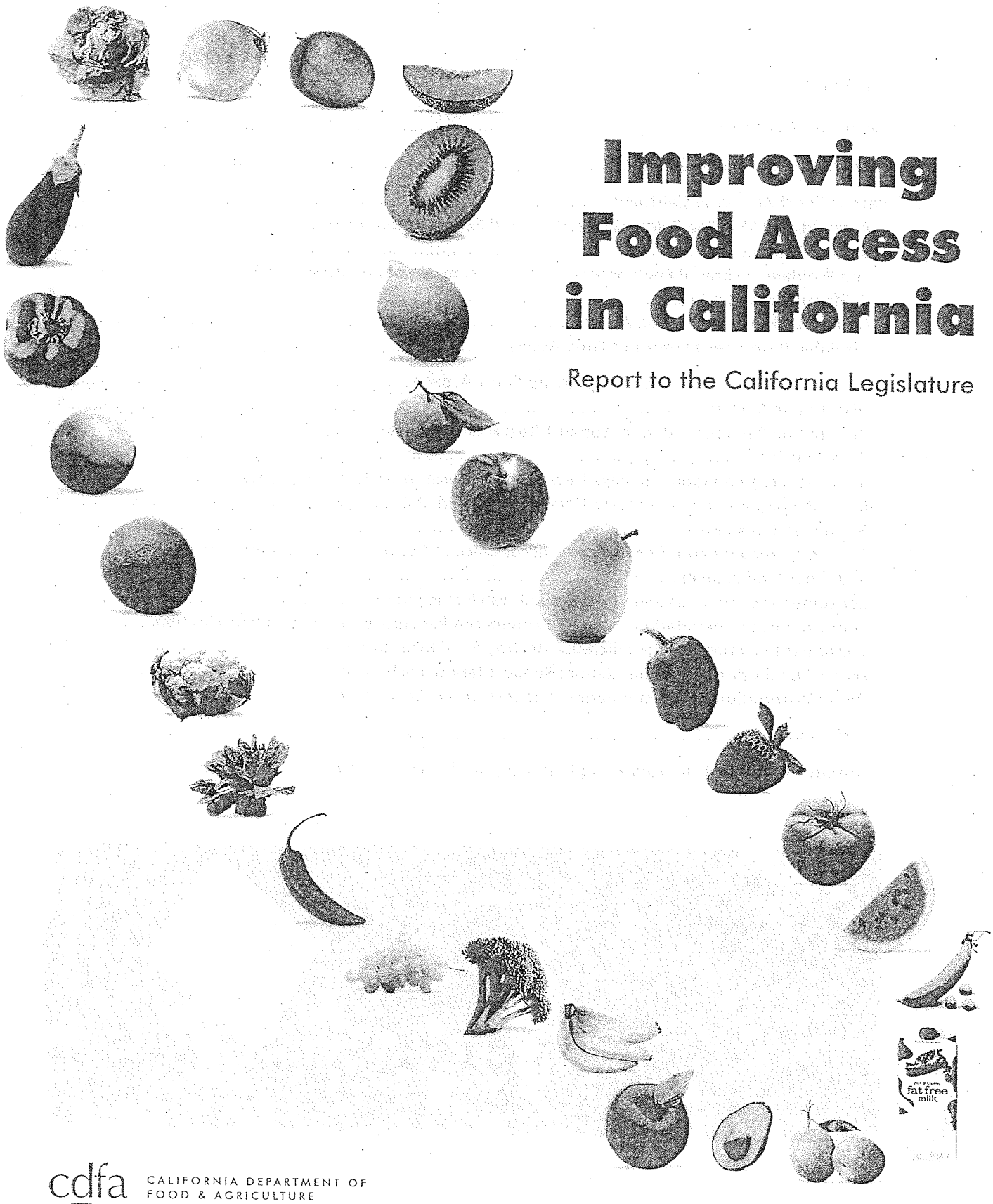


Improving Food Access in California

Report to the California Legislature

cdfa CALIFORNIA DEPARTMENT OF FOOD & AGRICULTURE

2012

Table of Contents

Executive Summary 2

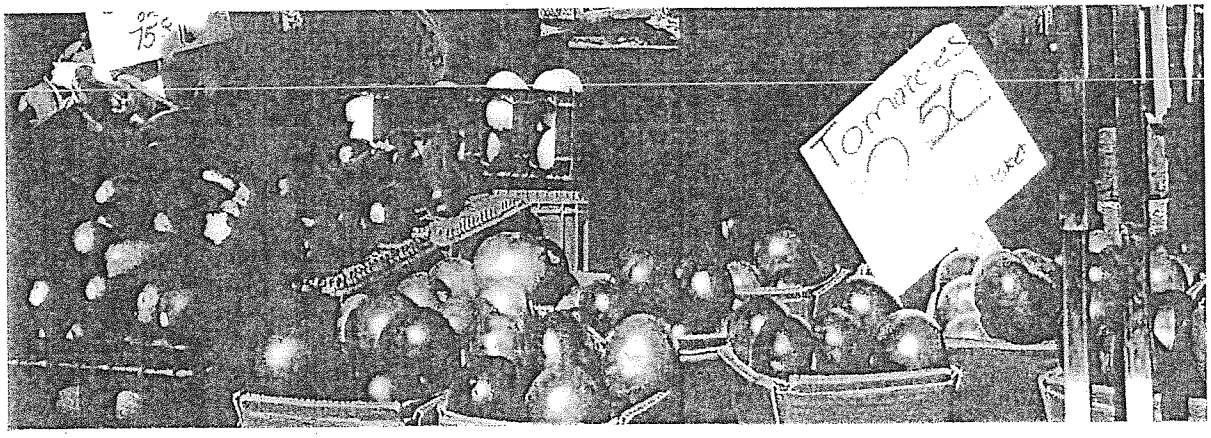
Food Access Advisory Group 3

Part 1: Food Access in California 4
- Assembly Bill 581: The California Healthy Food Financing Initiative 4
- What is Food Access? 4
- The Problem of Limited Food Access: Under-consumption of Healthy Food in Many California Communities 5
- Understanding Limited Food Access 7
- Available Resources to Improve Food Access 7

Part 2: Recommendations for Improving Food Access 11
- Distribution Barriers 11
- Distribution Recommendation: Support Regional Food Hubs 12
- Retail Barriers 16
- Retail Recommendation: Increase New Grocery Stores in Underserved Areas 17
- Retail Recommendation: Increase Healthy Food Sold at Existing Stores 20
- Barriers to Consumers 21
- Consumer Recommendation: Promote acceptance of EBT and WIC at farmers' markets and other food retailers 21
- Consumer Recommendation: Increase CalFresh Participation 23
- Consumer Recommendation: Support Farmers Market Nutrition Program Participation 25
- Consumer Recommendation: Increase Healthy Food Incentive Programs 26
- Direct Distribution Recommendation: Support Healthy School Meals 27
- Direct Distribution Recommendation: Support Urban Agriculture 29

Conclusion 30

Appendix 1: Federal Healthy Food Financing Initiative Grant & Loan Programs 31



Executive Summary

California agriculture is incredibly productive and diverse. While food from the state's many ranchers and farmers is generally easily accessible, too many Californians do lack sufficient access to healthy foods.

> This report looks at how the system that gets food from farmers to consumers disadvantages certain communities and proposes strategies to address the resulting disparities.

To remedy this situation, in 2011 Governor Edmund G. Brown, Jr. signed AB 581, authored by Assembly Speaker John A. Pérez, which created the California Healthy Food Financing Initiative (CHFFI) to improve access to affordable, good-quality, healthy food in communities that lack such access.

CHFFI empowered the Secretary of the California Department of Food and Agriculture to convene an advisory group to develop recommendations to be submitted to the Legislature on ways to increase access to healthy foods. The recommendations in this report address how the infrastructure that moves food from farmers to consumers disadvantages certain communities and propose strategies to reduce those disparities. The recommendations fit broadly into four categories and rely heavily upon resources and capabilities that already exist here in California or are obtainable at the federal level:

- Improving the Distribution of Fresh Produce
- Expanding Retail Options for Healthy Food
- Helping Low-Income Consumers Purchase Food
- Supporting Nutritious School Meals

Improving the Distribution of Fresh Produce

The report looks how food gets from farmers to retailers and consumers and recommends supporting regional food hubs, which can distribute healthy food to small stores and schools, as a way to provide fresh, California-grown produce to underserved communities. To help support regional food hubs California can facilitate access to existing resources, including federal funding, for food hub development and to provide food hubs with technical assistance such as using the information compiled by Occidental College on potential customers and producers and directing CDFA and the Department of General Services to explore opportunities at state fairgrounds.

Expanding Retail Options for Healthy Food

The report examines how California can encourage new and existing retailers to increase healthy food options in underserved communities through a combination of facilitating access to existing federal and private resources as well as philanthropic organizations, urging local governments to review regulations for new store development and collaborate with organizations, such as the Healthy Corner Store Network, ending the moratorium on new California WIC vendors, and evaluating more frequent distribution of CalFresh benefits.

Helping Low-Income Consumers Purchase Food

Once healthy food becomes more available in underserved communities, many low-income consumers will still struggle to pay for it. To help increase consumers' ability to pay for healthy food, California can make sure that existing nutrition assistance funds (primarily CalFresh and WIC) are accepted at all healthy food retailers by promoting CalFresh acceptance in Certified Farmers' Markets, allowing WIC Fruit and Vegetable Checks to be redeemed with a market manager (similar to CalFresh in farmers' markets), and ensuring that the transition from WIC to eWIC is compatible with all types of vendors.

California can also increase low-income consumers' access to nutrition assistance funds by removing barriers to CalFresh enrollment, increasing awareness of CalFresh and partnering with the Department of Health Care Services to reach out to CalFresh eligible Medi-Cal applicants. Federal funding should also be tapped for year-long incentive programs for CalFresh participants at Certified Farmers' Markets.

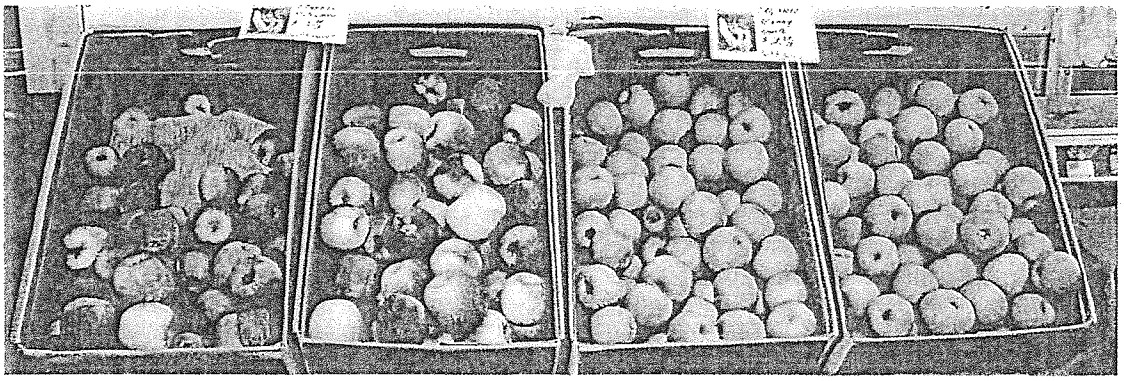
Supporting Nutritious School Meals

Children, many of whom often eat the majority of their food at school, benefit from healthier school meals. State agencies can increase food access for children by promoting healthy school meals through a statewide Farm-to-Fork office administered by CDFA and the use of federal funds to support implementation of Farm-to-School programs.

Through an amazing combination of factors, including geography and geology, good weather and hard work, California is blessed with an abundance of nutritious, healthy food. The recommendations in this report, generated under the California Healthy Food Financing Initiative, creatively match existing resources with innovative solutions, and can help ensure that all Californians have the opportunity to share in that bounty.

Food Access Advisory Group

AB 581 Food Access Advisory Group	
Name	Organization
Keri Askew Bailey	California Grocers Association
Noelle Cremers	California Farm Bureau Federation
Paula Daniels	Los Angeles Mayor's Office
Gail Delihant	Western Growers
Ann Evans	Evans and Brennan Consulting
Michael Flood	Los Angeles Regional Food Bank
Cornelius Gallagher	Bank of America
John Handley	California Independent Grocer Association
John Hewitt	Grocery Manufacturers Association
Genoveva Islas-Hooker	Central California Regional Obesity Prevention Program
Mary Kaems	Office of Assembly Speaker John Pérez
Judi Larsen	The California Endowment
Mary Lee	PolicyLink
Justin Malan	California Conference of Directors of Environmental Health
Sarah Mercer	California Pan-Ethnic Health Network
Allen Moy	Pacific Coast Farmers' Market Association
Santinia Pasquini	Regional Council of Rural Counties
David Runsten	Community Alliance of Family Farmers
David Shabazian	Sacramento Area Council of Governments
Yelena Zeltser	Urban & Environmental Policy Institute at Occidental College



Part 1: Food Access in California

CDFA recognizes that the recommendations contained in this report do not enter a vacuum, but are the result of the tireless efforts of many impassioned community members, business leaders and policy makers. To better understand this context, the report begins with a brief history of the legislative context and the national and statewide momentum that have provided this opportunity. The report then defines food access and looks at the consequences of these limitations in many California communities. Next it describes the resources available within California that can be used to increase food access for underserved communities. These include resources from local, state, and federal government, including the federal nutrition programs that make up an important component of food access in underserved communities. Because California has limited new resources, the report emphasizes recommendations that can be implemented with existing state, federal, and private resources.

Because California has limited new resources, the report emphasizes recommendations that can be implemented with existing state, federal, and private resources.

Assembly Bill 581: The California Healthy Food Financing Initiative

In October 2011, Governor Brown signed Assembly Bill 581 (AB 581), the California Healthy Food Financing Initiative. Authored by Assembly Speaker John A. Pérez, AB 581 creates the California Healthy Food Financing Fund, which consists of federal, state and private dollars to be used for increasing access to healthy foods in underserved communities. The legislation also creates the California Healthy Food Financing Council, led by the Treasurer or his designee and includes the Secretary of Food and Agriculture or her designee, the Secretary of Health and Human Services or her designee, and the Secretary of Labor or his designee.

AB 581 is modeled on the federal Healthy Food Financing Initiative. Announced in 2010, the federal Healthy Food Financing Initiative (HFFI) directs the federal departments of Agriculture, Health and Human Services, and Treasury to make funds available through existing grant programs to specifically combat the problem of food access.

AB 581 also directs the Secretary of Food and Agriculture to submit recommendations to increase food access throughout California. This report contains those recommendations, which are meant to serve as a roadmap for the state as it seeks to increase food access.

What is Food Access?

Access to healthy food means having a variety of affordable, good quality, healthy food within one's community. For the purposes of this report, healthy food will primarily refer to fresh fruits and vegetables, with frozen, dried, and canned vegetables as viable alternatives. Sufficient food access requires all of the following components:

Proximity

The distance residents have to travel to reach outlets that sell healthy foods can impact the amount of healthy food they purchase. Travel costs (including both the time spent traveling and the cost of driving a private vehicle or taking public transportation) can increase the real cost of healthy food and keep people from purchasing it.

Variety

Access to a variety of healthy food choices is another important part of food access. Variety ensures sufficient choice – beyond a single option or two – and supports a healthy diet.

Quality

Accessible, healthy food should also be of good quality.

Affordability

Accessible food needs to be affordable. This includes both an affordable sticker price as well as the ability to use nutrition program benefits (e.g. CalFresh or WIC) in addition to cash.

The Problem of Limited Food Access:
Under-consumption of Healthy Food in Many California Communities

Many communities in California lack sufficient access to healthy foods. These underserved communities, often referred to as "food deserts," include poor inner-city neighborhoods and rural communities where residents live far from the closest grocery store or supermarket.[1] USDA defines this distance as greater than a mile for urban communities and as greater than 10 miles for rural communities. However, depending on the composition of these communities, the distance to a store could be shorter and still constitute a significant barrier (for example, if a store is located across a physical barrier, such as a major highway or large hill, residents on the opposing side may not be considered to have access to that store).

Residents of underserved communities must either travel to purchase healthy food or purchase less healthy food from closer sources, such as convenience stores and fast-food restaurants. Time spent traveling to reach stores with healthier food selections can be a prohibitive barrier, costing both time spent in transit as well as fees for public transportation or gasoline. Shoppers using public transportation are also limited in the amount of food they are able to carry with them. Infrequency or unreliability of bus service can be an additional barrier that increases travel time and inconvenience. Shoppers who travel by car often purchase food in large quantities to save themselves the costs of future trips, which means purchasing fewer perishable items.

Residents of underserved communities must either travel to purchase healthy food or purchase less healthy food from closer sources, such as convenience stores and fast-food restaurants.

Small corner stores and fast-food outlets are the only sources of food within these communities and often do not carry much healthy food. Limited by their size and inability to achieve economies of scale, small stores, if they do carry healthy food, carry a limited variety that is more expensive and can be of a lower quality than what larger, full service grocery stores offer.

The limited healthy food available within underserved communities and higher costs associated with traveling longer distances to reach full service stores can keep people in underserved communities from purchasing healthy food, or from purchasing healthy food in the quantity and frequency necessary for good health. This lack of food access results not only in health disparities but also means that low-income communities pay more for food.

Diet-related Disease

Residents of underserved communities face disproportionately high rates of diet-related disease. Low-income communities with few grocery stores and many fast-food and convenience stores have the highest rates of obesity and diabetes in California.[2] One study found that residents with no supermarkets near their homes were 25-46 percent less likely to have a healthy diet (adjusted for age, sex, race, and socioeconomic indicators).[3]

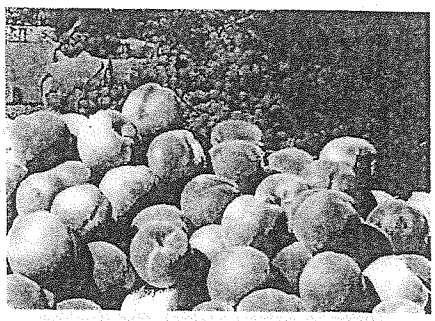
---

[1] USDA defines food deserts as both low-income areas and ones in which more than a third of the population (at the census tract level) lives over a mile from a grocery store/supermarket (10 miles for rural areas). http://www.ers.usda.gov/data/foodDesert/about.html

[2] California Center for Public Health Advocacy, PolicyLink, and the UCLA Center for Health Policy Research, *Designed for Disease: The Link Between Local Food Environments and Obesity and Diabetes,* 2008 available from http://www.policylink.org/atf/cf/%7B97c6d565-bb43-406d-a6d5-eca3bbf35af0%7D/DESIGNEDFORDISEASE_FINAL.PDF (Accessed April 2012).

[3] Moore, L. et al, "Associations of the Local Food Environment with Diet Quality – A Comparison of Assessments Based on Surveys and Geographic Information Systems: The Multi-Ethnic Study of Atherosclerosis," *American Journal of Epidemiology* 167 (2008): 917–924. (Available online at: http://aje.oxfordjournals.org/content/167/8/917.full.pdf+html (Accessed April 2012)

Conversely, access to healthy food is correlated with positive health outcomes. The presence of supermarkets has been associated with lower rates of obesity.[4] One study found that African-Americans living in communities with at least one supermarket were more likely to meet fruit and vegetable consumption guidelines than those living in communities without supermarkets.[5]



Moreover, the inability to pay for healthy food is associated with obesity. According to the Food Research and Action center "households without money to buy enough food often have to rely on cheaper, high calorie foods to cope with limited money for food and stave off hunger. Families try to maximize caloric intake for each dollar spent, which can lead to over consumption of calories and a less healthful diet."[6]

The impact of this problem is magnified when the costs associated with treatment are considered. Medical costs of obesity in California are estimated to be above $7 billion, including more than $1.7 billion in Medicare and $1.7 billion in Medi-Cal costs alone.[7] Additional costs of obesity include many indirect costs as well, including decreased productivity and missed work and school days.

Although increasing food access alone will not solve the obesity crisis, increasing access to healthy food is an important part of the solution. Increased access can make the healthy choice the easy choice and support other efforts to reduce obesity.

Which California communities are most affected by limited food access?

Although under-consumption of healthy food is a problem across California and the nation, it has a more striking impact on certain communities:

Low-interest Communities and Communities of Color

Underserved communities are predominately low-income communities of color. In California, low-income communities have 20 percent fewer sources of healthy food when compared with higher-income communities.[8] Nationally, low-income communities have 25 percent fewer chain supermarkets than middle-income communities.[9] Compared with predominately white neighborhoods, black neighborhoods have only 52 percent as many chain supermarkets; Latino neighborhoods have only 32 percent as many chain supermarkets as non-Latino neighborhoods.[10] Although some neighborhoods have independent grocery stores, many low-income communities are not served by any type of grocery store and must rely on fast-food outlets and convenience stores.

---

[4] Morland K, et al. "Supermarkets, other food stores, and obesity: The atherosclerosis risk in communities study." *Am J Prev Med.* Apr 2006;30(4):333-339.

[5] Zenk, S. et al., "Fruit and Vegetable Intake in African Americans Income and Store Characteristics," *American Journal of Preventive Medicine* 20:1 (2005).

[6] Food and Research Action Center. "Hunger in the U.S." Last updated November, 2009. Available online at http://www.frac.org/html/hunger_in_the_us/hunger_index.html

[7] 1998-200 estimates. See: Runge, C.F., "Economic Consequences of the Obese," *Perspectives in Diabetes*, Vol 56, November 2007, 2668-2672.

[8] California Center for Public Health Advocacy, PolicyLink, and the UCLA Center for Health Policy Research, *Designed for Disease: The Link Between Local Food Environments and Obesity and Diabetes,* 2008 available from http://www.policylink.org/atf/cf/%7B97c6d565-bb43-406d-a6d5-eca3bbf35af0%7D/DESIGNEDFORDISEASE_FINAL.PDF (Accessed April 2012).

[9] Powell, L. et al., "Food Store Availability and Neighborhood Characteristics in the United States," *American Journal of Preventive Medicine* 44 (2007): 189–195.

[10] Powell, L. et al., "Food Store Availability and Neighborhood Characteristics in the United States," *American Journal of Preventive Medicine* 44 (2007): 189–195.

Inner Cities

Many inner city communities have limited food access. Food choices in these communities are often limited to fast food outlets and the offerings of small corner stores, which often do not stock perishable produce. The healthy food that is available within inner cities often costs more than food purchased elsewhere, because it is sold through smaller stores, which tend to charge about 10 percent more than supermarkets.[11]

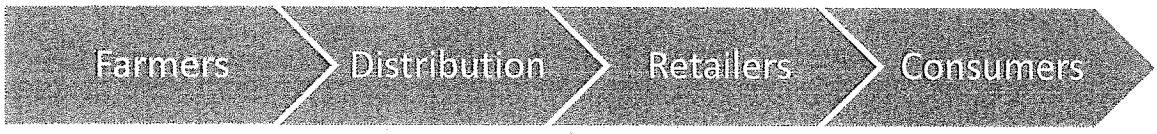
Rural Communities

Residents of rural areas often live miles from the nearest grocery store. Nationally, rural areas have 14 percent fewer chain supermarkets than urban areas.[12] As rural populations have decreased (as more residents move closer to urban areas), the number of grocery stores in rural areas has also decreased, leaving remaining residents with fewer stores to purchase food from and long distances to reach them.

Understanding Limited Food Access

The aforementioned disparities are not the result of deliberate design, but are, rather, the result of the evolution of our food system. Understanding this evolution and the root causes of these disparities are essential to implementing policy solutions that can actually create real change.

Healthy food begins with growers and is then distributed to retailers and other entities providing food (such as schools and food banks) to the consumer. In underserved communities, one or multiple parts of this system do not function well, resulting in an under-provision of healthy food.



California farmers grow healthy food in abundance. The system begins to underperform for underserved communities starting with the distribution of healthy food because certain buyers, such as schools and small stores, can face difficulties purchasing healthy food in sufficient quantity. Underserved communities also face a shortage of retail outlets where they can purchase a variety of healthy food. And, lastly, many consumers in underserved areas are not able to afford sufficient quantities of healthy food.

To address the issue of food access – and bring a variety of affordable, quality healthy food nearby to residents of underserved communities – we need to address these multiple points in the process of getting healthy food to underserved communities. The recommendations in this report focus on these three issues – distribution, retail outlets, and consumers' ability to pay. These recommendations support one another and the successful implementation of one will promote the success of others.

Available Resources to Improve Food Access

California currently has access to many resources that can be used to implement these recommendations and increase food access. To increase food access, the state can more effectively coordinate existing state and federal resources to target them toward use in underserved communities.

[11] Kaufman, P. et al., "Do the Poor Pay More for Food? Item Selection and Price Differences Affect Low-Income Household Food Costs." U.S. Department of Agriculture, Agricultural Economics Report No. 759; November, 1997.

[12] Powell, L. et al., "Food Store Availability and Neighborhood Characteristics in the United States," *American Journal of Preventive Medicine* 44 (2007): 189–195.

State Resources

California will likely be unable to devote new funds toward increasing food access in the near future. However, there are existing state resources that can, if used in a more targeted way, increase food access. For example, the state owns county fairgrounds, which often include cold storage and commercial kitchen facilities. Coordination between different state agencies can avoid duplication and more efficiently coordinate state programs and resources to increase food access.

Federal Resources

California should maximize the use of existing federal funding. There are approximately $420 million available federal dollars through the federal Healthy Food Financing Initiative. Federal funds also support additional programs – such as CalFresh – that can be used to increase food access. (See the next section on federal nutrition programs for how these programs support food access.)

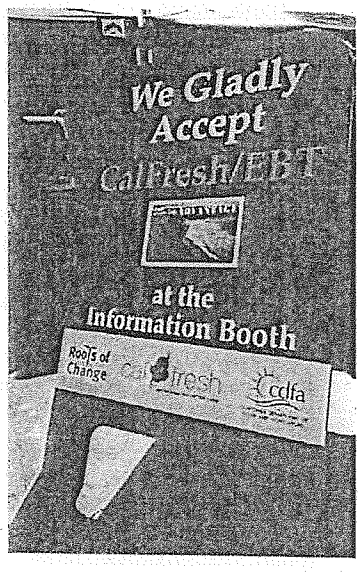
Community Partners: Businesses, Non-profits, Foundations, and Farmers

There are also numerous non-governmental resources available to address limited food access. These include businesses, non-profits, foundations, and farmers. Stores and food hubs can be sources of healthy food in underserved communities and integral to innovative approaches to increasing healthy food access in underserved communities. Many non-profits have expertise in food access issues and can provide effective models and technical assistance and community-based organizations have relationships with residents in underserved communities and can ensure that communities are involved in decisions and implementation of solutions. Many foundations and community development financial institutions are also active in efforts to increase food access and can provide funding for solutions across the state. Many farmers, in addition to growing healthy food, also participate in programs to increase access, such as the Farm-to-Family program.

Coordinating Efforts

Government and private efforts to increase food access are already underway at the federal, state, and local levels. In order to harmonize these efforts and avoid duplication, the state can take an active role in coordinating efforts and sharing information among the various entities working to increase food access. CHFFI can serve to facilitate this coordination and make sure communities have partners at the table and that they are connected to the appropriate funding sources.

Existing Resources: Background on Federal Nutrition Assistance Programs



Many residents of underserved communities are currently participating in, or are eligible to participate in, federal nutrition assistance programs. Although dramatically underutilized, these programs play an important role and have the potential to further increase food access.

Supplemental Nutrition Assistance Program/CalFresh

The Supplemental Nutrition Assistance Program (SNAP), formerly known as the Food Stamp Program, provides participants with monthly benefits to be used for food purchases. In California, SNAP is called CalFresh. To be eligible for CalFresh, participants can have a maximum gross income of 130 percent of the Federal Poverty Level, with a net income of 100 percent FPL. Able-bodied adults (ages 18 – 49) without dependents must meet work requirements (20 hours/week of work or work activity/workfare) in order to receive CalFresh benefits for more than three months in a 36-month period.[13]

[13] For detailed eligibility.requirements, see California Department of Social Services, CalFresh Eligibility and Issuance Requirements at http://www.calfresh.ca.gov/PG841.htm (Accessed April 2012)

About 3.67 million low-income Californians participated in CalFresh during 2011,[14] which was only 53 percent of the eligible population. Children account for 60 percent of CalFresh participants. CalFresh is an entitlement program, which means that all eligible applicants have a right to receive benefits.

For many children, school meals are their primary source of food. Because school meals are such an important part of food access for children, it is important to ensure that these meals are healthy.

In 2011, the average monthly CalFresh benefit was $147 per person.[15] Electronic Benefits Transfer Cards (EBT cards) are used to distribute CalFresh benefits, in addition to other benefits such as CalWORKS. CalFresh benefits can be used to purchase food at authorized retailers. CalFresh benefits cannot be used to purchase alcohol, tobacco, foods meant to be eaten in the store, vitamins, and household items.

Special Supplemental Nutrition Assistance Program for Women, Infants, and Children (WIC)

WIC provides nutrition assistance to low-income[16] pregnant, postpartum and breastfeeding women, infants and children under the age of five. WIC participants receive monthly paper coupons to purchase specific foods from WIC food packages designed to provide nutrients necessary to healthy development, including Vitamins A and C, protein, calcium, and iron. WIC food packages include milk, cheese, eggs, cereal, juice, dry beans, peanut butter, infant formula, fresh fruits and vegetables, and whole grains. WIC checks can be redeemed statewide at over 5,100 authorized stores, including some WIC-only stores. [17] In additional to access to healthy foods, WIC also provides nutrition education, breastfeeding support, and other services.

In 2010, the average benefit in California was $47 per month.[18] That year, approximately 1.5 million Californians participated in WIC: 23 percent were pregnant or postpartum women, 20 percent infants 0-11 months old and 57 percent children between 1 and 5 years of ages.[19] Over 60 percent of Californian infants born in 2010 were enrolled in WIC.[20]

Unlike SNAP, WIC is not an entitlement program. If there is not enough funding available to cover all eligible applicants, local WIC agencies determine which eligible applicants will receive benefits. [21]

National School Lunch Program and School Breakfast Program

The National School Lunch Program (NSLP) and School Breakfast Program (SBP) provide daily meals to schoolchildren. Schools provide over 4.4 million meals to California children – many of them from underserved communities – every day.[22] For many children, school meals are their primary source of food. Because school

---

[14] Food and Nutrition Services, USDA. *Supplemental Nutrition Assistance Program: Average Monthly Participation*, available at: http://www.fns.usda.gov/pd/15SNAPpartPP.htm (Accessed April 2012)

[15] Food and Nutrition Services, USDA. *Supplemental Nutrition Assistance Program: Average Monthly Benefit per person*, available at: http://www.fns.usda.gov/pd/18SNAPavg$PP.htm (Accessed April 2012)

[16] "Low-income" is defined as at or below 185 percent of the Federal Poverty Level.

[17] California WIC Program at a Glance, February 2012, available at: http://www.cdph.ca.gov/programs/wicworks/Documents/WICProgramAaGlance.pdf (Accessed April 2012)

[18] USDA Food & Nutrition Service, WIC Program: Average Monthly Benefit per Person http://www.fns.usda.gov/pd/25wifyavgfd$.htm (Accessed April 2012)

[19] California WIC Program at a Glance, February 2012, available at: http://www.cdph.ca.gov/programs/wicworks/Documents/WICProgramAaGlance.pdf (Accessed April 2012)

[20] California WIC Program at a Glance, February 2012, available at: http://www.cdph.ca.gov/programs/wicworks/Documents/WICProgramAaGlance.pdf (Accessed April 2012)

[21] For more information on the prioritization of WIC applicants, please see: http://www.fns.usda.gov/wic/howtoapply/eligibilityprioritysystem.htm. (Accessed April 2012)

[22] Nutrition Services Division, California Department of Education: *Annual Child Nutrition Programs Participation Data*. Available at: http://www.cde.ca.gov/ds/sh/sn/#annual (Accessed April 2012)

meals are such an important part of food access for children, it is important to ensure that these meals are healthy.

Most public schools rely on NSLP to fulfill the requirements of California's 1975 State Meal Act, which requires schools to make available one nutritious meal a day to qualifying students. Students with household incomes at or below 130 percent of the Federal Poverty Level (FPL) are eligible to receive free meals through NSLP and SBP. Students with household incomes between 130-185 percent FPL[23] are eligible for reduced-price meals.[24,25] Students with household incomes over 185 percent FPL pay full price for a meal, which is determined by the school district or local agency providing the meal. Schools receive federal reimbursement for the meals they provide to low-income children.

Additional Nutrition Assistance Programs

Other federal nutrition programs are also important in providing food access, including:

The Child and Adult Care Food Program, which provides meals and snacks to low-income children and adults attending licensed nonresidential daycare centers.

The Fresh Fruit and Vegetable Program, which supplies schools with a high number of students eligible for free- and reduced price lunch with fruits and vegetables to be served raw.

The Department of Defense Fresh Fruits and Vegetable Program, which supplies fresh fruits and vegetables to schools participating in NSLP.

Programs for low-income seniors, including the Senior Farmers Market Nutrition Program, Congregate Nutrition Program, and Home-Delivered Nutrition Services.

The Food Distribution Program on Indian Reservations, which distributes food on Indian Reservations as an alternative to SNAP.

[23] For a household of three in 2010-11, 130 percent FPL was $23,803/year and 185 percent FPL was $33,874.

[24] The cost to students for reduced-price meals may vary by school, but may not exceed $0.40 per lunch or $0.30 per breakfast.

[25] USDA Food and Nutrition Service, Child Nutrition Programs – Income Eligibility Guidelines, available at: http://www.fns.usda.gov/cnd/Governance/notices/iegs/IEGs11-12.pdf and at http://www.cde.ca.gov/ls/nu/rs/scales0910.asp (California Department of Education)

Part 2: Recommendations for Improving Food Access

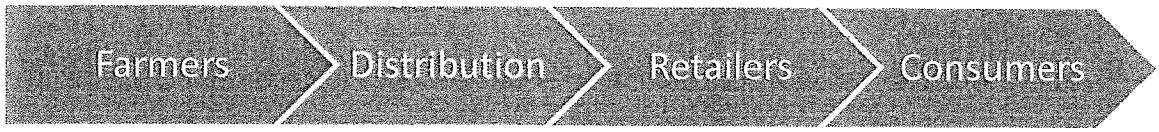
As described above, California has many of the pieces necessary to improve food access. California farmers grow large quantities of healthy food and federal nutrition assistance programs provide means to obtain it. But these pieces do not fit together as well as they could – our distribution system does not bring enough healthy food into low-income communities and federal nutrition assistance programs are underutilized.

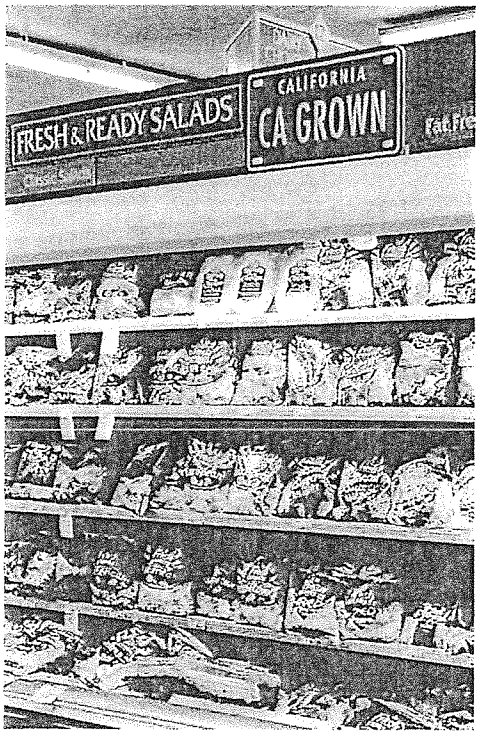
To find ways to improve this system, the report first describes the distribution barriers that limit the amount of healthy food available to schools and small stores in underserved communities. CDFA recommends supporting regional food hubs as a way to overcome these barriers and outlines strategies that the state can pursue to support food hub development. Next, the report examines obstacles to healthy food retail and outlines strategies to bring new grocery stores into low-income areas and help existing smalls stores carry more healthy food. CDFA outlines several strategies to increase participation in federal nutrition assistance programs and bring more healthy food directly to consumers via school meals and urban agriculture.

All of these recommendations take into account limited state financial resources and try to maximize existing assets, federal funding, and non-government efforts.

Distribution Barriers

Although California excels at growing healthy food, our current distribution system does not provide enough of this food to low-income communities.





Unlike many large chains, schools and smalls stores do not have their own distribution networks. Small stores and schools that provide food in underserved communities need a distribution system that can provide them with a variety and often a specific quantity of produce.

Most schools do not have the capacity to store large amounts of fresh produce. Instead they rely on consistent deliveries of specific amount of food needed to produce school meals. Working with multiple sellers to purchase a sufficient quantity and variety can be costly (both time and distribution costs). Additionally, small school districts are often not able to place large enough orders with distributors or face higher distribution costs. To meet food safety standards, schools must also purchase from producers who are GAP certified[26] and meet insurance requirements. School districts, particularly smaller school districts, without the infrastructure to work with multiple suppliers are often unable to obtain as much healthy food as they would otherwise want to include in their meals.

Small stores in underserved communities, often independently owned, face similar distribution barriers. They also face higher distribution costs, especially when trying to source locally or source

[26] Good Agricultural Practices (GAP) certification verifies that growers adhere to the best practices put forward in the Food and Drug Administration's "Guide to Minimize Microbial Food Safety Hazards for Fresh Fruits and Vegetables."

a variety of produce from multiple vendors. Because these barriers result in small stores facing a higher price of healthy food, they supply less of it than they would at a lower price. This also results in a higher resale price for low-income consumers, making it even more difficult to purchase healthy food, especially when there are less healthy, cheaper alternatives readily available.

On the supply side, small to mid-size growers face significant challenges in distributing their products to multiple buyers. The distribution of healthy food to relatively small consumers is much more costly than distribution to single large buyers.

Distribution Recommendation: Support Regional Food Hubs

What is a food hub?

A food hub is a business or organization that actively manages the aggregation, distribution, and marketing of source-identified local and regional food[27] products primarily from small to mid-sized producers to wholesalers, retailers, and/or institutional buyers.[28] Food hubs can vary in form – some exist as physical warehouses that aggregate product, others aggregate and process (e.g. cut up vegetables; wash; package product) and others are virtual food hubs, providing an online location for producers to connect with consumers.

Food hubs can vary in form – some exist as physical warehouses that aggregate product, others aggregate and process (e.g. cut up vegetables; wash; package product) and others are virtual food hubs, providing an online location for producers to connect with consumers.

Rationale: Food hubs increase food access by improving the supply of healthy food available to consumers

Food hubs enable local, often urban, institutions such as schools, hospitals, and corner stores to increase their procurement of healthy food. Food hubs offer these buyers an alternative source of produce, often in greater variety and quantity than they might be able to afford through other distributors. Because food hubs aggregate and distribute primarily, if not exclusively, fruits and vegetables, all of the food they are able to distribute can increase food access. Food hubs can also be a direct point of sale to consumers in underserved communities.

Food hubs support small and mid-size growers that otherwise have difficulty reaching smaller consumers because the cost of bringing their product to multiple consumers is too high given the amount of product they are supplying. Small and mid-size growers do not, individually, grow a sufficient variety or quantity to meet the demand of institutional buyers and smaller stores who need a variety of product. By combining their products with that of other growers through a food hub, these smaller producers can together supply the quantity and variety of food demanded. Food hubs can also assist farmers in marketing their products.

In addition to improving food access, food hubs create additional jobs in their communities. Food hubs can partner with local non-profits or workforce development programs to provide employment opportunities for specific populations. This is not only a worthy goal in its own right, but can also lead to greater community involvement and support for emerging food hubs.

People's Harvest, a food hub in Petaluma that supplies produce to local institutions, is a social enterprise business of the non-profit Buckelew and provides jobs to people who face employment barriers.

---

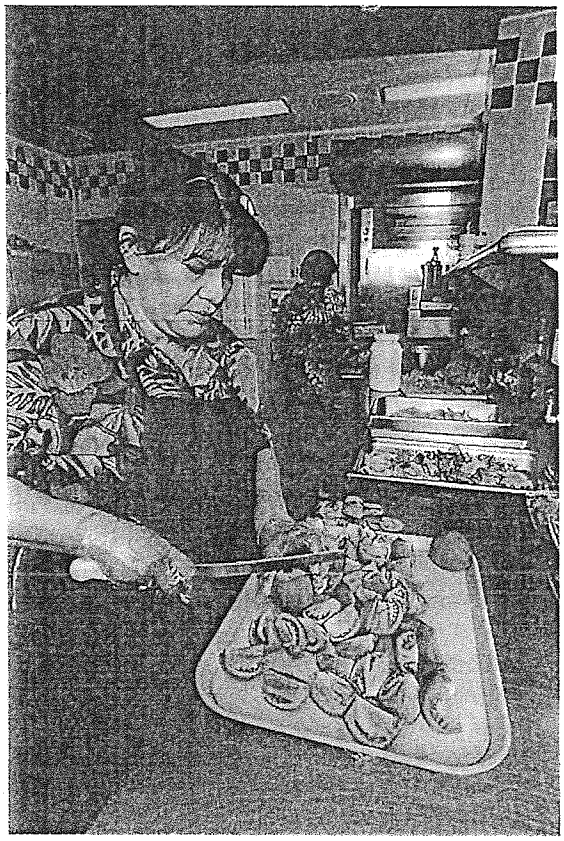
[27] 'Local' and 'regional' have been used broadly to encompass all California-grown crops or a narrower region within the state. The exact definition can vary by individual food hubs.

[28] USDA working definition

Community-based organizations (CBOs) can be ideal partners in establishing food hubs and harnessing community support. CBOs can assist in technical expertise in addition to involving the community. For example, food banks have expertise in obtaining and distributing food and the cold storage and transportation infrastructure necessary to do so, and can be valuable partners in establishing food hubs.

Schools & Other Institutional Buyers

Institutional buyers, such as schools, are important points of food access because they supply large numbers of people with food on a regular basis. School menus are planned to adhere to NSLP guidelines and are generally distributed to parents and students well in advance. School food service directors need reliable sources of produce in high enough quantities to serve all the students in their school districts. Working with multiple distributors and small suppliers makes it more difficult to ensure a sufficient quantity and variety of product needed to meet district meal schedules. Food hubs remove this difficulty as well as the need for multiple contracts and purchase orders. Food hubs can also assist growers with school district requirements for GAP certifications, insurance, etc. and communicate these certifications to schools.



Currently, many schools rely on foods that are already processed and prepared to some extent (e.g. canned or cut fruit; pre-made entrees, etc.) and lack sufficient facilities and staff to prepare meals entirely from scratch. Food hubs can, in addition to aggregating and distributing produce, add value by processing food so it is easier for school districts to use – for example, food hubs can wash and cut fruit and vegetables for use in a salad bar.

Other institutional buyers, who often face the same constraints as schools, include hospitals and prisons.

WIC Stores and Corner Stores

Other potential food hub customers include small stores in underserved areas that are trying to expand their healthy food selections. As corner stores transition into carrying more produce, they need to find and work with distributers who can supply a variety of produce at low cost. Food hubs can be ideal suppliers for these stores.

Many WIC only stores are also transitioning into carrying produce and finding suppliers. In 2009, the WIC food package was revised to include fresh fruits and vegetables, requiring WIC-authorized stores to now sell fresh produce to their customers. Many stores are still adjusting to this new requirement and carry a limited variety of produce. A survey of WIC participants conducted by UC Cooperative Extension, Davis, found that a significant number of WIC participants who did not shop at WIC-only stores did not do so because of limited variety and low quality of produce (18 percent in Alameda county, 19 percent in Riverside county, and 15 percent in Tulare county).[29] Over 90 percent of participants surveyed said that the variety and quality of produce was important in choosing which fresh fruits and vegetables to purchase.[30] Food hubs can increase the variety and quality of produce available to WIC participants by supplying WIC stores.

---

[29] Kaiser, et al. *UC Cooperative Extension explores a farm-to WIC program*. California Agriculture, January-March 2012, p. 18. Available at: http://ucce.ucdavis.edu/files/repositoryfiles/ca6601p15-92496.pdf

[30] Kaiser, et al. *UC Cooperative Extension explores a farm-to WIC program*. California Agriculture, January-March 2012, p. 18. Available at: http://ucce.ucdavis.edu/files/repositoryfiles/ca6601p15-92496.pdf

Strategies

Resources to Begin Development: Capital Funding and Location

The state can offer two important categories of assistance to developing food hubs: help accessing capital funds and help finding a viable location.

A broader group of investors – which can range from community-based funds to government grants and loans – can provide the initial capital to food hubs.

Capital Funding

One of the primary barriers to establishing food hubs is difficulty obtaining capital funding. Because food hubs are an emerging business model and do not typically offer a standard return on investment, they have trouble accessing capital funds through traditional lenders. A broader group of investors – which can range from community-based funds to government grants and loans – can provide the initial capital to food hubs.

There are grant and loan programs under the federal HFFI available for food hub development. These include:
Rural Business Enterprise Grants, which provide funds (via the Rural Business Cooperative Service) to support development of infrastructure and facilities, including food processing facilities. Grants range from $10,000 to $500,000 and are available for rural public entities, Indian tribes, and rural non-profits.
Rural Business Opportunity Grants, available for training and technical assistance for business development, including support for food processing, marketing and distribution. These grants are also available to online food hubs.
Value-Added Producer Grants, which can range up to $100,000 for planning and $300,000 for working capital and are available to independent producers, farmer and rancher cooperatives, agricultural producer groups, and majority controlled producer-based ventures.
Business and Industry Guaranteed Loan Program, which is available to existing businesses, including food hubs, to expand employment opportunities, purchase and develop land, facilities, or equipment.
Community Food Projects Competitive Grant Program, which awards grants ($10,000-$300,000) to non-profit entities working to increase food security in low-income communities.
Sustainable Agriculture Research and Education, which awards grants supporting sustainable innovations, marketing, etc.
For additional HFFI programs that could support Food Hubs, please see Appendix 1.

To best utilize these resources, California can help disseminate this information to potential food hub operators. This can be done on the CHFFI council's website, but also through direct contact with potential operators through stakeholder meetings and contact with individual operators. Potential food hub operators can include for-profit groups, non-profits, social enterprises, and food banks.

If CHFFI has available funds, it should also use them to support food hub operators that support retailers and institutions in underserved communities. Financial support is especially important to food hubs in the first years of operation. These grants and loans should be available to food hubs in addition to the federal ones.

Location

CDFA can help food hub operators find potential locations by aggregating information about potential customers and potential producers. Much of this work has already been done through the Urban Environmental Policy Institute at Occidental College.[31] By making this analysis readily available, the state can help food hubs access the information that would otherwise be time consuming and resource intensive for them to collect.

State fairgrounds exist in every county and many state fairgrounds already have warehouses and cold storage facilities that could be used for food distribution.

The state can also assess its own resources – such as land – and determine which currently owned state resources can be used toward the development of food hubs. State land and facilities at county fairgrounds could potentially be used for new food hub development. State fairgrounds exist in every county and many state fairgrounds already have warehouses and cold storage facilities that could be used for food distribution. CDFA and the Department of General Services should make available an inventory of facilities and land for potential food hub development, especially those available in underserved communities.

Facilitate Access to Information, Technical Assistance, and Resources

The state can use its existing infrastructure and relationships with farmers and food hub operators to better share information between parties and outreach to interested parties.

The state can conduct outreach to farmers through the existing agriculture infrastructure. Each county has an Agricultural Commissioner, whose office is the local point of contact for farmers in that county. As farmers already have relationships with their counties' Agricultural Commissioners, CDFA can work with the Agricultural Commissioners to distribute information about food hubs in their region, connecting growers, especially small and mid-size growers, to this distribution alternative. CDFA can also work with the California Department of Education (CDE) to connect food hubs with food service directors at local school districts.

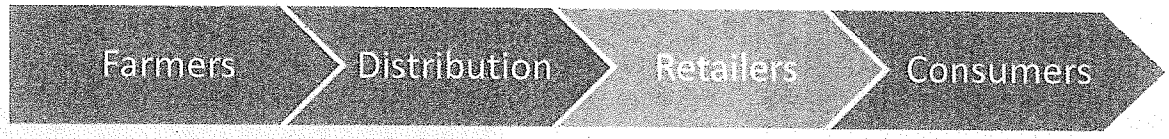
The state can also help food hub operators with certain types of technical assistance that is easier to the state to gather and develop, as well as distribute. For example, food hub operators that want to sell to school districts and other institutions need to provide specific certifications (e.g. GAP certification and insurance). School districts also purchase food in different units than other customers (who typically purchase by the pound) and the state can gather information from school districts regarding their needs and compile best practices from school districts that are currently working with farmers. These best practices should then be available to food hub operators through county Agricultural Commissioners. Agricultural Commissioners can also connect food hub operators to the technical assistance offered by USDA and the Urban and Environmental Policy Institute (UEPI) at Occidental College.

The state can also work with regional and state-wide groups that convene stakeholders and discuss and share information. For example, UEPI is working to support a Regional Food Hub Network, to provide support for stakeholders to meet and share best practices and current barriers. CDFA representatives can participate in these meetings to stay informed about their work and update the group on what the state is doing, including efforts at CDFA, CDE, and the California Department of Public Health (CDPH) regarding Farm-to-Fork programs and help distribute up to date information.

[31] Please see "California Network of Regional Food Hubs: A Vision Statement and Strategic Implementation Plan" September 2010. Available at: http://departments.oxy.edu/uepi/publications/RFH-N.pdf

Retail Barriers

Although food hubs will help facilitate the distribution of healthy food to existing retailers, there are still not enough stores selling healthy food in underserved communities. Retailers are the primary source of food for most people and a crucial way of providing food access. Communities that do not have full-service grocery stores not only lack healthy food but also face higher prices for the food they can purchase locally. Until there are more retailers in underserved communities, they will not have sufficient food access.



Grocery stores, because of their size, can provide a variety of produce at affordable prices. Grocery stores face several barriers that make it harder to locate in underserved communities. Inner city stores generally face higher operating and investment costs.[32] Insurance premiums and security costs are higher in inner cities, which can have higher crime rates or a perceived higher risk from crime. Inner city stores can also face initial higher employee training costs. Independent stores often face additional barriers to accessing capital. The higher costs of locating in an inner city are especially significant considering that the average profit margin for grocery retail is one percent and it takes about seven years for a supermarket to earn enough revenue to cover its initial start-up costs.[33]

In addition to the higher costs faced by inner city stores, chain stores can struggle adjusting their typical store model to one that will be more successful in an inner city. Customers are less likely to drive to inner cities stores and more likely to arrive by walking or public transportation; inner city customers are also more likely to make more frequent shopping trips. Inner city communities are also more likely to demand a different variety of products, including more ethnic foods.

Another barrier to new store development is the time and resources it takes to find land that meets local zoning requirements and apply for the necessary permits. Finding space for a 'standard' size grocery store in an inner city can be difficult – the available land parcels are often too small and purchasing adjacent parcels is costly and time-consuming. Most municipalities have regulations requiring grocery stores to be set back a certain distance from the street and offer some minimum amount of parking. This, in combination with the minimum parcel size necessary for the store, often leaves few, if any, available parcels large enough for new stores.

Stores serving large number of CalFresh participants face additional costs maintaining consistent inventory. Benefits are distributed at the beginning of the month and USDA has found that by the middle of the month, on average, SNAP recipients have less than a quarter of their benefits remaining. To adapt to this cycle, stores must stock more food at the beginning of the month and adjust staffing models accordingly.

Existing retailers, mostly corner stores, often lack the necessary space, equipment, and technical expertise to stock healthy, perishable food. Corner stores that have not previously carried perishable produce often need assistance

---

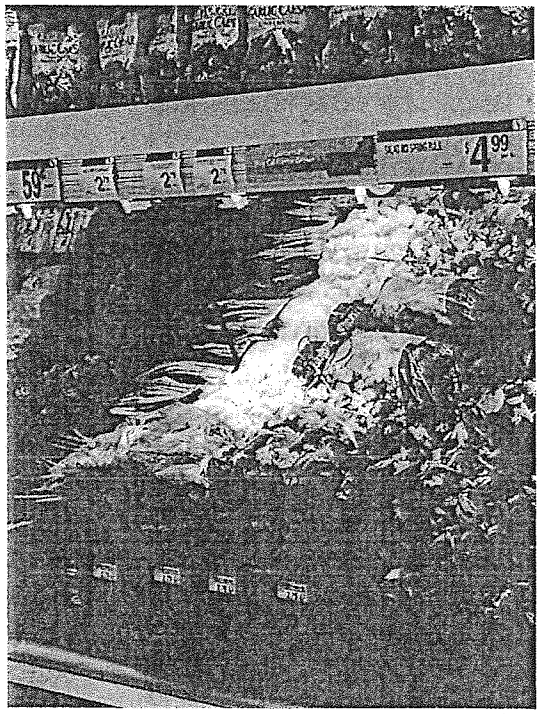
[32] Food Marketing Institute, "Access to Healthy Foods: Opportunities and Challenges for Food Retailers in Underserved Areas, " July 2011 available at: http://www.fmi.org/docs/health-wellness-research-downloads/access_to_healthier_foods.pdf?sfvrsn=2 (Accessed March 2012)

[33] Food Marketing Institute, "Access to Healthy Foods: Opportunities and Challenges for Food Retailers in Underserved Areas, " July 2011 available at: http://www.fmi.org/docs/health-wellness-research-downloads/access_to_healthier_foods.pdf?sfvrsn=2 (Accessed March 2012)

installing refrigeration, cold storage and display units, accessing suppliers, developing marketing practices and display techniques. Although many corner stores do have refrigeration units, they are usually provided by soda and beer manufacturers and can only be used to display those products in prominent spaces. Produce requires different marketing and selling techniques than other types of food – retailers must rotate the produce often, making sure to remove any bruised or damaged items. Because of their small size, corner stores can also face higher wholesale and distribution costs.

Retail Recommendation: Increase New Grocery Stores in Underserved Areas

Rationale



New store development increases access to healthy food by bringing in full service grocery stores to communities that currently lack them. This significantly decreases the distance residents have to travel to buy healthy food, which saves time and transportation costs. Full service grocery stores also carry a wider variety of healthy food than smaller stores. The development of a new store, especially a full service grocery store, can also lower the sticker cost of food. Full service grocery stores tend to charge about 10 percent less than small corner stores.[34] The increased competition may also decrease the price of food in existing stores.[35]

In addition to their impacts on food access, new stores can be anchors for other types of development and contribute to neighborhood revitalization. In Pennsylvania, new store development increased property values in the surrounding areas by 4-7 percent.[36] Grocery stores are also a source of jobs for the local community. The Food Marketing Institute estimates that full service grocery stores hire about 90 people from within the community.[37]

Partnering with Community Based Organizations
Collaborating with community-based organizations (CBOs) can be instrumental in the success of new stores. These organizations, such as local Food Policy Councils, can provide an effective way to involve residents in determining the best option for that community. CBOs can gather input from community members, reach out and work with potential store operators, and ensure that new stores are supported by and fit the needs of the community. They can also assist stores in obtaining funds and provide technical assistance.

---

[34] Kaufman, P. et al, "Do the Poor Pay More for Food? Item Selection and Price Differences Affect Low-Income Household Food Costs." *U.S. Department of Agriculture*, Agricultural Economics Report No. 759; November 1997.

[35] This has been true when farmers' markets have been introduced. See: Larsen, K. and Gilliland, J. "A farmers' market in a food desert: Evaluating impacts on the price and availability of healthy food" *Health & Place*, 15, (2009), 1158-1162.

[36] Econsult, "The Economic Impacts of Supermarkets on their Surrounding Communities," The Reinvestment Fund, Revinvestment Brief Issue 4 (2006). Available at: http://www.trfund.com/resource/downloads/policypubs/supermarkets.pdf (viewed March 2012)

[37] Food Marketing Institute, "Access to Healthy Foods: Opportunities and Challenges for Food Retailers in Underserved Areas, " July 2011 available at: http://www.fmi.org/docs/health-wellness-research-downloads/access_to_healthier_foods.pdf?sfvrsn=2 (Accessed March 2012)

Strategies

Facilitate access to existing federal and private resources

There are grants and loans available to assist new stores opening in underserved communities. The state can facilitate access to these existing federal and private funds by sharing information about available grants and application procedures through local governments and permitting agencies. Access to this capital can help grocery stores overcome the initial higher costs of locating in an underserved community.

The California Healthy Food Financing Council should make available information about these programs to possible retailers and local governments and provide assistance identifying relevant funds.

Federal HFFI funds that can be used for new store development include:
Community Development Financial Institutions (CDFI) Program, which provides funds to CDFIs that lend to stores opening in underserved communities.
The New Markets Tax Credit Program, which provides tax credits for qualified equity investments in designated Community Development Entities (CDEs).
Rural Business Opportunity Grant Program, which provides grants for training and technical assistance for business development, including support for marketing and distribution.
Business and Industry Guaranteed Loan Program, which provides loans for existing businesses to expand employment opportunities, purchase and develop land, facilities, or equipment.
Intermediary Relending Program, which provides loans to local organizations (intermediaries) for the establishment of revolving loan funds. These revolving loan funds can be used for financing business and economic development activity to create or retain jobs in disadvantaged and remote communities.
The Healthy Urban Food Enterprise Development Center, which provides training and technical assistance for food enterprises.
For additional HFFI programs that could support Grocery Store Development please see Appendix 1.

If funding is available, CHFFI should fund new store development by offering similar grants and loans to grocery stores opening in underserved communities.

The California FreshWorks Fund is an important source of statewide funding. The FreshWorks fund has raised $264 million to provide grants and loans to retailers bringing healthy foods to underserved communities.

There are also private grants and loans available for stores to increase food access in underserved communities. The California FreshWorks Fund is an important source of statewide funding. The FreshWorks fund has raised $264 million to provide grants and loans to retailers bringing healthy foods to underserved communities.

Encourage local governments to review regulations for new store development

To address barriers associated with long and burdensome permitting processes, local governments can speed approval and permitting processes for stores offering healthy food. Cities that already have such fast-track processes set up for new stores can share their criteria for determining eligibility for fast-tracking. The state can highlight best practices (such as appointing a staff person in the planning department to coordinate all the requests) from cities that have already put such practices in place (e.g. Los Angeles and San Francisco).

Additionally, the state can encourage local governments to re-evaluate zoning and permitting requirements. Stores that are expected to serve primarily customers shopping on foot or via public transportation can be allowed to offer less parking than otherwise required.

End the moratorium on new California WIC vendors

One barrier to new store development is the current moratorium on new WIC vendor certification in California. The moratorium, which began in April 2011, means that new stores cannot accept WIC coupons as payment for food (with a few exceptions, including rural areas with few available stores). According to the California Grocers Association, two of the most important things every new store needs for success are the ability to accept payments via EBT (CalFresh) and WIC. Grocery stores, which already operate on thin profit margins, cannot usually afford to lose out on the WIC customer base.

The inability of new stores to accept WIC coupons is also a barrier to access for many of the 1.5 million women, infants and children receiving WIC benefits. These benefits, which are meant to increase the healthy food available to women, infants, and children who are considered nutritionally at-risk, cannot do so if stores selling healthy food are unable to accept WIC coupons.

To successfully end this moratorium, California needs to put policies in place to prevent unfair pricing and incentives that led to the moratorium.[38] Strategies can include banning incentives at authorized stores (with exceptions for "buy one, get one free" type incentives that are also available to the general public); instituting a third party audit system to demonstrate fair pricing; and implementing a more transparent and stringent authorization and monitoring system. Solutions should be formally evaluated by the Department of Public Health and take stakeholder input into account. The Department of Public Health should ensure that solutions adequately address the root causes of the moratorium in order to protect all WIC participants. Because WIC is a discretionary program, funding does not necessarily cover everyone who is eligible for the program. Inflated prices mean that the available funding is distributed to fewer people than would otherwise be possible.

Evaluate more frequent distribution of CalFresh benefits

California should consider a more frequent schedule for distributing CalFresh benefits to relieve the additional pressure on stores in low-income communities, which must adjust staff and inventory management to the monthly distribution of CalFresh benefits. California currently distributes benefits during the first ten days of each month.[39]

The state could continue to distribute benefits to participants once a month, but stagger those distribution days so that some participants receive benefits at the beginning of the month, some in the middle, and some at the end of the month. Some states stagger distribution of benefits during the first 20 days of the month and California could do the same. This should have no effect on program participants, who still receive the same benefit every month (only now at a different time) but can relieve grocers' pressure to stock extra inventory to coincide with the distribution of benefits at the beginning of the month.

California could also consider distributing benefits to participants twice a month. This would aid stores in more evenly pacing their inventory and could also have positive benefits for participants. Studies have shown that SNAP participants often face food insecurity at the end of each month, once their benefits have been exhausted, which

---

[38] WIC coupons are redeemed for specific quantities of food (e.g. one WIC coupon for a half gallon of milk), with the exception of fruit and vegetable coupons (which are given in dollar amounts). Stores then are reimbursed for the listed price of these items. Prior to the WIC moratorium, there had been an increasing number of stores that priced WIC authorized items significantly higher than similar non-WIC authorized items. Because WIC shoppers are not price sensitive (with the exception of fruits and vegetables), stores were able to sell the same amount of food items and receive higher reimbursement from the program. Additionally, some of these stores were also attracting WIC participants with incentives (e.g. free irons or other goods if they used their WIC benefits at that store).

[39] For details see, SNAP Monthly Benefit Issuance Schedule, http://www.fns.usda.gov/snap/ebt/states/california.htm

leads to cycles of over- and under-eating.[40] These cycles are especially pronounced for women, whose consumption of milk, fruits, and vegetables decreases as the time between benefit distribution grows.[41] It is possible that a bi-monthly distribution could help break these cycles. However, a more frequent distribution cycle could also harm CalFresh participants, by simply shortening the cycles of over- and under-consumption, increasing the number of shopping trips necessary, and impairing their ability to save money by purchasing in bulk.[42] The state should evaluate possible harm in determining which benefit distribution cycle would be best.

Retail Recommendation: Increase Healthy Food Sold at Existing Stores

Rationale

Increasing the amount of healthy food that existing stores carry also improves healthy food access in underserved communities. Existing stores, mostly corner stores, are already located and frequented by residents in underserved areas. Increasing the amount of healthy food they carry brings healthier food close to residents and in a greater variety than before.

To carry a wider selection of perishable produce, corner stores require updated or new refrigeration units and need to increase their cold storage space. Many corner store owners also need technical assistance in sourcing, displaying, rotating, and marketing fresh produce.

Community-based organizations can play an important role in outreaching to store owners and providing them with the technical assistance and support needed to carry healthy food. CBOs can also garner community support and assist stores with promotion efforts.

Strategies

Facilitate access to existing public and private funds

Funds to help corner stores cover the initial costs associated with selling healthy food can help incentivize store owners to sell healthy food. There are available federal and private funds for healthy corner store conversions, including:

Federal funds
Business and Industry Guaranteed Loan Program, which is available to existing businesses to expand employment opportunities, purchase and develop land, facilities, or equipment.
Healthy Urban Food Enterprise Development Center, which can provide grants for new equipment and refrigeration, as well as feasibility studies for businesses looking to increase healthy food options.

Private Funds
California FreshWorks has announced $1 million in capital to support the healthy conversion of corner stores.

> A non-profit offering technical assistance in San Francisco, South East Food Access (SEFA) has been helping corner stores selling healthy food with technical assistance, including store redesign, community healthy marketing, and sourcing and storing fresh produce, and accessing government incentives.

Connect store owners and local governments to existing technical assistance

---

[40] Wilde, P. and Ranney, C. "The Monthly Food Stamp Cycle: Shopping Frequency and Food Intake Decisions in an Endogenous Switching Regression Framework." *American Journal of Agricultural Economics*, Vol. 82, No. 1 (Feb., 2000), pp. 200-213. Available at: http://www.jstor.org/stable/1244489

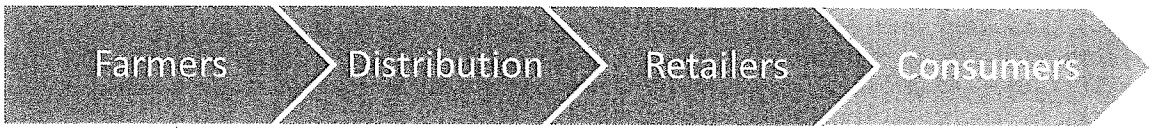
[41] "Low-Income Women's Dietary Intakes Are Sensitive to the Depletion of Household Resources in One Month" *Journal of Nutrition*. 2007 137: 1980-1987. Available at: http://jn.nutrition.org/content/137/8/1980.full.pdf+html

[42] Mancino, L. and Andrews, M. "Making Healthy Food Choices Easier: Ideas From Behavioral Economics." United States Department of Agriculture, Economic Research Service. September 2007. http://www.ers.usda.gov/publications/eib29/eib29-7/eib29-7.pdf

CHFFI should, in conjunction with disseminating information on available funds, connect corner store owners with organizations offering technical assistance for store transitions. These can include community based organizations and state or national networks (such as the Healthy Corner Store Network). Because many of these organizations are already working in underserved communities, they can be the best point of contact for transitioning corner stores. Technical assistance can include sourcing, storage, store design, display, and marketing assistance.

Barriers to Consumers

Improved distribution through food hubs and retailers will increase the variety, quality, and proximity of healthy food in underserved communities. However, affordability is one of the largest obstacles for low-income residents to access healthy food. Affordability has begun to be addressed though lower costs at supermarkets and lower transportation costs when healthy food is available closer to or within ones' community, but still remains a significant barrier for low-income consumers.

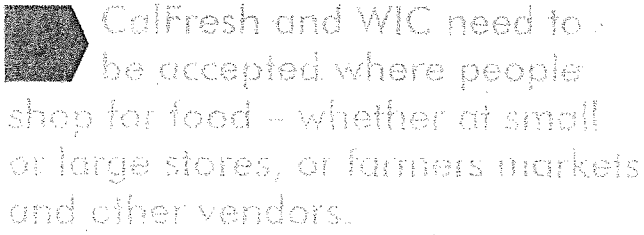


Consumers in underserved communities are primarily low-income, and often struggle to afford healthy food. Many consumers also face barriers in being able to use their available non-cash funds (e.g. CalFresh and WIC benefits) to purchase food at all retail outlets. People who want to use their CalFresh or WIC benefits to purchase healthy food need vendors to accept those benefits. To accept CalFresh benefits, retailers must have EBT equipment that can process those benefits. Although this equipment can be costly, as can the transaction fees on EBT purchases, most stores find it profitable to pay these fees. However many newer alternative retailers such as farmers' markets do not yet accept CalFresh. WIC benefits are more complicated to process because they require employee training to verify the customers' identification, if the food is included in the WIC food package, and if the coupon is still valid. The vendor must then submit the coupons and wait for reimbursement. These additional costs associated with processing WIC coupons – employee training/costs and time to reimbursement – can be barriers for smaller retailers such as farmers' markets.

Consumer Recommendation: Promote acceptance of EBT and WIC at farmers' markets and other food retailers

Rationale

Many residents in underserved communities participate in nutrition assistance programs such as CalFresh and WIC, which increase participants' ability to pay for healthy food. For these programs to be effective, however, CalFresh and WIC need to be accepted where people shop for food – whether at small or large stores, or farmers markets and other vendors.



<u>CalFresh in Farmers' Markets</u>

An increasing number of Certified Farmers' Markets (CFMs) are accepting CalFresh. The percentage of CFMs authorized to accept CalFresh has rapidly outpaced the overall increase in SNAP retails (a 32 percent increase for CFMS compared to a 5 percent increase for all retailers).

Although part of this increase is likely due to the general increase in CFMs, the simplification of the application process and several regulation changes are also likely to be partially responsible. In 2009, USDA created a web portal for CFMs interested in processing SNAP benefits, which has simplified the SNAP authorization process that

was previously geared toward traditional brick and mortar stores. In 2010, USDA changed the FMNP regulations to no longer require farmers' markets to submit waiver requests to allow a central market manager to process benefits, which can be turned into tokens and used at individual farmers' stalls. Prior to this change, each individual stall had to process EBT transactions unless a waiver had been granted.

Since 2007, the amount of CalFresh benefits redeemed at farmers' markets has increased by over 450 percent.[43] However, as of November 2011, less than half of the farmers' markets in California accepted CalFresh. Many residents of underserved communities are unable to use CalFresh at farmers' markets, which keeps them from accessing the healthy food sold there.

WIC in Farmers' Markets

WIC fruit and vegetable checks can also be accepted at farmers' markets. However, unlike CalFresh benefits that are exchanged for tokens with the market manager and allow farmers to then exchange the tokens for cash that day, WIC coupons must be accepted by individual farmers and often take weeks to be redeemed. The extra time it takes for farmers to get paid with WIC coupons keeps many from accepting them. Additionally, because the redemption process is more complicated, farmers who do accept WIC fruit and vegetable checks report a high error rate and resulting loss of income.[44]

Strategies

In addition to ending the moratorium on new WIC authorizations (see Retail Recommendations, page 17), California can promote acceptance of CalFresh and WIC using the following strategies.

Promote CalFresh acceptance in Certified Farmers' Markets

CDFA's Inspection Services Division is the certifying agency for certified farmers' markets. To promote CalFresh acceptance at new farmers' markets, CDFA should add a question to the certified farmers' market application asking if the new farmers' market plans to accept CalFresh under a current federal Food and Nutrition Services (FNS) number. If the market does not have a current FNS number, CDFA can share information with the new farmers' market about how to apply for one to begin accepting CalFresh. CDFA can also share information regarding the available programs to assist with purchasing EBT equipment as well as technical assistance materials.

To promote CalFresh acceptance at existing farmers' markets, CDFA's Division of Inspection Services can use its existing relationship with CFMs to make available application materials, communicate changes in federal regulations that make accepting CalFresh less burdensome for markets, and highlight best practices from successful markets (the technical aspects of accepting CalFresh as well as market promotion to CalFresh participants).

---

[43] Farmers' Market EBT Project at the Ecology Center, Available at: http://www.foodsecurity.org/pub/RealFoodRealChoice_SNAP_FarmersMarkets.pdf

[44] Feedback gathered from farmers' participating in CFMs operated by Pacific Coast Farmers' Market Association

Allow WIC Fruit and Vegetable Checks to be redeemed with a market manager, similar to CalFresh

Compared with CalFresh, fewer CFMs accept WIC fruit and vegetable checks, because individual farmers must redeem them. Allowing the market manager to redeem WIC fruit and vegetable checks, in a manner similar to CalFresh, should increase the number of CFMs accepting WIC. Although processing WIC coupons is still more resource-intensive than CalFresh redemptions, allowing the market manager to do so will decrease overall costs.

Ensure that the transition from WIC to eWIC is compatible with all types of vendors

Federal legislation mandates transitioning from the current paper based WIC coupon system to an electronic system by October 2020, and California could implement an electronic system as early as 2014. The California Department of Public Health is currently evaluating the use of an EBT system to deliver WIC benefits. This system would have numerous benefits, including faster processing of benefits at the point of service and reduced training for employees accepting WIC benefits.

CDFA's Division of Inspection Services should work with the CDPH as they transform the WIC system over to an electronic payment system (EBT or otherwise), to make sure that electronic WIC payments can be accepted at all types of authorized food outlets, including direct farmer-to-consumer outlets such as WIC-authorized farmers' markets and farm stands.

Additionally, to facilitate information sharing and coordination, the eWic system should be standardized across all counties.

Consumer Recommendation: Increase CalFresh Participation

Rationale

Participating in CalFresh increases available funds that can be used to purchase healthy food. According to USDA, about three quarters of SNAP benefits are used on vegetables, fruits, grain products, meat, and meat alternatives.[45] Increases in SNAP benefits correspond to a small, but statistically significant, increase in healthy food purchases.[46] Participating in CalFresh also gives participants access to nutrition education programs through SNAP-Ed.

California has the lowest SNAP participation rate in the country. In 2009, only 53 percent of all eligible persons participated in CalFresh, compared with a national participation rate of 72 percent.

California has the lowest SNAP participation rate in the country. In 2009, only 53 percent of all eligible persons participated in CalFresh, compared with a national participation rate of 72 percent.[47] California also has the lowest working poor participation rate, with only 36 percent of California's eligible working poor participating compared to a national rate of 60 percent.[48]

---

[45] USDA Food and Nutrition Services. "Building a Healthy America" Available at: http://www.fns.usda.gov/ora/MENU/published/snap/FILES/Other/BuildingHealthyAmerica.pdf (Accessed April 2012)

[46] USDA Food and Nutrition Services. "Building a Healthy America" Available at: http://www.fns.usda.gov/ora/MENU/published/snap/FILES/Other/BuildingHealthyAmerica.pdf (Accessed April 2012)

[47] USDA Food and Nutrition Services. "State Supplemental Nutrition Assistance Program Participation Rates in 2009." December 2011. Available at: http://www.fns.usda.gov/ora/MENU/Published/snap/FILES/Participation/Reaching2009.pdf (accessed April 2012)

[48] USDA Food and Nutrition Services. "State Supplemental Nutrition Assistance Program Participation Rates in 2009." December 2011. Available at: http://www.fns.usda.gov/ora/MENU/Published/snap/FILES/Participation/Reaching2009.pdf (Accessed April 2012)

Increasing participation rates can give residents of underserved communities additional funds, making healthy food more affordable.

A higher CalFresh participation rate not only helps increase food access, but also stimulates the economy. SNAP has an estimated economic multiplier of 1.79, which means that $1 of SNAP benefits creates $1.79 of economic activity.[49] With barely half of eligible persons participating, California has a large potential for bringing in additional federal dollars to support the Californian economy and those that are in need of food assistance. The California Food Policy Advocates estimate that if CalFresh were to reach a 100 percent participation rate, Californians would receive an additional $4.9 billion in federal nutrition benefits.[50] This would translate into $8.7 billion worth of economic activity in California.

Strategies

Remove barriers to CalFresh Enrollment and Increase Awareness of CalFresh

Enrolling in CalFresh is time consuming and can involve multiple trips to county offices. Implementation of Assembly Bill 6 (Fuentes, 2011) should shorten the enrollment process and reduce stigma by no longer requiring finger-imaging of participants. The state could evaluate other methods to reduce enrollment time, including offering initial screenings by telephone, a simplified application process, and better coordination with community partners (e.g. food banks and other non-profits that provide enrollment assistance).

Many eligible non-participants are unaware that they qualify for CalFresh. This is especially true of eligible working non-participants. California should promote CalFresh to all eligible participants, paying special attention to outreaching to the eligible working population.

Partner with the Department of Health Care Services to outreach to Medi-Cal participants

Many people who are eligible for Medi-Cal are also eligible for CalFresh. Medi-Cal has a much higher participation rate of 85 percent.[51]

Coordination between the Department of Health Care Services (which administers Medi-Cal) and the Department of Social Services (which administers CalFresh) can help enroll dual eligibles in both programs. Coordination could include adding a few questions to the Medi-Cal application to determine eligibility for CalFresh (and vice versa) and the sharing of eligible applications with the appropriate agency. Reaching eligible non-participants through the Medi-Cal enrollment process can potentially enroll many new CalFresh participants by making them aware that they qualify for CalFresh and by shortening the application process by using information already provided on the Medi-Cal application. The implementation of Health Care Reform offers an additional avenue to outreach to eligible non-participants.

---

[49] Hanson, K. "The Food Assistance National Input-Output Multiplier (FANIOM) Model and Stimulus Effects of SNAP." *USDA Economic Research Report Number 103*, October 2010 available at: www.ers.usda.gov/Publications/ERR103/ERR103.pdf

[50] Shimada, T. "Lost Dollars, Empty Plates." California Food Policy Advocates, 2012. Available at: http://cfpa.net/lost-dollars-empty-plates-2012 (Accessed May 2012)

[51] Lavarreda, S. et al., "The State of Health Insurance in California: Findings from the 2009 California Health Interview Survey," Los Angeles, CA: UCLA Center for Health Policy Research, 2012. Available online at: http://www.healthpolicy.ucla.edu/pubs/Publication.aspx?pubID=539 (Accessed May 2012)

Consumer Recommendation:
Support Farmers Market Nutrition Program Participation

Rationale

Two federal programs – the Senior Farmers Market Nutrition Program and the WIC Farmers' Market Nutrition Program – provide benefits to eligible participants to be specifically used at farmers' markets.

The WIC Farmers Market Nutrition Program (WIC FMNP) operates from May to October and provides eligible participants with $20 of vouchers that can be used at participating farmers' markets for fresh fruit, vegetables, and herbs. In 2010, almost 150,000 families in California participated, receiving about $2.5 million in federal funds. In 2011, only 65 percent of the coupons issued in California were redeemed, for about $1.8 million worth of produce.[52]

The Senior Farmers' Market Nutrition Program likewise provides eligible low-income seniors with coupons to buy fresh fruits, vegetables, and cut herbs at Certified Farmers' Markets (CFMs). The Senior FMNP is fully federally funded and provided about $823,000 to eligible seniors in 2011.[53] Participating seniors receive $20 (ten $2 coupons) from their local Area Agency on Aging to spend at participating CFMs in May through November.

Currently, both programs are significantly underutilized in California. Participation rates are at about 40 percent for SFMNP and 60 percent for WIC FMNP. Higher participation would increase the ability of low-income seniors, women, and children to purchase healthy food from CFMs. Participation in these programs has been shown to increase healthy food purchases and change purchasing habits beyond the subsidy offered by the program. A study in Los Angeles showed that WIC participants who received a $40 subsidy for vegetables consumed higher amounts of vegetables for 6 months after the subsidy had ended.[54]

Strategies

Distribute coupon booklets at Certified Farmers' Markets

Distributing coupon booklets at CFMs can increase enrollment by saving participants the additional trip to county offices to sign up and receive their coupon booklets. Redemption rates are significantly increased, as participants can immediately use the coupons to purchase fruits and vegetables. This process was successfully implemented in Madera County, which was able to increase participation rates by distributing the coupon booklets at farmers markets, and could serve as a model for other counties.

---

[52] California Department of Public Health. *WIC Farmers Market Instruments Issued and redeemed: May 1, 2011 through December 31, 2011.* Available at: http://www.cdph.ca.gov/programs/wicworks/Documents/Farmers'%20Market/FMNP%20Redemption%20Reports/FMNP%20REDEMPTION%20REPORT%20-%2005-01-2011%20thru%2012-31-2011.pdf

[53] Food and Nutrition Service, USDA. Senior Farmers' Market Nutrition Program Grant Levels 2006-2011, available at: http://www.fns.usda.gov/wic/SeniorFMNP/SFMNPgrantlevels.htm

[54] Herman D, Harrison GG, Jenks E. "Choices made by low-income women provided with an economic supplement for fresh fruit and vegetable purchase." J Am Diet Assoc 2006, 106(5):740–4.

Support program promotion

Counties can also promote these by outreaching to eligible participants through other county offices. Many low-income seniors, women and children also interact with health clinics, where they can receive information about the programs.

Consumer Recommendation: Increase Healthy Food Incentive Programs

Rationale

Many of the residents in underserved communities are currently using, or are eligible to use, federal nutrition assistance programs such as CalFresh and WIC. However, even with this assistance, many struggle with food insecurity. Incentive programs offer a way to stretch limited food dollars even further by reducing the price of healthy food purchases relative to other purchases.

The amount of CalFresh benefits being used at California Farmers' Markets has increased rapidly over the past few years, with over $2 million worth of EBT sales in 2011.[55] Incentive programs have the ability to increase these dollars being spent on produce by allowing current participants to buy more produce and encouraging new participants to purchase produce from CFMs. USDA research suggests that low-income consumers are sensitive to prices of fruits and vegetables, and would purchase a higher quantity if the price were reduced.[56] Consumers are more responsive to changes in price of fruits and vegetables than they are for most other foods.[57]

Consumers are more responsive to changes in price of fruits and vegetables than they are for most other foods.

Incentive programs in California and other states have shown increased consumption of healthy food. The Market Extra Five program is an incentive program operating at some Certified Farmers' Markets (CFMs) in California that gives CalFresh participants who spend $10 on fruits and vegetables an additional $5 to spend at the CFM. As a result of the program, preliminary data show that CalFresh purchases increased 12 percent. A similar program in Michigan, "Double Up Bucks," doubled the purchasing power of SNAP participants at farmers' markets by giving them twice as many tokens to use as the amount of SNAP benefits they paid (up to $20).[58] This increased SNAP purchases by 190 percent and 81 percent of customers reported an increase in fruit and vegetable purchases.[59] Not only did this incentive program increase the amount of fruit and vegetables participants purchased, but 58 percent of participants reported trying new fruits and vegetables and 66 percent made more trips to the farmers' market.[60] In addition to Market Extra Five and Double Up Bucks, other successful programs that can serve as models include New York's Health Bucks, Philadelphia's Food Bucks, and Boston's Bounty Bucks.

---

[55] Ecology Center's Farmers' Market EBT Project, http://www.ecologycenter.org/ebt/index.html

[56] Dong, D. and Lin, B. "Fruit and Vegetable Consumption by Low-Income Americans: Would a Price Reduction Make a Difference?" USDA Economic Research Service, Report Number 70, January 2009. Available at: http://www.ers.usda.gov/publications/err70/err70.pdf

[57] Lin, B. and Huan, K. "Estimation of Food Demand and Nutrient Elasticities from Household Survey Data" USDA Economic Research Service, Technical Bulletin Number 1887, August 2000.

[58] Double Up Food Bucks, 2011 Evaluation Report, The Fair Food Network. Available at: http://www.fairfoodnetwork.org/sites/default/files/FFN_DUFB_Evaluation_2011_Web.pdf

[59] Double Up Food Bucks, 2011 Evaluation Report, The Fair Food Network. Available at: http://www.fairfoodnetwork.org/sites/default/files/FFN_DUFB_Evaluation_2011_Web.pdf

[60] Double Up Food Bucks, 2011 Evaluation Report, The Fair Food Network. Available at: http://www.fairfoodnetwork.org/sites/default/files/FFN_DUFB_Evaluation_2011_Web.pdf

Strategies:

Support the use of HFFI funding to fund year long incentive programs at CFMs for CalFresh participants

Federal HFFI funds can be used for incentive programs at Farmers' Markets, including:
Specialty Crop Block Grants
Farmers' Market Promotion Program
Community Food Projects Grant Program

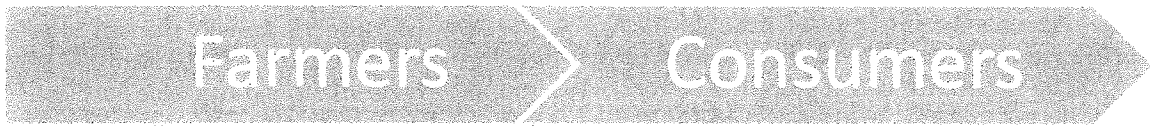
CDFA should make available information about federal and private funding for healthy incentive programs to market managers via CDFA's Inspection Services Division, which already has a relationship with CFMs. This information should include which programs, such as the HFFI programs, are available to support incentive programs. CDFA can also highlight best practices of existing incentive programs (e.g. Market ExtraFive) and connect new grantees with existing programs.

The current Farm Bill might also include additional funds for such incentive programs. CDFA should monitor this and, if additional money for incentive programs is included in the Farm Bill, work with USDA to secure those funds for California.

If CHFFI has available funds, it should use them to support incentive programs at CFMs and other healthy food retailers.

Outreach and promotion of incentive programs

In addition to aiding with funding, the state should help with program outreach and promotion. Grant-making agencies should allow a portion of these grants to be used on outreach and advertising to potential participants in underserved communities.



Direct Distribution Recommendation: Support Healthy School Meals

Rationale

The earlier recommendations focus on ways to increase the purchase of healthy food by residents of underserved communities by increasing the food outlets in these communities, increasing the quality and variety of healthy foods they carry, and increasing residents' ability to pay for these foods.

Children, however, receive a significant portion of their food from outside this system. In the 2010-2011 school year, over 810 million meals were served in California as part of the National School Lunch Program (NSLP) and School Breakfast Program (SBP).[61] Many children in underserved communities qualify for free or reduced price lunch and breakfast at school. Students from households with income at or below 130 percent of the Federal Poverty Level (FPL) are eligible to receive free meals; those with household incomes between 130-185 percent of FPL[62] are eligible for reduced-price meals.[63] These students are also eligible to receive after school snacks and meals through NSLP and the Child and Adult Care Food Program (CACFP).

---

[61] California Department of Education, Nutrition Services Division. 2010-2011 School Nutrition Program County Profile Report. Available at: http://www.cde.ca.gov/ds/sh/sn/#annual (Accessed April 2012)
[62] In 2010-11, 130 percent FPL was $23,803/year for a family of three; 185 percent FPL was $33,874.

During the 2009-10 school year, 70 percent of low-income students in California's public school districts participated in NSLP.[64] During that same year, an average 3.2 million school lunches were served in California's public school districts each school day.[65] Of these meals, 66 percent were provided free of charge, 12.5 percent were provided at a reduced-price, and 21.5 percent were full-price meals.[66]

Because schools are often the largest source of food for children in underserved communities, any efforts to increase access to healthier food should also include school meals and snacks. Improving the nutrition of school meals that so many children rely on will increase access to healthy food for this important population.

Nutrition standards for school meals were recently updated at the federal level. Meals now must have a separate vegetable component, offer whole grains, reduce sodium and eliminate trans fat. However, the nutrition standards could still be improved (including a limit on starchy vegetables and improved methods of measuring the vegetable components.

Children's eating habits are still forming and have the potential to impact their eating habits and health for the rest of their lives. Children also influence their families' eating habits, and can bring nutrition education and habits home with them from school.

In addition to improving the nutrition of the meals students eat at school, making school meals healthy also teaches our children good eating habits. Learning to eat healthy food early can have lasting impacts on a person's eating habits. Children's eating habits are still forming and have the potential to impact their eating habits and health for the rest of their lives. Children also influence their families' eating habits, and can bring nutrition education and habits home with them from school.

Strategies

Continue with efforts to create a state-wide Farm-to-Fork office

Farm-to-Fork programs connect farmers directly with school districts, and are being adopted across the state (and country) as a way to bring fresh, healthy produce into school lunches. In addition to providing fresh produce, Farm-to-School programs can also educate students about the importance of eating healthy foods and connect them to the foods they eat.

A state-wide Farm-to-Fork office will work with the CDFA, CDPH, and CDE to coordinate and implement Farm-to-Fork Programs across the state. The Farm-to-Fork office will also work with non-profit groups that are working to improve school lunch, including the California Farm-to-School Task Force. CDFA, CDPH, and CDE are currently working to set up a Farm-to-Fork office.

---

[63] USDA Food and Nutrition Service, Child Nutrition Programs – Income Eligibility Guidelines, available at: http://www.fns.usda.gov/cnd/Governance/notices/iegs/IEGs11-12.pdf and at http://www.cde.ca.gov/ls/nu/rs/scales0910.asp (California Department of Education)

[64] California Food Policy Advocates Statewide School Meal Statistics (2009-10), data provided by the California Department of Education

[65] California Department of Education, Nutrition Services Division 2009-10 County Profile (http://www.cde.ca.gov/ds/sh/sn/#annual)

[66] California Department of Education, Nutrition Services Division 2009-10 County Profile (http://www.cde.ca.gov/ds/sh/sn/#annual)

For schools, the state-wide office would provide best practices from existing programs, including information regarding menu-planning, purchasing practices, salad bar operation, and promotion to students and parents. The state-wide office can also assist suppliers with the certification process necessary to sell to schools and best selling practices. The office will outreach to both schools and farmers. The Farm-to-Fork office can also help school districts fully utilize the Fresh Fruit and Vegetable Program and the Department of Defense Fresh Fruits and Vegetables Program.

Use HFFI funding for updating school kitchens to support Farm-to-School

Many school kitchens are only equipped with "heat and serve" equipment and do not have the proper infrastructure to prepare food on site. To be able to cook on site, cut up raw produce for salad bars, etc., many schools need to make substantial changes to their kitchens, including installing refrigeration units, new sinks, etc. that are necessary to prepare food and meet food safety requirements. These modifications can be costly for already stretched school budgets.

HFFI funds could be used to improve school infrastructure to support Farm-to-School programs. This should include support for purchasing salad bars, kitchen modifications, cold storage, and feasibility studies to determine what changes are needed.

Support Time to Eat

Students in many California schools do not have enough time to eat lunch. Lunch periods, which are not funded as educational minutes, have been reduced in many districts. Short meal periods are often exacerbated by long cafeteria lines, which leave students with even less time to eat and result in many unfinished meals. The Farm-to-Fork office should work with CDE and state legislators to devise solutions to ensure that students have sufficient time to eat school meals.

Direct Distribution Recommendation: Support Urban Agriculture

Rationale

Urban agriculture is the production of food in or around urban areas. Community gardens and other types of urban agriculture can increase the amount of healthy food available in urban areas. They can be managed by public entities or community-based organizations.

In addition to making more food available, urban agricultural can reconnect city residents with the food system, emphasize the importance of eating fresh fruits and vegetables, and increase residents' desire to do so. Opportunities to participate in urban agriculture can also provide another way for low-income residents to access healthy food.

Strategies

Support local policies that allows for urban agriculture

Zoning policies in many localities restrict urban agriculture and require potential sites to obtain conditional use permits, which can be costly and are only granted on a case-by-case basis. The state should support changes to local zoning ordinances that allow urban agriculture and community gardens. The state can provide models of such zoning codes to interested parties, such as Cleveland's urban gardening district zoning code. Localities can also assist urban farmers with services such as water and trash collection. Community groups can then identify underutilized land that can be used for growing food and work with community members to cultivate it.

Support School Gardens

Schools gardens exist exclusively on school grounds and provide an opportunity for children to understand where food comes from, learn how to grow different types of food, and eat the fruits and vegetables they grow. The education and nutrition aspect of schools gardens are both valuable and can positively affect children's eating habits. CDFA, CDE, and CDPH can support school gardens and their inclusion in school programs.

Conclusion

California, given the variety and high quality healthy food grown in the state, has unique opportunities to increase food access for its citizens. CDFA's recommendations in this report provide a roadmap for the state of California to take advantage of these opportunities and use existing resources to help all Californians access this healthy food.

Limited food access disproportionately affects low-income communities and communities of color and can result in higher rates of diet-related disease. Increasing the availability of high quality, healthy produce first entails supporting the distribution of food from farmers to schools and small stores underserved communities through regional food hubs.

California, given the variety and high quality healthy food grown in the state, has unique opportunities to increase food access for its citizens. CDFA's recommendations in this report provide a roadmap for the state of California to take advantage of these opportunities and use existing resources to help all Californians access this healthy food.

The state can also support the development of new grocery stores by facilitating access to financial resources, encouraging local governments to speed permitting processes, removing the moratorium on new WIC authorizations, and staggering the distribution of CalFresh benefits. These strategies will help grocers with the additional barriers they face when operating in underserved areas. The state can also incentivize existing corner stores to carry more healthy food with access to funds and technical support for the transition.

Additional distribution and retail stores mitigate but do not solve the barrier of affordability for low-income consumers. California can remove state barriers to accessing federal nutrition programs, especially CalFresh, promote incentive programs that help low-income consumers purchase healthy food, and make sure that nutrition program benefits are accepted at all healthy food retailers. Increasing the healthy food offered in school meals will put healthy food directly on children's plates.

These recommendations take advantage of California's resources – from the healthy food grown throughout the state to the federal dollars available to California citizens and organizations.

Appendix 1: Federal Healthy Food Financing Initiative Grant & Loan Programs

United States Department of the Treasury

1. Community Development Financial Institutions (CDFI) Fund

The purpose of the Community Development Financial Institutions Program is to expand the capacity of CDFIs to provide credit, capital, and financial services to underserved populations and communities in the United States.

Purpose: The purpose of the CDFI Program is to expand the capacity of CDFIs to provide credit, capital, and financial services to underserved populations and communities in the United States.

Eligible Applicants: Certified CDFIs, or entities that have CDFI certification applications pending with the CDFI Fund. CDFIs are financial institutions (banks, thrifts, credit unions, loan funds, and venture capital funds) with a principal mission of serving underserved populations or distressed communities.

Application Timeline: Applications are due at the end of June. Awards will likely be announced in August.

Information: http://www.cdfifund.gov.

Additional Information: Treasury's HFFI Capacity Building Initiative

2. The New Markets Tax Credit (NMTC) Program

The New Markets Tax Credit Program permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs).

Purpose: The NMTC Program permits taxpayers to receive a credit against Federal income taxes for making qualified equity investments in designated Community Development Entities (CDEs). Substantially all of the qualified equity investment must in turn be used by the CDE to provide investments in low-income communities.

Eligible Applicants: Certified CDEs, or entities that have CDE certification applications pending with the CDFI Fund. A CDE is any duly organized domestic corporation or partnership that: (a) has a primary mission of serving, or providing investment capital for, low-income communities or low-income persons; and (b) maintains accountability to residents of low-income communities through their representation on any governing board of the entity or any advisory board to the entity.

Application Timeline: New Market Tax Credit Program Applications were released 5/31/2011. Awards will likely be announced in January or February.

More Information: www.cdfifund.gov

United States Department of Health and Human Services

3. Community Economic Development Program

The Community Economic Development Program supports community-based efforts to improve the economic and physical health of people in distressed areas.

Purpose: Support community-based efforts to improve the economic and physical health of people in distressed areas.

Eligible Applicants: Community Development Corporations (CDC) which must document their eligibility as a CDC for the purposes of this grant program. The application must include a list of governing board members along with

their designation as a community resident, or business or civic leader. In addition, the application must include documentation that the organization has as a primary purpose planning, developing or managing low-income housing or community development activities.

Program: Through the CED program, HHS will award competitive grants to Community Development Corporations to support projects that finance grocery stores, farmers markets, and other sources of fresh nutritious food. These projects will serve the dual purposes of facilitating access to healthy, affordable food options while creating job and business development opportunities in low-income communities, particularly since grocery stores often serve as anchor institutions in commercial centers.

Application Timeline: The CED Funding Opportunity Announcement (FOA) was published 5/11/2011. Applications are due July 11, 2011. Awards will be announced by September 30, 2011.

More Information: http://www.acf.hhs.gov/grants/open/foa/view/HHS-2011-ACF-OCS-EE-0178

United States Department of Agriculture

4. Community Facilities Program

The Community Facilities Program develops essential community facilities and services for public use in rural areas to improve the quality of life of rural residents.

Purpose: Develop essential community facilities and services for public use in rural areas, to improve the quality of life of rural residents.

Eligible Applicants: Public bodies, nonprofit organizations, and State and Federally-recognized tribes located in rural areas with populations of 20,000 or less.

Program: The Community Facilities program addresses basic needs and supports the success of rural communities by providing loans and grants for the construction, acquisition, or renovation of community facilities or for the purchase of equipment for community projects. Community Facilities funding sources include guaranteed loans, direct loans, and grants. Projects that may qualify include, but are not limited to, farmers markets, school and community kitchens/equipment, community food banks, refrigerated trucks, meals-on-wheels delivery vehicles, and community gardens. These projects will support local and regional food systems and increase access to healthy, locally grown foods.

Application Timeline: Applications are accepted on a continual basis. Entities interested in applying for these funds should contact the Rural Development Area Office that handles the county where their proposed project will be located, to initiate the application process. Applicants can find the contact information for their Area Office by using the website listed below and selecting the following: "Agencies & Offices;" "USDA Service Centers;" then click on your State, and then click on your County.

More Information: http://www.rurdev.usda.gov/HCF_CF.html

5. Rural Business Opportunity Grant Program (RBOG)

The Rural Business Opportunity Grant Program promotes sustainable economic development in rural communities with exceptional needs through provision of training and technical assistance for business development, entrepreneurs, and economic development officials and to assist with economic development planning.

Purpose: The RBOG program promotes sustainable economic development in rural communities with exceptional needs through provision of training and technical assistance for business development, entrepreneurs, and economic development officials and to assist with economic development planning.

Eligible Applicants: Rural public bodies, rural nonprofit corporations, rural Indian tribes, and cooperatives with primarily rural members that conduct activities for the mutual benefit of the membership are eligible provided they have sufficient financial strength and expertise to carry out the activity to be funded.

Program: The RBOG program is primarily a training and technical assistance program. Funds may be provided for development of export markets; feasibility studies; development of long term trade strategies; community economic development planning; business training and business based technical assistance for rural entrepreneurs and business managers; establishment of rural business incubators; and assistance with technology based economic development. The types of projects that may be funded might include identification/ analysis of business opportunities that will utilize local material and human resources; provision of leadership development training to existing or prospective rural entrepreneurs and managers; business support centers; centers for training, technology and export trade; and, economic development planning.

Application Timeline: An annual notice soliciting applications is published early in the calendar year. Entities interested in applying for these funds should contact the Rural Development State Office that handles the county where their proposed project will be located, to initiate the application process. Applicants can find the contact information for their State Office by visiting the Rural Development Web site at: http://www.rurdev.usda.gov/StateOfficeAddresses.html.

More Information: http://www.rurdev.usda.gov/RD_Grants.html

6. Business and Industry Loan Guarantee Program (B&I)

The purpose of the Business and Industry Loan Guarantee Program is to help new and existing businesses based in rural areas gain access to affordable capital.

Purpose: The purpose of the B&I program is to help new and existing businesses based in rural areas gain access to affordable capital. Loans can be used for a wide variety of business-related activities, including: business development, repair, or modernization; purchase and development of land; and purchase of equipment, machinery, supplies, and/or inventory.

More Information: http://www.rurdev.usda.gov/rbs/busp/b&i_gar.htm

7. Rural Microentrepreneur Assistance Program (RMAP)

The purpose of the Rural Microentrepreneur Assistance Program is to support the development and ongoing success of rural microentrepreneurs and microenterprises.

Purpose: The purpose of the RMAP program is to support the development and ongoing success of rural microentrepreneurs and microenterprises. Direct loans and grants are made to selected Microenterprise Development Organizations (MDOs).

More Information: http://www.rurdev.usda.gov/BCP_RMAP.html

8. Intermediary Relending Program

Through this program, loans are provided to local organizations (intermediaries) for the establishment of revolving loan funds. These revolving loan funds are used to assist with financing business and economic development activity to create or retain jobs in disadvantaged and remote communities.

Purpose: Loans are provided to local organizations (intermediaries) for the establishment of revolving loan funds. These revolving loan funds are used to assist with financing business and economic development activity to create or retain jobs in disadvantaged and remote communities. Intermediaries are encouraged to work in concert with State and regional strategies, and in partnership with other public and private organizations that can provide complimentary resources.

More Information: http://www.rurdev.usda.gov/rbs/busp/irp.htm

9. Rural Business Enterprise Grant Program (RBEG)

The Rural Business Enterprise Grant Program provides grants for rural projects that finance and facilitate the development of small and emerging rural businesses and help fund employment related adult education programs.

Purpose: The RBEG program provides grants for rural projects that finance and facilitate the development of small and emerging rural businesses and help fund employment related adult education programs. Examples of eligible fund use include: Acquisition or development of land, construction, conversion, renovation, of buildings, plants, machinery, equipment, capitalization of revolving loan funds including funds that will make loans for start ups and working capital; training and technical assistance; and project planning.

More Information: http://www.rurdev.usda.gov/rbs/busp/rbeg.htm

10. Farmers Market Promotion Program (FMPP)

The Farmers Market Promotion Program supports the development, promotion, and expansion of direct, producer-to-consumer marketing and consumption of domestic agricultural commodities.

Purpose: Support the development, promotion, and expansion of direct, producer-to-consumer marketing and consumption of domestic agricultural commodities.

Eligible Applicants: All applicants must be domestic entities, i.e., owned, operated, and located within one or more of the 50 United States and the District of Columbia, and able to provide written evidence of eligibility. Eligible entities include: 1) agricultural cooperatives, 2) economic development corporations 3) producer networks, 4) producer associations, 5) local governments, 6) non-profit corporations, 7) public benefit corporations, 8) regional farmers' market authorities, and 9) Tribal governments. Individuals are not eligible to apply.

Program: Through the Farmers Market Promotion Program, the Agricultural Marketing Service provides non-construction competitive grants that target the development, improvement, and expansion of domestic farmers' markets, roadside stands, community-supported agriculture programs, agri-tourism activities, and other direct producer-to-consumer market opportunities, with a goal of increasing the consumption of fresh nutritious food products. These efforts provide opportunities for producers to increase farm income, contribute to the development of viable food systems, and promote greater access to local food products within the Federal nutrition assistance.

Application Timeline: Eligible applicants must apply within the guidelines set forth in the FMPP Notice of Funds Availability (NOFA) and program Guidelines. It is anticipated that the NOFA will be published in the Federal Register in February/March of 2011, and applicants will have 45 days to submit. AMS will announce awards in September and funds will become available beginning in October.

More Information: http://www.ams.usda.gov/AMSv1.0/FMPP

11. Specialty Crop Block Grants (SCBG)

The purpose of the Specialty Crop Block Grant Program (SCBGP) is to enhance the competitiveness of specialty crops, including fruits, vegetables, tree nuts, and nursery crops.

Purpose: The purpose of the Specialty Crop Block Grant Program (SCBGP) is to enhance the competitiveness of specialty crops, including fruits, vegetables, tree nuts, and nursery crops.

The agency, commission, or department responsible for agriculture within the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the U.S. Virgin Islands, and the Commonwealth of the Northern Mariana Islands are eligible to apply for grant funds from USDA.

Eligible Applicants: Applications for individual specialty crop projects must be submitted to your state department of agriculture to be considered for funding. To learn more about how to apply for Specialty Crop Block Grant Program funding, contact your state department of agriculture project coordinator (http://www.ams.usda.gov/AMSv1.0/SCBGPStatePOCs).

State departments of agriculture are encouraged to partner with specialty crop stakeholders, including socially disadvantaged and beginning farmers, in order to fulfill state specialty crop priorities.

Program: USDA encourages states to develop projects to enhance the competitiveness of specialty crops pertaining to the following issues affecting the specialty crop industry: increasing child and adult nutrition knowledge and consumption of specialty crops; improving efficiency and reducing costs of distribution systems; assisting all entities in the specialty crop distribution chain in developing best practices; investing in specialty crop research, including research to focus on conservation and environmental outcomes; enhancing food safety; developing new and improved seed varieties and specialty crops; pest and disease control; and development of organic and sustainable production practices. The program aims to increase the marketability of specialty crop farmers, including Native American and disadvantaged farmers; develop local a regional food systems; and improve food access in underserved communities.

Application Timeline: Applicants should contact their state departments of agriculture for more information or visit the website below.

More Information: http://www.ams.usda.gov/SCBGP

12. Federal-State Marketing Improvement Program (FSMIP)

The Federal State Marketing Improvement program (FSMIP) provides matching funds to state departments of agriculture, state agricultural experiment stations, and other appropriate state agencies to assist in exploring new market opportunities for U.S. food and agricultural products, and to encourage research and innovation aimed at improving the efficiency and performance of the marketing system.

Purpose: This Federal State Marketing Improvement program (FSMIP) provides matching funds to state departments of agriculture, state agricultural experiment stations, and other appropriate state agencies to assist in exploring new market opportunities for U.S. food and agricultural products, and to encourage research and innovation aimed at improving the efficiency and performance of the marketing system.

Eligible Applicants: Eligible applicants include state departments of agriculture, state agricultural experiment stations, and other appropriate state agencies. Applicants are encouraged to involve industry groups, academia, community-based organizations, and other stakeholders in developing proposals and conducting projects.

Program: These grants explore new and innovative approaches to marketing U.S. food and agricultural products and to improve the efficiency and performance of the marketing system. FSMIP funds a wide range of applied research projects that address barriers, challenges, and opportunities in marketing, transporting, and distributing U.S. food and agricultural products domestically and internationally.

Application Timeline: Notices of Funds Availability (NOFAs) have traditionally been posted for this program in the federal register in December of each year. Please refer to the website below for the most updated information.

Most recent NOFA: http://blogs.usda.gov/2012/02/07/apply-within-matching-grants-to-boost-state-research-efforts/

More Information: www.ams.usda.gov/FSMIP

13. Farmers Market Nutrition Program (FMNP)

The Farmers Market Nutrition Program (FMNP) is associated with the Special Supplemental Nutrition Program for Women, Infants and Children, popularly known as WIC. The FMNP was established to provide fresh, unprepared, locally grown fruits and vegetables to WIC participants, and to expand the awareness, use of, and sales at farmers markets.

Purpose: The Farmers Market Nutrition Program (FMNP) is associated with the Special Supplemental Nutrition Program for Women, Infants and Children, popularly known as WIC. The WIC Program provides supplemental foods, health care referrals and nutrition education at no cost to low-income pregnant, breastfeeding and non-breastfeeding post-partum women, and to infants and children up to five years of age who are found to be at nutritional risk. The FMNP was established to provide fresh, unprepared, locally grown fruits and vegetables to WIC participants, and to expand the awareness, use of, and sales at farmers markets.

Eligible Applicants: Women, infants (over four months old) and children that have been certified to receive WIC program benefits or who are on a waiting list for WIC certification are eligible to participate in FMNP. State agencies may serve some or all of these categories.

Program: Eligible WIC participants are issued FMNP coupons in addition to their regular WIC benefits. These coupons can be used to buy eligible foods from farmers, farmers markets or roadside stands that have been approved by the State agency to accept FMNP coupons. The farmers, farmers markets or roadside stands then submit the coupons to the bank or state agency for reimbursement.

Nutrition education is provided to FMNP recipients by the state agency, often through an arrangement with the local WIC agency. Other program partners may provide nutrition education and/or educational information to FMNP recipients. These educational arrangements help encourage FMNP recipients to improve and expand their diets by adding fresh fruits and vegetables, as well as educate them on how to select, store and prepare the fresh fruits and vegetables they buy with their FMNP coupons.

More Information: http://www.fns.usda.gov/wic/fmnp/fmnpfaqs.htm

14. Senior Farmer's Market Nutrition Program (SFMNP)

The purposes of the Senior Farmers Market Nutrition Program (SFMNP) are to: (1) Provide resources in the form of fresh, nutritious, unprepared, locally grown fruits, vegetables, honey and herbs from farmers markets, roadside stands and community supported agriculture programs to low-income seniors; (2) Increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic farmers markets, roadside stands, and community supported agriculture programs, and; (3) Develop or aid in the development of new and additional farmers markets, roadside stands, and community supported agriculture programs.

Purpose: The purposes of the Senior Farmers Market Nutrition Program (SFMNP) are to: (1) Provide resources in the form of fresh, nutritious, unprepared, locally grown fruits, vegetables, honey and herbs from farmers markets, roadside stands and community supported agriculture programs to low-income seniors; (2) Increase the domestic consumption of agricultural commodities by expanding or aiding in the expansion of domestic farmers markets, roadside stands, and community supported agriculture programs, and; (3) Develop or aid in the development of new and additional farmers markets, roadside stands, and community supported agriculture programs.

Eligible Applicants: Low-income seniors, generally defined as individuals who are at least 60 years old and who have household incomes of not more than 185% of the federal poverty income guidelines are the targeted recipients of SFMNP benefits.

Program: SFMNP awards grants to states, United States Territories, and federally-recognized Indian tribal governments to provide low-income seniors with coupons that can be exchanged for eligible foods at farmers markets, roadside stands, and community supported agriculture programs.

Application Timeline: SFMNP benefits are provided to eligible recipients for use during the harvest season. In some states, the SFMNP season is relatively short, because the growing season in that area is not very long. In other states with longer growing seasons, recipients have a longer period of time in which to use their SFMNP benefits. Once the SFMNP benefits have been issued to eligible seniors, they can be used to purchase fresh, nutritious, unprepared, locally grown fruits, vegetables, honey, and herbs at authorized farmers' markets, roadside stands, and community supported agriculture programs. In 2009, these products were available to 809,711 low-income seniors from 18,714 farmers at 3,684 farmers' markets as well as 3,061 roadside stands and 159 community supported agriculture programs.

More Information: http://www.fns.usda.gov/wic/SeniorFMNP/SFMNPmenu.htm

15. Special Supplemental Nutrition Program for Women, Infants & Children (WIC)

WIC provides federal grants to states for supplemental foods, health care referrals, and nutrition education for low-income pregnant, breastfeeding, and non-breastfeeding postpartum women, and to infants and children up to age five who are found to be at nutritional risk.

Purpose: WIC provides federal grants to states for supplemental foods, health care referrals, and nutrition education for low-income pregnant, breastfeeding, and non-breastfeeding postpartum women, and to infants and children up to age five who are found to be at nutritional risk.

Eligibility: Please visit the website below for more information.

Program: WIC provides nutritious foods, nutrition education, and referrals to health and other social services to participants at no charge. WIC serves low-income pregnant, postpartum and breastfeeding women, and infants and children up to age 5 who are at nutrition risk.WIC is a federal grant program for which Congress authorizes a specific amount of funding each year for program operations. The Food and Nutrition Service, which administers the program at the federal level, provides these funds to WIC state agencies (State health departments or comparable agencies) to pay for WIC foods, nutrition education, breastfeeding promotion and support, and administrative costs.

Application to the Program: The Food and Nutrition Service administers the WIC Program at the federal level; state agencies are responsible for determining participant eligibility and providing benefits and services, and for authorizing vendors. To apply to be a WIC participant, you will need to contact your State or local agency to set up an appointment. Please visit your state's website or call the toll-free number for assistance. When you call to set up an appointment, someone will tell you the location nearest your home and what you need to bring with you. To apply to be a WIC vendor, you will need to contact your state agency.

More Information: http://www.fns.usda.gov/wic

16. Supplemental Nutrition Assistance Program (SNAP)

The United States Supplemental Nutrition Assistance Program, formerly known as the Food Stamp Program, is a federal nutrition assistance program that provides food to low- and no-income people and families living in the United States.

Purpose: The United States Supplemental Nutrition Assistance Program (SNAP), formerly known as the Food Stamp Program, is a federal nutrition assistance program that provides food to low- and no-income people and families living in the United States Though the program is administered by the USDA, benefits are distributed by the individual states.

Eligible Applicants: To get SNAP benefits, households must meet certain criteria, including resource and income tests for resources, income, deductions, and employment requirements. Additionally, there are special rules for

elderly or disabled and immigrant eligibility. To see if you might be eligible for Supplemental Nutrition Assistance Program (SNAP, formerly food stamp) benefits, visit the pre-screening tool.

Applications: Visit the website below for more details.

More Information: http://www.fns.usda.gov/snap/

17. The Emergency Food Assistance Program (TEFAP)

The Emergency Food Assistance Program helps supplement the diets of low-income people, including elderly people, by providing them with emergency food and nutrition assistance.

Purpose: The Emergency Food Assistance Program (TEFAP) helps supplement the diets of low-income people, including elderly people, by providing them with emergency food and nutrition assistance.

Eligible Applicants: (a) Public or private nonprofit organizations that provide food and nutrition assistance to the needy through the distribution of food for home use or the preparation of meals. Please note the following:

Organizations that distribute food for home use must determine the household's eligibility by applying income standards.

Organizations that provide prepared meals are eligible to receive commodities if they can demonstrate that they serve predominately needy persons.

(b) Households that meet state eligibility criteria. Each state sets criteria for determining which households are eligible to receive food for home consumption. Income standards may, at the state's discretion, be met through participation in other existing Federal, State, or local food, health, or welfare programs for which eligibility is based on income.

(c) Homeless people, including low-income senior citizens are eligible to participate in TEFAP. Homeless people can receive prepared meals served in a congregate setting without submitting an application. However, homeless people must meet state income eligibility requirements in order to receive TEFAP food that is not served in prepared meals.

Programs: USDA purchases TEFAP food, including processing and packaging, and ships it to the states. The amount received by each state depends on its low-income and unemployed population. State agencies work out details of administration and distribution. They select local organizations that either directly distribute to households or serve meals, or distribute to other local organizations that perform these functions.

Application Timeline: Contact your State Distributing Agency (SDA) for further assistance. For a list of SDA contacts please visit: http://www.fns.usda.gov/fdd/contacts/sdacontacts.htm

More Information: http://www.fns.usda.gov/fdd/programs/tefap/

18. The Community Food Projects Grant Program (CFP)

The Community Food Projects Grant Program supports community-based food and agriculture projects nationwide.

Purpose: The Community Food Projects Grant Program (CFP) supports community-based food and agriculture projects nationwide.

Eligible Applicants: Only private non-profit organizations are eligible to receive CFP funds directly, but collaborations with public and private for-profit entities are recommended. Applications will be evaluated by reviewers from the food security community. Applicants may request up to $300,000 for projects of up to three

years' duration. CFP funds requested must be matched dollar for dollar with non-federal resources. Projects should be planned to use a one-time infusion of federal funds to become self-sustaining.

Program: This program supports projects that help meet the food needs of low-income people, increase the self-reliance of communities in providing for their own food needs, and promote comprehensive responses to local food, farm, and nutrition issues. The program can also be used to meet specific state, local, or neighborhood food and agriculture needs for infrastructure improvement and development, long-term planning, or the creation of innovative marketing activities that mutually benefit agricultural producers and low-income consumers.

Application Timeline: The CFP Request for Applications (RFA) for fiscal year 2011 was released August 27, with a deadline of November 17, 2010. The deadline has passed for this year.

More Information: http://www.foodsecurity.org/funding.html

19. The Healthy Urban Food Enterprise Development Center (HUFED)

The Healthy Urban Food Enterprise Development Center grant program establishes and supports a Healthy Urban Food Enterprise Development Center to increase access to healthy, affordable foods, including locally produced agricultural products, to underserved communities.

Purpose: The Healthy Urban Food Enterprise Development Center (HUFED) grant program establishes and supports a Healthy Urban Food Enterprise Development Center to increase access to healthy, affordable foods, including locally produced agricultural products, to underserved communities.

Eligible Applicants: Nonprofit organizations are eligible to apply for and receive awards under the HUFED Center authority.

Program: The HUFED Center will provide training and technical assistance for food enterprises and award sub-grants to eligible entities for healthy food enterprise development.

Application Timeline: Check the website for more information.

More Information: http://www.nifa.usda.gov/funding/rfas/healthy_urban_food.html and http://www.wallacecenter.org/our-work/current-initiatives/healthy-urban-food-enterprise-development-center/about-hufed