new food business based in the Greater Los Angeles area with a mission to “transform the food system to make fresh nutritious food accessible to everyone, everywhere.” Everytable’s business model is focused on drastically reducing the costs of a standard restaurant model to create affordable, nutritious meals. Everytable is intentionally located in both under-resourced communities that have little to no access to nutritious food and in affluent areas, with meals priced according to the neighborhood in which they are located.

¹⁹ North Flint Food Market The Healthy Food Financing Initiative. North Flint Food Market. Retrieved from <https://www.northflintfoodmarket.org/>.

²⁰ Michigan Good Food Fund. North Flint Food Market. Projects. Retrieved from <https://mifoodfund.org/projects/north-flint-food-market/>.

²¹ Reinvestment Fund. Co-op grocery store in North Flint holds groundbreaking ceremony. America's Healthy Food Financing Initiative. <https://www.investinginfood.com/maya-harjo-farm-director-at-the-cultural-conservancy-harvests-tepary-beans-at-indian-valley-organic-farm-garden-in-novato-tepary-beans-are-drought-tolerant-and-excellent-nutritionally-especially/>.



Revolution Foods provides 300,000 chef-crafted meals to community and school feeding sites each day.

In 2020, the business owners of Everytable were connected with Reinvestment Fund through California FreshWorks' Market Maker, Daniel Tellalian, of Angel City Advisors. Reinvestment Fund provided two working capital loans for Everytable, totaling \$2.5 million in investment. Additionally, California FreshWorks provided loan guarantees of \$200,000 and \$300,000, as well as a \$50,000 technical assistance grant to help Everytable expand its weekly meal program to bring healthy food to former foster youth and their families through a partnership with Foster Nation. Everytable also utilized its existing infrastructure to work with a variety of other nonprofits across the city and county to bring meals to seniors, people with disabilities, and low-income families—demonstrating a deep commitment to those most affected by the COVID-19 pandemic.^{22,23}

REVOLUTION FOODS

Revolution Food is a California-based Certified B Corporation that provides 300,000 chef-crafted meals to community and school feeding sites each day. They operate across 23 states, and their "clean-label" supply chain features carefully considered ingredients sourced from national and local vendors that are free of artificial colors, flavors and sweeteners. They operate a culinary center in Edison, New Jersey, that employs 90 to 100 people, and currently focuses on providing meals to sites in the Philadelphia and New York City metropolitan areas.

Philanthropy has periodically aided in the expansion of Revolution Foods by providing

school districts and other feeding sites with the equipment needed (stoves, refrigeration, etc.) to serve their foods to people. In the years ahead, they are also exploring collaborations with Medicaid providers and other healthcare providers to serve medically tailored meals to populations in need of such services. Further, they are exploring opportunities to bring their products into retail locations as a way of expanding their business.

For the purposes of this scan, it appears that Revolution Foods offers a quality product to institutional settings, that their operations have a focus on good jobs, and that there may be targeted opportunities to support their expansion with support from government and/or philanthropy.

MOM'S FRESH FOODS / A50 WIC STORES

Several chains of stores operate in states that have authorized their operation to focus primarily on serving participants in the Special Supplemental Nutrition Program for Women, Infants and Children (WIC). The stores are known as A50 Stores (because more than 50% of their clientele are WIC participants), and among the most notable is Mom's Fresh Foods / Prime Time Nutrition in Oklahoma and California. Their stores appear to have some benefits to participants in the WIC program. For example, a study by University of California-Davis found that WIC participants in Oklahoma who do the majority of their shopping at A50s were more likely to fully utilize their program benefits, and stay on the program longer, when compared to their peers who do not do the majority of their shopping at A50s. Operators of A50s cite these findings as evidence that they understand the unique needs of WIC participants (many staff persons are currently or have been on WIC) as well as a pricing model that encourages the full utilization of benefits (i.e. prices are in increments that add up to the full amount of WIC benefits).

At the national level, the National WIC Association has commented that the stores do an impressive job serving their customers, after prior concerns about this business model that emerged in the early 2000s. In order for a state to permit the development of A50 WIC Stores, they would need to be included by the WIC Director in the state's WIC Plan,

²² Pacific Community Ventures (2021, September). California FreshWorks' Social and Economic Impacts 2018–2020. California FreshWorks. <https://www.cafreshworks.com/wp-content/uploads/2016/05/California-FreshWorks-Impact-Report-2021.pdf>

²³ Everytable. Our story. Everytable. Retrieved from <https://www.everytable.com/about/>.

which then needs to be approved by USDA Food and Nutrition Service (FNS), and then have adequate resources to ensure that the stores comply with state and federal regulations. Currently, 10 states (not including New Jersey) permit the operation of A50 stores. Some signs suggest that future regulatory reforms at the federal level will make it easier still in the years ahead for the development of WIC-only stores.

Several interviewees for this scan noted concerns about A50 stores. Representatives of community development organizations noted that A50 stores cannot serve as a proxy for improved access to healthy food, given that they cater to a relatively narrow slice of the overall population of a given community. Some members of the retail community question the need for WIC-only stores in the field at large, given the opportunities for eWIC to reach people in any community statewide, and their relatively adept ability to serve customers. Other public health professionals noted that A50 WIC stores have struggled to gain a foothold in some grocery markets, specifically New York, which should be of note for this scan given that much of New Jersey is in the New York City metropolitan area and may have similar dynamics in the retail sector. If New Jersey wished to explore the development of A50 WIC stores, it may be wise to do additional feasibility analysis on their operations and further analysis of who they may serve above and beyond the current system.

THE MICHIGAN AND MINNESOTA FOOD CHARTERS

Local stakeholders in two states, Michigan and Minnesota, have developed food charters to coordinate progress in the food system. The charters serve as a roadmap for future activity, and were born out of concerns related to the fact that food systems work touches on a variety of sectors, including education, local agriculture, the retail industry, public health, anti-hunger, and community development. In both states, the charters were developed by local leaders in food systems work and featured a robust community engagement effort that included individual interviews with stakeholders, events open to general audiences, online surveys, and other forums for input.

The Michigan Good Food Charter has a strong focus on supporting the local food economy, has been funded by the W.K. Kellogg Foundation, and is coordinated by the Michigan State University's Center for Regional Food Systems. Established in 2010, it called for the following progress in Michigan by 2020:²⁴

1. Michigan institutions will source 20 percent of their food products from Michigan growers, producers, and processors.
2. Michigan farmers will profitably supply 20 percent of all Michigan institutional, retailer, and consumer food purchases and be able to pay fair wages to their workers.
3. Michigan will generate new agri-food businesses at a rate that enables 20 percent of food purchased in Michigan to come from Michigan.
4. Eighty percent of Michigan residents (twice the current level) will have easy access to affordable, fresh, healthy food, 20 percent of which is from Michigan sources.
5. Michigan Nutrition Standards will be met by 100 percent of school meals and 75 percent of schools selling food outside school meal programs.
6. Michigan schools will incorporate food and agriculture into the pre-K through 12th grade curriculum for all Michigan students and youth will have access to food and agriculture entrepreneurial opportunities.

Coordinators of the effort have hosted annual summits to monitor progress toward their goals and to facilitate a community of practice among food systems groups in Michigan. At their 2020 summit, Michigan stakeholders set the stage for their next decade of work, but have yet to publish their roadmap for moving forward.

In contrast, the Minnesota Good Food Charter was created out of concerns related to rising rates of diet-related disease, inadequate access to healthy food, and an increase in the utilization of emergency food provid-

²⁴ Michigan State University. The vision and goals of the Michigan Good Food Charter. Michigan Good Food. Retrieved from <https://www.canr.msu.edu/michiganfood/about/>.

Capital City Farm in Trenton operates both to grow and sell food, but also to preserve open space, place an emphasis on community engagement, and run educational and workforce development programs.



ers. The Minnesota Food Charter, which is currently in a period of transition, has been supported by the Center for Prevention at Blue Cross and Blue Shield of Minnesota, the Minnesota Department of Agriculture, the Minnesota Department of Health, University of Minnesota Extension, and the General Mills Foundation. It is hosted by the Healthy Foods, Healthy Lives Institute at the University of Minnesota. The charter calls for 99 specific strategies related to food skills, food affordability, food availability, food accessibility, and food infrastructure.²⁵ The charter is currently without staff, and coordinating groups are reflecting on an evaluation of the charter that found that it was a touchstone for food systems work across the state, but that people experienced a lack of clarity as to its governance and goals.

²⁵ Minnesota Food Charter. <http://mnfoodcharter.com/the-charter/>


²⁶ Several studies include Urban Agriculture in New Brunswick (<https://rwv.rutgers.edu/wp-content/uploads/2020/08/Urban-Agriculture-in-NB-Report-2011-.pdf>), Growing Food to Grow Cities (https://www.researchgate.net/publication/275380492_Growing_food_to_grow_cities_The_potential_of_agriculture_for_economic_and_community_development_in_the_urban_United_States) & Urban Agriculture in the Garden State (<https://www.nj.gov/dep/ej/docs/ejac-urban-agriculture-white-paper.pdf>)

URBAN FARMS AND COMMUNITY GARDENS

Like in many states, New Jersey's urban communities have a robust number of community gardens and urban farming projects. Operations like Aerofarms' vertical farms in Newark and Jersey City aim to use underutilized warehouse spaces in urban communities to grow and sell fruits and vegetables at a profit. Other organizations, like Capital City Farm in Trenton and the Center for Environmental Transformation in

Camden, operate both to grow and sell food, but also to preserve open space, place an emphasis on community engagement, and run educational and workforce development programs. In other instances still, community gardens are simply developed on available land by engaged community members. Both urban farms and community gardens in New Jersey have been studied extensively by researchers at Rutgers and elsewhere.²⁶ Both types of operations have notable benefits and drawbacks. For-profit urban agriculture operations can be a solid strategy to revitalize underutilized plots of land and provide good-paying jobs to community residents. However, their ability to address food access issues is limited, given that the farms produce a limited assortment of products and often focus on high-value items such as microgreens that may be out of reach to low-income populations. Conversely, community gardens may never produce enough food to meet the full needs of New Jersey's underserved communities; however, their mission, and educational and workforce development goals make them a vital community asset and a testament to a neighborhood's resilience.

Healthy food access can be improved through intentional support of healthy food retail projects such as grocery stores, co-ops, corner stores, farmers markets, mobile markets, and other innovative approaches such as healthy meal provision.



New Jersey's commitment to this issue through the Food Desert Relief Act is an important first step which can be enhanced with the learnings of those in New Jersey and throughout the country.

Key lessons include involving community perspective in understanding what projects to support, funding projects across the food system, being flexible in who can apply for funds, offering technical support for business development and sustainability, and coordinating with partners and funders across the state to ensure efficient implementation of the program and related assistance for healthy food retail businesses. The resulting investment can lead to multidimensional impacts for communities across New Jersey, including improved health, social cohesiveness, and economic vitality.

Interview List

NEW JERSEY

| | |
|---|------------------------------------|
| RWJF Build Healthier Places Network..... | Colleen Flynn |
| RWJF, Impact Investment..... | Zoila Jennings |
| Neighborhood Impact Investment Fund (NIIF)..... | Lori Glass |
| Choose: New Jersey..... | Chantel Figueroa |
| New Jersey Department of Community Affairs..... | Jef Buehler |
| National Grocers Association..... | Tim O'Connor |
| New Jersey Food Council..... | Linda Doherty |
| City Green..... | Lisa Martin/Jasmine Moreano |
| Revolution Foods..... | Kirsten Tobey |
| NJ EDA..... | Lori Matheus |
| NJ EDA..... | Tara Colton/Rucha Gadre/Brian Todd |
| NJ Food Democracy Collaborative..... | Jeanine Cava |

NATIONAL

| | |
|---|------------------------------|
| Acumen..... | Amon Anderson |
| Community Vision..... | Esperanza Pallana |
| Fair Food Fund..... | Mark Watson |
| Fair Food Network..... | Jean Chorzyczewski |
| Capital Impact Partners..... | Mary Donnell |
| Franklin County CDC..... | Rebecca Busansky |
| Local Economic Assistance Fund (LEAF)..... | José Luis Rojas |
| K-State Research and Extension/Rural Grocery Initiative..... | David Procter/Rial Carver |
| Kansas Health Foundation..... | Jeff Usher |
| Council of Development Finance Agencies..... | Tony Rittner/Allison Rowland |
| Reinvestment Fund..... | Molly Hartman |
| Reinvestment Fund..... | Christina Szczepanski |
| Hope Credit Union..... | Kathy Saloy/Kevin Coogan |
| The Kresge Foundation..... | Stacey Barbas |
| Massachusetts Department of Agricultural Resources..... | Rose Arruda |
| National WIC Association..... | Brian Dittmeier |
| National Alliance of Community Economic Development Associations..... | Frank Woodruff |

Key Resources

- California FreshWorks. About FreshWorks. <https://www.cafreshworks.com/about-us/>
- Council of Development Finance Agencies. Food systems finance resource Center. Council of Development Finance Agencies. <https://www.cdfa.net/cdfa/cdfaweb.nsf/resourcecenters/foodsystems.html>
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The Food Trust is a nationally recognized nonprofit organization that works with neighborhoods, schools, grocers, farmers, and policymakers on a comprehensive approach to improved food access that combines nutrition education and greater availability of affordable, healthy food.

