

















### Beyond the Grocery Gap:

Strategies for Supporting Rural and Indian Country Communities Through the Healthy Food Financing Initiative

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The Emerson National Hunger Fellows Program is a social justice program that trains, inspires, and sustains leaders. Fellows gain field experience fighting hunger and poverty through placements in community-based organizations across the country, and policy experience through placements in Washington, D.C. The program bridges community-based efforts and national public policy, and fellows develop as effective leaders in the movement to end hunger and poverty. The Emerson Program supports a diversity of local and national approaches to eliminate hunger, poverty and social inequality, particularly racism. The program seeks to craft successful and mutually beneficial partnerships between Fellows and partner organizations while developing a new generation of hunger and poverty leaders.

Reinvestment Fund is a federally certified community development financial institution (CDFI) that integrates data, policy and strategic investments to improve the quality of life in low-income neighborhoods. Reinvestment Fund puts resources in the communities of greatest need in the manner that achieves the greatest good—because everyone should have the opportunity to live in a diverse and economically vibrant neighborhood. Using analytical and financial tools, Reinvestment Fund brings high-quality grocery stores, affordable housing, schools and health centers to the communities that need better access—creating anchors that attract investment over the long term and help families lead healthier, more productive lives.

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# The Healthy Food Financing Initiative: an opportunity to grow local and regional food systems in rural communities and Indian Country

In the past decade, the movement to invest in healthy, fresh, and affordable food in underserved and hard-to-reach communities has culminated in the allocation of federal funds and the launching of at least nine state and local initiatives to support food access in such communities. Beginning in fiscal year 2011, the U.S. Department of the Treasury's Community Development Financial Institutions (CDFI) Fund, and the U.S. Department of Health and Human Services' Office of Community Services have awarded Healthy Food Financing Initiative (HFFI) grants to CDFIs and community development corporations. These federal grants have leveraged over \$1 billion and financed a diversity of retail and non-retail projects in underserved communities, including independent grocery stores, food hubs, farmer's markets, food cooperatives (co-ops), business incubators, and commercial kitchens across 35 states. 

These efforts fight hunger, increase access to healthy foods, create jobs, and revitalize communities.

Building on these successes, the 2014 Farm Bill established an HFFI program within the United States Department of Agriculture (USDA). This HFFI was modeled on the Pennsylvania Fresh Food Financing Initiative<sup>2</sup>, which provided technical assistance, and grants and loans to eligible projects and partnerships that aimed to improve access to healthy foods in hard-to-reach, underserved communities.

To sustainably and effectively allocate funds, the USDA selected Reinvestment Fund, an intermediary CDFI, to act as USDA's HFFI National Fund Manager. In this role, Reinvestment Fund will raise private capital, provide financial and technical assistance to regional, state and local partnerships, and channel capital towards eligible projects. In fiscal year 2017, Congress included \$1 million in USDA's budget to launch HFFI.<sup>3</sup> As of publication date, Reinvestment Fund's grant agreement is being reviewed by and awaiting approval from the USDA.

<sup>&</sup>lt;sup>1</sup> Source: US Department of Health and Human Services https://www.acf.hhs.gov/ocs/programs/community-economic-development/healthy-food-financing

<sup>&</sup>lt;sup>2</sup> Source: The Food Trust http://thefoodtrust.org/uploads/media\_items/hffi-one-pager.original.pdf

<sup>&</sup>lt;sup>3</sup> Source: USDA Rural Development <a href="https://www.rd.usda.gov/newsroom/news-release/usda-announces-new-partnership-increase-rural-residents%E2%80%99-access-healthy-food">https://www.rd.usda.gov/newsroom/news-release/usda-announces-new-partnership-increase-rural-residents%E2%80%99-access-healthy-food</a>

Reinvestment Fund is committed to equitably deploying HFFI funds. As the National Fund Manager, the Reinvestment Fund will focus on communities that have not benefited proportionately from the HFFI program, such as rural communities and communities in Indian Country. These two communities face unique challenges and require a tailored approach to increase access to healthy food. A subset of the HFFI funds will be used to develop a targeted financial assistance program to support projects addressing rural and Indian Country healthy food access. To initiate this work, Reinvestment Fund performed an environmental scan of equitable rural and Indian Country food system projects. Insights gleaned from the environmental scan will be used to inform the design of the targeted small grants program.

This Hunger-Free Communities report offers a framework to identify key issues and promising models for practitioners that best support food access in rural communities and Indian Country. It explores cultural, infrastructural, and capital-related contexts in rural and Indian Country. In preparing this report, Reinvestment Fund conducted 18 interviews with members of its National Fund Manager advisory committee. The committee includes funders, practitioners operating throughout the food system, USDA representatives, and colleagues at other CDFIs serving rural and Indian Country. Interview candidates were selected through a "snow-ball" referral method in which primary key informants recommended the next set of interview candidates.

Interviews were designed to gain the following insights:

- Promising projects and programs currently addressing rural and Indian Country food access;
- The objectives of these projects and programs, who they served, funding sources, and other key stakeholders involved;
- Project successes and challenges;
- Gaps and limitations these projects and programs do not address; and
- How a small grant program could create, support, or enhance these types of projects and programs.

# Working in rural and Indian Country communities presents a set of unique challenges

Approximately 46 million people live in rural areas<sup>4</sup>, however rural communities face a range of mutually-reinforcing challenges that make it difficult for them to access fresh, healthy food. Main challenges include a shrinking and aging population, high levels of unemployment, disappearing lines of credit, and inadequate infrastructure to support faster and quality internet connectivity.<sup>5</sup> What's more, according to the USDA, over 300 rural counties experience persistent poverty. A greater percentage of rural counties (15.2%) experience persistent poverty compared to (4.3%) urban counties.<sup>6</sup>

Due to the higher rates of poverty, and difficulty accessing fresh and healthy food, the rate of food insecurity is also higher in rural (non-metropolitan) households (15%) than in households located in principal cities of metropolitan areas (14%).<sup>7</sup> Some members of rural communities have limited access to establishments that offer a wide variety of healthy food items, such as supermarkets, supercenters, grocery stores and other non-traditional establishments. Distance, cost, convenience, and cultural preferences are factors that influence healthy food access.<sup>8</sup> Shrinking sources of credit in rural communities may also prevent food entrepreneurs, farmers, small businesses, and non-profits from obtaining the capital needed to develop robust regional and local food systems.

Unfortunately, such challenges are heightened in rural American Indian and Alaskan Native tribal communities. According to 2010 Census estimates, almost half of all individuals living in American Indian tribal areas (49%) had household incomes at or below 200% of the Federal Poverty Level (FPL). This is compared to 32% of the general U.S. population who have household incomes at or below 200% of the

<sup>&</sup>lt;sup>4</sup> Source: USDA Economic Research Service <a href="https://www.ers.usda.gov/topics/rural-economy-population/population-migration/">https://www.ers.usda.gov/topics/rural-economy-population-migration/</a>

<sup>&</sup>lt;sup>5</sup> Sources: USDA Economic Research Service <a href="https://www.ers.usda.gov/webdocs/publications/85740/eib-182.pdf">https://www.ers.usda.gov/webdocs/publications/85740/eib-182.pdf</a>; Simon, R. and Jones, C. "Goodbye, George Bailey: Decline of Rural Lending Crimps Small-Town Business". <a href="https://www.wsj.com/articles/goodbye-george-bailey-decline-of-rural-lending-crimps-small-town-business-1514219515">https://www.wsj.com/articles/goodbye-george-bailey-decline-of-rural-lending-crimps-small-town-business-1514219515</a>. January 2017.

<sup>&</sup>lt;sup>6</sup> Source: USDA Economic Research Service https://www.ers.usda.gov/webdocs/publications/85740/eib-182.pdf

<sup>&</sup>lt;sup>7</sup> Source: USDA Economic Research Service https://www.ers.usda.gov/webdocs/publications/84973/err-237.pdf

<sup>8</sup>Source: USDA Economic Research Service https://www.ers.usda.gov/topics/food-choices-health/food-access/

FPL.<sup>9</sup> Further, in a USDA study examining American Indian and Alaska Native Tribal areas' access to healthy food, researchers found that less than one-third of all tribal area individuals who are at or below 200% of the FPL – or roughly 27% – lived within walking distance of a supermarket.<sup>10</sup> Barriers to accessing capital – such as the lack of financial institutions on or near Native lands, lenders' limited understanding of tribal government and legal codes, restrictions on land to be used as collateral, and discrimination against native communities – all exacerbate tribal communities' inability to provide healthy food for themselves.<sup>11</sup>

### Food access projects that work in rural communities may not necessarily translate to Indian Country. It is important to consider the following when working in Indian Country:

- Not all tribal communities have the same cultural values, legal codes, and government structure.
- Tribal governments set legal codes for how business is conducted in their communities.
   Legal codes may impede food retail business models that have worked in the private sector.
- The most successful food access projects were supported by the tribal government or faith-based leaders of the tribal community.
- Tribal governments often hold land trusts. These trusts require tribal governments to sanction agricultural initiatives or construction projects.
- o It is difficult to finance tribal projects because the use of land as collateral is restricted.

<sup>&</sup>lt;sup>9</sup> Source: Kaufman, Phillip, Chris Dicken, and Ryan Williams. Measuring Access to Healthful, Affordable Food in American Indian and Alaska Native Tribal Areas, EIB-131, U.S. Department of Agriculture, Economic Research Service, December 2014.

<sup>&</sup>lt;sup>10</sup> Ibid.

<sup>&</sup>lt;sup>11</sup> Native Nations Institute. 2016. Access to Capital and Credit in Native Communities. Tucson: Native Nations Institute. <a href="http://nni.arizona.edu/application/files/8914/6386/8578/Accessing Capital and Credit in Native Communities.pdf">http://nni.arizona.edu/application/files/8914/6386/8578/Accessing Capital and Credit in Native Communities.pdf</a>

#### SUCCESS STORY: A FOOD SYSTEM FOR THEIR COMMUNITY

Over the last five years, Quapaw tribal leadership's investment in food sovereignty and enterprise diversification has transformed their community into a thriving food system. The goal of these efforts is to create a local supply chain by growing their own produce, raising livestock, and processing food. The tribe has invested in cattle and bison operations, and recently opened a meat processing plant that meets USDA food safety procedures and inspections. These agricultural initiatives are supplying their casino operations in addition to their elderly care center and child early learning program. The Quapaw have also invested in four greenhouses and honeybee hives that supply their casino with locally grown produce. There are also efforts to supply convenience stores in their community with healthier food options.

Technical assistance and/or financial assistance ingredient for success: A partnership with the University of Arkansas, the local land grant university, provided the tribe with a combination of legal expertise and food science technical assistance. Bumpers College of Agricultural, Food and Life Sciences and Indigenous Food and Agriculture Initiative at the School of Law helped with designing the meat processing plant, forming the business structure, and completing regulatory procedures. The plant was also financially supported through a grant from the U.S. Department of Housing and Urban Development.

Although rural communities and Indian Country face distinct challenges, common themes emerged from conversations with key informants on how healthy food access could be improved in rural and tribal communities through investments in local and regional food systems. The following pages contain the common themes highlighted by interviewees, as well as opportunities for investment, and a closer look at how certain communities successfully created their own food system enterprises.

# Multiple entry points exist for enhancing the food system for rural and Indian Country

#### Investing throughout the food system is investing in the community and economy

Interviewees in rural and Indian Country emphasized that equitable healthy food access is more than just retail. Food system projects that create jobs, add value to rural agriculture, and support the rural economy are critical in cultivating a robust food supply chain in rural communities. Retail projects are dependent on diversified value chains with the flexibility to grow that support local and regional food systems.

For food systems to thrive in rural and tribal communities, producers, aggregators, distributors and food retail institutions need investments in physical equipment and infrastructure. Key informants identified two critical issues - food safety and value-added processing that are critical to the development of robust regional food systems.

#### Promoting a culture of food safety can link producers to greater markets

From handling and packing fresh produce to canning or freezing products, food safety is vital. The interconnected activities of growing, aggregating, distributing, processing and selling food to consumers are supported by investments in food safety equipment, certifications, and education. In rural and Indian Country, investing in food safety can link producers to new markets by approving them for additional market channels that require commercial standards for food safety. For established food enterprise models such as food hubs, new food safety rules require these enterprises to pivot towards updating their food safety handling practices in their business models.

#### **Opportunities for investment**

- o Increase food safety consultancy opportunities
- Subsidize certification and audit preparation costs for Good Agricultural Practices (GAP)
   or Good Handling Practices (GHP) for produce
  - Invest in food safety equipment:
  - More cold storage units
  - More cleaning equipment
  - Higher quality temperature control monitoring systems and visualizations

SUCCESS STORY: A FOOD RETAIL COOPERATIVE REINVESTS IN THEIR LOCAL FOOD SYSTEM
A food market cooperative with stores in both urban and rural parts of New Mexico, reinvested in
their local food system by employing a value chain coordinator. The value chain coordinator
launched a resource sharing program to groups of differently sized local growers which lowered
the cost and burden of securing food safety certifications. Through this program, many producers
were able to access larger markets.

**Technical assistance and/or financial assistance ingredient for success:** The value chain coordinator received funding from the USDA's Local Food Promotion program due to the co-op's existing distribution network and an organizational commitment to sourcing locally.

#### Value-added processing can diversify revenue streams

Another gap in developing a robust regional food system is the need to invest in value-added products to improve profitability. Value-added processing means changing the physical state or form of a raw product (e.g. producing preserves or salsa) or producing a product through a process that increases its value (e.g. organic). For many producers, adding value to products can sustain enterprises and support their businesses long-term. Although value-added producer grants are available from the USDA, many farmers are not able to access this funding due to complicated application procedures. Thus, these programs may not necessarily reach farmers who could benefit the most from adding value to their crops. Key informants noted that adding value to each enterprise is dependent on context and business model. However, across all enterprises, technical assistance and value-chain coordination are keys to implementing a sustainable business model. Obtaining help from other experts, such as value-chain coordinators or agricultural and food science researchers, would help support the development of unique, highly marketable products.

<sup>12</sup> Source: University of Maryland Extension <a href="https://extension.umd.edu/agmarketing/value-added-products">https://extension.umd.edu/agmarketing/value-added-products</a>

#### **Opportunities for investment**

- o Offering value-chain coordination consultancy
- Assist in technical assistance coordination
- Subsidize value-added processing facilities and equipment

#### SUCCESS STORY: ADDING VALUE TO IMPERFECT FRUIT

After years of selling imperfect Asian pears at a suboptimal value to juice processors, a farmer in rural Oregon added value to their lower grade fruit by constructing a value-added food processing facility to manufacture a specialty "puffed" freeze-dried 100% fruit snack.

**Technical assistance and/or financial assistance ingredient for success:** By partnering with a food scientist from a local university cooperative extension, the farmer was able to develop a niche product. The farmer was also able to access New Markets Tax Credits (NMTC) which provided facility financing.

# Develop leadership capacity by investing in the next generation of food entrepreneurs

CDFIs with experience working in rural and tribal communities observed that food access projects were most successful when leaders have entrepreneurial skills, such as business planning, food or agricultural sector experience. However, a significant challenge for leadership development across the country is that rural communities are experiencing population loss due to young people leaving rural areas.

The opportunity to develop skills in the next generation of farmers and food entrepreneurs by investing in leadership development is just as important as investing in physical infrastructure. Youth development programs in agriculture and business planning allow youth to gain entrepreneurial skills and gain cultural knowledge across generations. Small-acre production is often a training ground to introduce youth to agriculture and the food system.

In Indian Country there is also a cultural expectation to include youth and encourage intergenerational participation. According to one key informant who is a program director of a USDA Beginning Farmer and Rancher program in Indian Country, when designing programs related to education one must allow for cultural considerations such as offering meals at programs, targeting participation from all ages, and focusing on non-commercial aspects to these education programs.

In addition to youth development, it is just as important to build organized capacity in Indian Country and rural communities. Key informants mentioned that rural and Indian Country communities needed individuals who handled the administrative day-to-day tasks of organizing meetings, and events. They also needed individuals who filled technical skills gaps, such as grant-writing and managing program finances. This allows community members to obtain funding, identify community leaders more efficiently, and maintain a backbone organization to lead healthy food access initiatives. For example, a food sovereignty coalition in Indian Country was able to apply for additional funding due to a designated grants and coalition coordinator. The coordinator facilitated meetings and provided administrative resources to get projects off the ground.

Funding community facilities can support leadership capacity-building initiatives in Indian Country.

Community learning spaces open to people of all ages allow community members to conduct workshops, classes, or convenings that may teach critical leadership or community organizing skills.

#### **Opportunities for investment**

- Fund community facilities to support education and training
- o Provide educational programs to target technical skills gap
- o Small-acre production equipment

#### SUCCESS STORY: TRAINING THE NEXT GENERATION OF GROWERS

A youth center's community gardening program encourages Lakota youth and teens to tend, harvest, and preserve produce. Program participants also learn about cultural knowledge and social enterprise by selling produce and preserved foods at their local farmer's market.

**Community ingredient for success:** The program focuses on youth development to promote food sovereignty by encouraging youth to develop leadership skills.

### Technology can help facilitate technical assistance, improve communications and business operations in rural areas

Technological advancements continue to spur innovation in various sectors, and the food sector is no exception - food system entrepreneurs are adapting new strategies and leveraging resources to develop novel solutions to program administration, and business infrastructure. Furthermore, technology can also reduce barriers to accessing technical assistance.

In rural communities, new technology can streamline business inefficiencies, increase capacity, and develop service delivery models that can overcome the geographical barriers. However, small, rural communities often do not have the capacity to apply for funding due to a lack of existing infrastructure to collect data and maintain consistent records. Many key informants stated that capital is critically needed to implement basic technological infrastructure, particularly with supply chain projects to better track shipping costs. As new technologies emerge, there is an opportunity to invest in basic software and information technology systems in these communities to collect data and organize businesses.

Investments in technology can also more effectively deliver technical assistance. In HFFI projects, many CDFIs offer technical assistance through their lending staff, which often includes one-on-one technical assistance and support. Because distance can be a barrier, delivering technical assistance through online platforms may reach a broader audience and offer opportunities for learning to entrepreneurs in remote areas.

#### **Opportunities for investment**

- Subsidize more back-end software to support inventory systems
- o Develop online platforms for educational tools
- Support online or app-based platforms to facilitate marketing and commerce

Success story: combining Learning approaches to Business Development
In rural Michigan, many small business clients reside far away from technical assistance agents
and other business planning entities. To remedy issues of distance, a small CDFI that is affiliated
with a local university developed a technical assistance e-learning portal on topics such as
marketing and business development. The portal utilizes a blended learning strategy that
included support from three designated coaches on topics of money, marketing and
management. Through the portal, the CDFI served 53 counties of varying population densities.
Based on this success, two other organizations are also using the portal, attracting a larger
network of learners.

**Technical assistance and/or financial assistance ingredient for success:** The online platform combined with business coaching allowed small business clients in rural areas to receive blended learning instruction.

### There is an opportunity to innovate non-traditional retail grocery models through technology

Key informants mentioned several rural healthy food access projects such as food clubs and grocery boxes that include an online or app-based retail platform. However, the Supplemental Nutrition Assistance Program (SNAP) does not allow for Electronic Benefit Transfer (EBT) transactions to be performed online. Currently, all transactions must be made at point of purchase. For example, a mobile grocery food club in New Mexico must deliver their boxes to sites where SNAP benefits can be redeemed. Similarly, in South Carolina, local extension offices have partnered with a farmer's market coalition that serves the local rural and tribal communities. Extension offices in each county act as pick-up locations for online orders from an online farmer's marketplace, linking consumers and producers

across four counties. Although the program does not currently accept SNAP benefits, the program staff believes there is an opportunity to incorporate online SNAP into their business model.

As of January 2017, the USDA Food Nutrition Service is conducting a two-year pilot to enable SNAP online transactions.<sup>13</sup> In the future, there may be opportunities for non-traditional retail models to update their business models by incorporating SNAP and the Food Insecurity Nutrition Incentive Program revenues.

### For implementation to be successful, technical assistance is necessary throughout the duration of the project lifecycle

Many innovative food enterprises are early stage businesses or organizations. For some of these projects, the leadership team may have an innovative idea, but due to a lack of business planning expertise, need additional help to make the project successful.

Many food access and food systems projects in rural and Indian Country are supported by small operations. They are more suited to federal Small Business Administration (SBA) financing programs, such as SBA 8(a) or PRIME programs, which offer technical assistance and market channels such as federal contracts. However, technical assistance goes beyond the program. A CDFI specialist in SBA financing noted that many rural enterprises had difficulty securing deals post-program. The specialist suggested that such enterprises would benefit from additional opportunities to network and access market channels.

Early-stage rural businesses need a hands-on-approach to technical assistance throughout the entire project life-cycle. Businesses at different parts of the risk continuum can benefit from technical assistance that is tailored to its risk type. For risky, innovative businesses with limited experience, working through finances and business coaching could make these innovations viable. For less riskier businesses, capital is needed to conduct feasibility studies, market analyses and obtain additional certifications, such as in food safety. For businesses in later project stages with an established business

<sup>&</sup>lt;sup>13</sup> USDA Food Nutrition Service <a href="https://www.usda.gov/media/press-releases/2017/01/05/usda-announces-retailer-volunteers-snap-online-purchasing-pilot">https://www.usda.gov/media/press-releases/2017/01/05/usda-announces-retailer-volunteers-snap-online-purchasing-pilot</a>

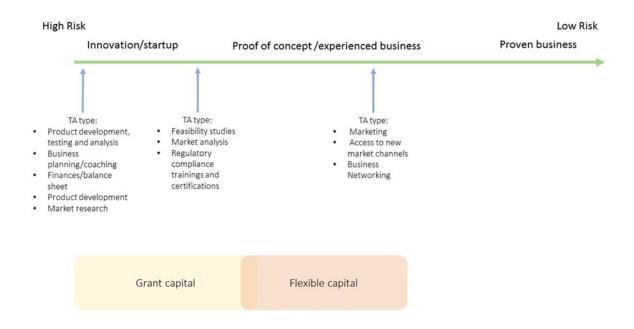
plan, sustaining these projects long term is dependent on continually referring and establishing networks to business channels. Two interviewees – a CDFI specialist and a rural farmer – noted that collective marketing strategies were critically needed for agricultural endeavors. Marketing and advertising costs can burden rural enterprises. Fortunately, there are grant opportunities to support organizing and connecting regional financing entities, community organizations, food distributors through market-connection convenings, workshops, and events.

Since tribal enterprise and land ownership often appear to follow cooperative models, Indian Country interviewees suggested that opportunities for food retail may come from business models such as cooperatives, or non-traditional grocery retail, such as non-profit grocery stores. As the National Fund Manager, there are opportunities for Reinvestment Fund to consider partnering with food banks and Food Distribution Program on Indian Reservations (FIDPR) sponsoring organizations to develop alternative grocery models. Financing these alternative business models will require offering technical assistance that is flexible to the needs of these organizations and a lender that can accommodate innovative and non-traditional businesses.

#### Recommendations for a targeted HFFI financial assistance program

- o Offer a simple application procedure
- o Make clear expectations for types of projects that will be funded or not funded
- o Partner with intermediary CDFIs
- Utilize technical assistance provided by local experts
- o Include qualified staff from the tribe when working in Indian Country
- Support flexible program measure reporting requirements
- Offer technical assistance post-program

Figure 1. Technical assistance is required throughout the entire food chain process. The figure above indicates technical assistance needs by type of business. As a business moves from seed funding, where technical assistance is critically needed for business planning/coaching and product development, to becoming a developed business, technical assistance needs evolve to include certification and access to marketing and market channels.



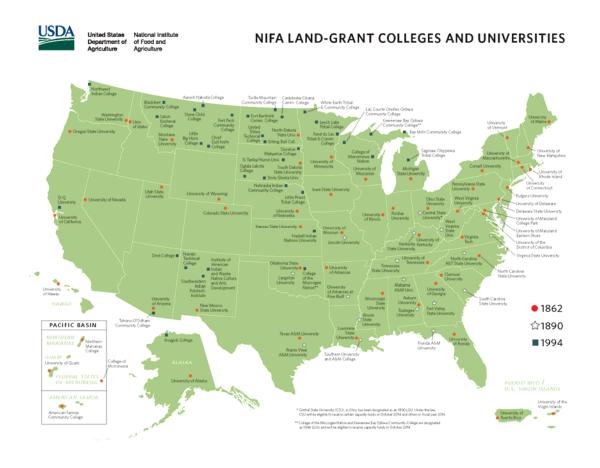
# Local CDFIs, Cooperative Extension provide opportunities to create strategic partnerships

Initiating local partnerships can better contextualize project or program needs related to Indian Country and rural communities. For example, local CDFI staff may better understand the market conditions in a local geographic area and offer more tailored technical assistance. Key informants in rural and Indian Country communities emphasized that while many communities experience low population density, each community is unique. Therefore, working in healthy food access and food systems requires understanding local contexts and cultural practices. Contextual knowledge could support project buy-in from community interviewees. Partnering with local CDFIs and local business development organizations can deliver more tailored approaches to addressing challenges.

# The Cooperative Extension System provides food systems tailored learning opportunities and technical assistance

Across the nation, rural communities, Indian Country, and communities of color are linked by non-formal education and learning opportunities administered through land-grant colleges and universities. <sup>14</sup> The Cooperative Extension System (CES) is a partnership between the USDA and land-grant universities to conduct and disseminate agricultural research. During conversations with rural and Indian Country interviewees, CES appeared to be a key technical assistance player for many successful food system and food access projects.

Figure 3. USDA National Institute of Food and Agriculture, map of land-grant colleges and universities in the CES.



<sup>&</sup>lt;sup>14</sup> https://nifa.usda.gov/extension

In each state, land grant universities translate their research into action through many educational and training resources and act as one-stop-shops for information.

Nation-wide, CES offers evidence-based research and maintains an online data-base of program evaluations and primary research related to natural resources, food science, nutrition, and agriculture. Publications and announcements throughout the entire system are updated through their website: https://www.extension.org/.

Extension agents are educators trained in:

- Rural business operations
- Agricultural sciences and technologies
- Nutrition education
- Food safety
- Youth leadership

While CES is well-poised to be a technical assistance provider in rural areas and often works as a referral network to link community members to USDA grant and financing resources<sup>15</sup>, their mission is educational and they do not provide financial resources or grant funds to these communities. However, the CES offers extant infrastructure in rural areas. CES offices are dependent on state funding and locations of state land-grant university or colleges, but some states offer extension offices in every county. In these rural counties, CES offices link hard-to-reach communities to a greater information and resource system.

<sup>15</sup> For example, Cornell Cooperative extension offers links to grant opportunities on their website. http://chemung.cce.cornell.edu/agriculture/grants-and-loans-for-farmers

### SUCCESS STORY: PARTNERING WITH SPECIALIZED TECHNICAL ASSISTANCE TO JUMPSTART INNOVATIONS

A small community loan fund in a southern state partnered with local cooperative extension staff to support a healthy food access entrepreneurship incubation program and competition. Participants learned business, marketing, planning, and small-farming skills. At the end of the competition, the winning food enterprise won a seed capital award. Although not all the participants received funding, the program provided a place for food enterprise entrepreneurs to learn, collaborate and make connections.

**Technical assistance and/or financial assistance ingredient for success:** This partnership offered mutually beneficial specialized food business resources. The loan fund provided financing capabilities, while cooperative extension offered tailored food enterprise technical assistance.

#### Next steps

As the National Fund Manager, Reinvestment Fund is positioned to make strategic partnerships and channel capital towards building thriving communities and supporting healthy food access in rural areas and Indian Country. This environmental scan indicates that to reach underserved and hard-to-reach communities, it is necessary for HFFI to invest in more than just retail investments, but all along the food chain. Thus, as the National Fund Manager, Reinvestment Fund should invest in community partnerships, new technologies, technical know-how, culture and youth; looking beyond the grocery gap and growing more than just food.

### Appendix I

These are programs or projects identified and recommended throughout interviews conducted as part of the environmental scan of equitable food access work in rural and Indian Country communities.

Duagua na Nama	Leasting	Diodio	Duaguage description
Program Name Students Power Over Our Nutrition (SPOON)	Henderson, North Carolina	Media https://www.youtube.co m/watch?v=_SZlvDzKMM M	Program description Students Power Over Our Nutrition (SPOON) program helps students create healthier menu options at Henderson Collegiate Charter School in Henderson, NC.
Beginning Farmers and Ranchers Program	Rapid City, South Dakota	http://igrow.org/	The Beginning Farmers and Ranchers Program is focused on recruitment, training, and empowerment through 31 educational workshops, skills building field days, around small acre production, horticulture, and beef ranching.
Good Shepard Food Bank	Auburn, Maine	https://www.gsfb.org/ho w-we- help/programs/mainers- feeding-mainers/	Food Bank of Maine which was recently awarded 3 million for purchase of Maine-grown foods. They operate a local food partnership program called Mainers Feeding Mainers with over 50 farm partners to acquire and distribute over 5 million pounds of fresh, Maine-grown food to families in need.
East Carolina Organics	Durham, North Carolina	http://www.easterncaroli naorganics.com/	Eastern Carolina Organics is a marketing and distributor of local produce to retail, restaurants and buying clubs
Farmer Food Share	Durham, North Carolina	http://www.farmerfoodsh are.org/	Farmer food share is a food distributor that connects food donations from retail and farmers to hunger relief organizations. They also have a wholesale market that purchases food from small family farms looking for new markets and resells the produce to low-wealth communities.
Pine Ridge Food Sovereignty Coalition	Porcupine, South Dakota	http://thundervalley.org/ program-guide/food- sovereignty-coalition	The Pine Ridge Food Sovereignty Coalition is a project of the Thunder Valley Community Development Corporation which is a reservation-wide collaboration between local food producers, processors, transporters, financial supporters, sellers, and consumers. Projects include a community garden and small demonstration farm.
Cheyenne River Youth Project	Eagle Butte, South Dakota	https://www.lakotayouth. org/	The Cheyenne River Youth Project supports children and families of the Cheyenne River Community. Programs include youth garden programs, canning classes, and farmer's markets.

Mariposa Valley Farm in Yolo County	Woodland, California	http://www.agalert.com/s tory/?id=4828	Veteran farmer started farm.
Make Someone Happy	Merced, California	http://makesomeonehap py.us/	Mobile food truck that delivers groceries (produce and dairy).
Rosebud Economic Development	Mission, South Dakota	https://www.sicangucorp. com/	Development corporation of The Rosebud Sioux Tribe, mission is to generate revenue for the tribe through business management and development, policy development and community development projects. They have a Community Food Sovereignty Initiative that is currently collecting data on several community gardens located in development projects.
HOPA Mountain	Bozeman, Montana	https://www.hopamounta in.org/	Training and mentoring community organization that works with native leadership through native youth, science fellowships, and citizen leadership.
Main Street Project	Northfield, Minnesota	https://mainstreetproject. org/about	Main Street Project developed programs to deliver more specialized agriculture training for a regenerative farming model based on poultry farming and skills that could help immigrant workers increase their incomes and leverage new job opportunities.
Feeding Innovation	Columbia, South Carolina	http://sccommunityloanfu nd.org/blog/2013/07/17/f eeding-innovation-a- healthy-food-retail- business-plan-challenge/	Entrepreneurship incubator/training program that provided mentorship and technical assistance to develop business plans and receive \$25,000 in seed capital.
Merry-Meeting Gleaners Project	Brunswick, Maine	http://www.merrymeetin gfoodcouncil.org/food- security-1/	Volunteers who work with farmers to bring local, fresh produce to those in need. Gleaners harvest surplus produce from farms and collect extra produce from Farmers' Markets five days a week. Volunteers then distribute the produce to food pantries, soup kitchens, Head Start and WIC programs, and low-income housing communities
Cherry Capital Foods	Okemos, MI	http://cherrycapitalfoods.com/how-it-works	Distributor that partners with institutions to reach the shared goal of promoting healthy communities by helping them integrate local procurement into their food service programs as they build healthy, sustainable operations. These include preschools, daycare, K-12 public and private schools, colleges and universities, hospitals/large institutions, and eldercare.

Dakota Fresh Food Hub	Southeast, SD	https://www.dakotafreshl lc.com/home.html	Dakota Fresh, LLC. is a group of producers from throughout Southeast South Dakota within a 100-mile radius of Sioux Falls- from Brookings to Lake Andes, and Yankton/Vermillion to Sioux Falls- selling healthy produce and meats to wholesale buyers in our region.
Fallon Food Hub	Fallon, NV	https://www.fallonfoodhu b.com/	A loan fund provided \$50,000 working capital loan to the Fallon Food hub which would pay for an executive director to write grant applications and manage finances
Community Farm Alliance	Berea, KY	http://cfaky.org/	Coalition for local farmers in Kentucky.
GROW Appalachia	Berea College, KY	https://growappalachia.b erea.edu/	Cooperative Extension partnership with communities in 6 states throughout central Appalachia to combat food insecurity and malnutrition
Catawba Farmer's Market Coalition	Catawba County, SC	http://catawbafreshmark et.com/	Online Farmer's Market where consumers can purchase local foods online, and get their orders shipped to county cooperative extension offices.
Main Street Project	Northfield, Minnesota	https://mainstreetproject. org/about	Organization formed a regenerative small-scale agricultural model focused on poultry production aimed at immigrant farmers.
Northern New Mexico Food Hub	Espanola, New Mexico	http://sietedelnorte.org/initiatives/food-hub/	In order to capitalize on this economic development opportunity, Siete del Norte, CDC, is actively working under federal grants to establish a centralized aggregating, processing and distribution center for local produce in Espanola, New Mexico – the Northern New Mexico Food Hub ("NNMFH"). The project unites governmental agencies, for-profit businesses and non-profit enterprises in a regional collaboration designed to provide low-income families with the tools and resources to support, encourage and capitalize regional small farming entrepreneurial activities. In the last 18 months, Siete has leveraged a public-private partnership in furtherance of this effort, gained the direct support of more than 40 agencies and organizations across 10 northern New Mexico counties, attracted more than \$700,000 in additional resources, provided more than \$100,000 in small business loans and supported the creation of more than 20 jobs, including 10 small agricultural enterprises.
Community and Economic Development Initiative of Kentucky (CEDIK)	Lexington, KY	https://cedik.ca.uky.edu/	Through the university of Kentucky extension, CEDIK offers a suite of services geared to providing community and industry stakeholders research-based information. They have an experienced research team that has proficiency with several proprietary data sources, methods of analysis, and GIS mapping capabilities.
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MoGro	Albuquerque, New Mexico	http://www.mogro.net/co ntact.html	A project of the Santa Fe Community Foundation, MoGro is a non-profit mobile grocery service working to support sustainable local food systems and eliminate barriers to affordable healthy food. MoGro also offers trainings and consultations for farmers and ranchers about markets, book-keeping, farm management, and grant writing.

Reinvestment Fund has published a range of reports about healthy food access. For details, please visit the Reinvestment Fund at:

WWW.REINVESTMENT.COM/IMPACT/RESEARCH-PUBLICATIONS

#### **MARCH 2017**

Growing a Healthy Food Financing Program: ReFresh and Colorado Enterprise Fund



#### **IANUARY 2017**

Feeding the Line, Or Ending the Line? Innovations among Food Banks in the United States



#### **IANUARY 2017**

A Prospective Study of the Spatial and Economic Connections within New England's Meat Industry



#### IANUARY 2015

Searching for Markets:
The Geography of
Inequitable Access to
Healthy & Affordable Food
in the United States



### REINVESTMENT FUND

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