

Funding Sources for Healthy Food Retail

**A Guide to Federal and California State
Economic Development Resources**

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Introduction

Developing new grocery stores and cooperatives, creating farmers' markets, and improving the quality of foods sold at convenience stores are all ways to increase a community's access to healthy food. This guide, while not comprehensive, provides an overview of the range of federal and California funding programs available to support these strategies.

Lack of access to healthy foods – combined with all-too-easy access to unhealthy foods – contributes to increasing rates of chronic diseases, particularly in low-income communities. Meeting the demand for healthy food retail could take the form of developing new outlets or improving the quality and selection at existing stores. Food retailing is risky, however, even in proven locations.

Many communities have found that, by sharing some of the costs and risks associated with developing healthy food retail, they can improve their chances of attracting retailers and farmers' markets and improve the odds these businesses will succeed. State and federal governments have developed a variety of economic development programs to help communities support the establishment of new businesses in underserved areas, and additional resources may be available at the local level.

Partnerships between public agencies and private sector entities also can be used to create innovative funding strategies. These partnerships enable government and private sector organizations to share investments and responsibilities throughout the stages of a project, from financing, design, and construction to operation and maintenance. Public resources are often used to reduce risk to private capital investment in a low-income community.

The type of funding a community will want to pursue depends on the project it envisions. The programs listed in this guide may be combined to fund different types of assistance, including predevelopment and operating costs, technical assistance, and workforce development. Financing a large grocery store, for example, can involve grants and loans from both private and public sources.

Some of the grants and services in this guide are available directly to community-based organizations and local development corporations, while others are awarded specifically to local government agencies. Public health advocates can partner with their local planning and economic development agencies to prioritize the development of healthy food retail by providing data on health outcomes and conducting outreach to determine community needs. Residents and neighborhood groups can influence the use of federal and state funds allocated to local jurisdictions by working closely with public health officials, planners, local developers, and politicians; in fact, many of these grant programs require community participation in the use of funds.

The resources listed in this report are available from many different government agencies, and each carries its own restrictions and guidelines. There is currently no overarching public policy at the federal or state level to support the development of healthy food retail in underserved communities. Advocates for healthy food retail will have to sort through a wide range of financing tools designed to help local communities meet their economic development goals. This guide provides a starting point.

For a more detailed primer on how the tools of economic development and redevelopment can be used to support healthy food retail, download *Planning for Healthy Places' Economic Development and Redevelopment: A Toolkit on Land Use and Health*, available at www.healthyplanning.org.

FEDERAL RESOURCES

U.S. Department of Agriculture (USDA) Agricultural Marketing Services Program (AMS)

The Agricultural Marketing Services' Farmers' Market Promotion Program offers grants to help improve and expand domestic farmers' markets, roadside stands, community-supported agriculture programs, and other direct producer-to-consumer market opportunities. Approximately \$1 million was allocated for 2007, with the amount awarded for any one proposal not to exceed \$75,000.

Eligibility

Entities eligible to apply include agricultural cooperatives, local governments, nonprofit corporations, public health corporations, economic development corporations, regional farmers' market authorities, and tribal government.

Project Example

Davis, California: Farmers' Market Foundation

In 2006 the FMPP awarded \$41,800 to the Davis Farmers' Market Foundation to create new marketing opportunities for vendors through an innovative partnership with the Davis Joint Unified School District.

For more information: www.ams.usda.gov/fmpp

U.S. Department of Agriculture (USDA) Community Food Projects (CFP) Grant Program

The Community Food Projects Grants Program offers grants and technical assistance to community organizations to support entrepreneurial projects, develop innovative linkages between the for-profit and nonprofit food sectors, and encourage long-term planning activities and interagency approaches. Projects are funded between \$10,000 and \$300,000 on a one- to three-year grant cycle. Since 1996, CFP has funded 211 projects for a total of more than \$31 million. Due to pending Farm Bill modifications to the Community Food Project program, as of this writing, future funding levels for CFP remain uncertain.

Eligibility

Nonprofits may apply for these onetime grants to establish community food projects. Project funding requires a dollar-for-dollar match in resources from grantees.

Project Examples

Los Angeles: The Farmer's Kitchen

CFP funds helped create a teaching and retail kitchen supporting education programs that emphasize fresh produce consumption, job training, and food and nutrition education targeted toward Hollywood's low-income population. The Farmer's Kitchen is a project of Sustainable Economic Enterprises of Los Angeles (SEE-LA).

San Francisco: The Bayview Community Farmers' Market

This farmers' market received \$130,000 for a three year project to increase the frequency of market days and to expand the scope and selection of products offered. Outreach to promote the market will focus on low-income populations, particularly food stamp and WIC program recipients.

For more information: www.csrees.usda.gov/fo/communityfoodprojects.cfm

U.S. Department of Agriculture (USDA) Federal-State Marketing Improvement Program

The USDA runs the Federal-State Marketing Improvement Program (FSMIP) in an effort to explore 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 U.S. marketing system. The FSMIP allocates matching funds to state-level agriculture departments and other related state agencies. Each year the FSMIP offers about 25 to 30 grants for applied research projects averaging \$50,000 each. These grants are intended to support research to improve the promotion and distribution of food and agricultural products produced in the United States.

Eligibility

Appropriate state agencies (e.g., departments of agriculture, bureaus and departments of markets, and agricultural experiment stations) may apply for FSMIP grants. However, these grants could support marketing and promotion for a farmers' market if market organizers partner with a state agency to apply for funds.

Project Example

Oklahoma: Farmers' Markets

FSMIP supplied a matching grant of \$80,000 to examine marketing practices at current and former farmers' markets in Oklahoma, and to evaluate the economic and other factors that appear to impede or contribute to the financial success of farmers' market operations.

For more information: www.ams.usda.gov/tmd/fsmip.htm

U.S. Department of Agriculture (USDA) Intermediary Relending Program (IRP)

The IRP provides funds to local intermediary organizations to establish revolving loan funds (recirculated into new loans for other projects) toward reducing poverty and expanding economic activity and employment in disadvantaged rural communities. The intermediary organizations are responsible for lending money to finance business creation, upgrade, or expansion; acquire and develop land; conduct feasibility studies; and carry out other related economic development activity. The maximum loan request for an intermediary is \$750,000, while ultimate recipients of these loans may borrow up to \$250,000.

Eligibility

Private nonprofit corporations, public agencies, Indian groups, and cooperatives with at least 51 percent rural membership aimed at increasing income for producer members or purchasing power for consumer members may apply for intermediary lender status.

Loans may be made to the following entities, provided they are located in a rural area (an area with a population of 25,000 or less):

- Individual citizens or individuals who have been legally admitted to the United States
- Entities that are able to incur debt, give security, and repay the loan
- Corporations, partnerships, LLCs, individuals, nonprofit corporations, or public bodies

For more information: www.rurdev.usda.gov/rbs/busp/irp.htm

U.S. Department of Agriculture (USDA) Rural Business Opportunity Grants (RBOG)

Rural Business Opportunity Grants are aimed at promoting sustainable economic development in rural communities, which includes supporting technical assistance for rural businesses and training for rural entrepreneurs or economic development officials. Activities funded by the RBOG include real estate acquisition, building construction, and development. The maximum grant amount for projects serving one state is \$50,000, or \$150,000 for those serving two or more states.

Eligibility

Applicants must be public entities, nonprofit corporations, Indian tribes, or cooperatives with primarily rural members.

For more information: www.rurdev.usda.gov/rbs/buspr/bog.htm

U.S. Department of Agriculture (USDA) Rural Cooperative Development Grant Program (RCDG)

RCD grants are awarded to improve the economic condition of rural areas by helping to establish and support cooperatives. In 2007, more than \$3.5 million was awarded to 19 grantees. The maximum grant amount is \$300,000, and recipients must contribute at least 25 percent of total project costs.

Eligibility

Nonprofit corporations, including institutions of higher education, are eligible.

For more information: www.rurdev.usda.gov/rbs/coops/rcdg/rcdg.htm

U.S. Department of Agriculture (USDA) Rural Development Value-Added Agriculture Producer Grants (VAPG)

VAPG may fund one of two activities: (1) developing feasibility studies or business plans (including marketing plans) to establish a viable value-added marketing opportunity for an agricultural product; or (2) acquiring working capital to operate a value-added business venture or an alliance that will allow agricultural producers to better compete in markets. Farmers' markets often sell value-added products as well as fresh fruits and vegetables, and add value to producer goods by providing a direct market for these products.

The maximum award per grant is \$500,000; however, smaller grant requests are prioritized. The VAPG program requires that applicants receive matching funds from a non-federal funding source.

Eligibility

Independent producers, farmer and rancher cooperatives, agricultural producer groups, and majority-controlled producer-based business ventures are eligible.

Project Example

Milwaukee, Wisconsin: The Rainbow Farmer's Cooperative

The cooperative received \$150,000 to develop a business marketing plan to support an innovative value-added venture that works with socially disadvantaged and limited resource producers by providing an alternative outlet for fresh and healthy food to urban and rural markets.

For more information: www.rurdev.usda.gov/rbs/coops/vadg.htm

U.S. Department of Commerce Economic Development Administration (EDA)

The Economic Development Administration provides grants to communities to leverage commercial and industrial investment and job creation. It is designed to serve rural and urban areas experiencing high unemployment, low income, or other indicators of severe economic distress. The EDA has several grant programs that could support food retail projects.

- The **Public Works and Economic Development Program** funds state and local governments to revitalize and expand physical infrastructure to help draw new business and private investment. In 2005 the average investment of this type was \$1,265,590, with 140 public works investments approved.
- **Local Technical Assistance** provides grants to a wide range of applicants (including nonprofit organizations) to support economic development conferences and seminars, local planning and development projects, and feasibility studies. The focus is to build and improve the knowledge base of local, public, and private nonprofit sector leaders. In 2005, 88 projects were funded through the above two programs at an average of \$100,000 per award.

Project Example

Mendocino County, California: Round Valley Indian Tribes Retail Project

The EDA awarded \$437,000 for construction of a retail establishment to serve the Round Valley Indian Tribes, creating new jobs and generating private investment in excess of \$1 million.

For more information: www.eda.gov

U.S. Department of Health and Human Services (HHS) Community Food and Nutrition Program (CFN)

The Community Food and Nutrition (CFN) Program provides funding for small programs that coordinate existing private and public food assistance resources to better serve low-income communities. This includes initiating nutrition programs in underserved areas and developing innovative approaches to meet the nutrition needs of low-income people. This program offers about 50 awards each year at a maximum of \$50,000 per grant.

Eligibility

State and local governments, Indian tribes, and public and private nonprofit agencies (including faith-based and community-based organizations) are eligible. Historically black colleges and universities and other minority institutions are particularly encouraged to submit applications. CFN allots 60 percent of its funding for grants to eligible agencies for statewide programs; 40 percent is distributed on a competitive basis to states and public and private nonprofit organizations.

Project Example

Phoenix, Arizona: Farmers markets

Community Food Connections, a nonprofit organization, received a CFN grant to offer wireless point of sale terminals at 20 farmers markets so that food stamp customers will be able to use their electronic benefits transfer (EBT) cards to purchase fresh, local produce at the farmers market.

For more information: www.acf.hhs.gov/programs/fbci/progs/fbci_cfn.html

U.S. Department of Health and Human Services (HHS) Empowerment Zone / Enterprise Community (EZ/EC) Program

The Empowerment Zone/Enterprise Community program directs federal funding to economic and community development projects in distressed urban and rural geographical areas. The program offers special tax incentives, local hiring incentives, and regulatory relief for businesses locating in a designated empowerment zone (EZ) or enterprise community (EC).

Eligibility

Communities and businesses located within a designated EZ or EC can obtain these benefits. To determine whether a business is located in a designated EZ or EC area, contact your local office.

Project Example

Harlem, New York: Pathmark Supermarket Complex

EZ/EC funds helped to create the East 125th Street Pathmark Project, a full-service supermarket completed in 1999. The project site is a city-owned parcel in Manhattan that created about 200 construction jobs and 275 permanent, unionized full- and part-time jobs, 75 percent of which were hired from the local community.

For more information: www.acf.hhs.gov/programs/ocs/ez-ec/index.html

U.S. Department of Housing and Urban Development (HUD) Brownfields Economic Development Initiative (BEDI)

BEDI grants are aimed at helping cities create jobs/businesses and promote other efforts to increase the local tax base by redeveloping industrial and commercial sites known to be abandoned, idle, or underutilized. A total of \$32 million was awarded in 2007, and there is a cap of \$2 million per grant.

Eligibility

Community Development Block Grant (CDBG) entitlement communities and non-entitlement communities are eligible to receive loan guarantees. A request for a new Section 108 loan guarantee authority must accompany each BEDI application. BEDI and Section 108 funds must be used in conjunction with the same economic development project.

For more information: www.hud.gov/offices/cpd/economicdevelopment/programs/bedi

U.S. Department of Housing and Urban Development (HUD) Community Development Block Grants (CDBG)

The purpose of the CDBG program is to help develop viable urban communities by improving the housing, environmental, and economic conditions of primarily low- and moderate-income people. Funds may be used to help private businesses as part of economic development strategies and job creation/retention activities.

In 2005, \$4.7 billion in CDBG funds were allocated to more than 1,100 local and state governments. Grant amounts are determined by a formula that applies several measures of community needs, including population, the extent of poverty, housing overcrowding, age of housing, and population growth lag in relationship to other metropolitan areas.

Eligibility

CDBG money goes to designated entitlement communities, which must be the principal cities of Metropolitan Statistical Areas (MSAs), have populations over 50,000, or be an urban county with a population over 200,000 (excluding the populations of entitled cities within the county). HUD requires detailed plans for citizen participation in the application process. Cities that do not meet the size requirements for the federal CDBG program may be eligible for assistance through the state-administered CDBG program, also known as Small Cities CDBG (for California's CDBG policy, see the entry in this guide for California Department of Housing and Community Development Block Grants).

Project Example

West Fresno, California: Food Max

Community advocates in Fresno convinced the Fresno City Council to set aside money from its \$11 million CDBG to build a supermarket as part of a shopping center development. The city was able to negotiate a local hiring policy with the operator. The complex opened in 1999 and remains fully occupied.

For more information: www.hud.gov/offices/cpd/communitydevelopment/programs

U.S. Department of Housing and Urban Development (HUD) Renewal Communities (RCs)

Since 2002 HUD has designated 40 areas around the country as Renewal Communities (RCs), making them eligible for \$17 billion in funds to stimulate economic development, affordable housing, and job creation. An estimated \$6 billion in incentives are available exclusively to Renewal Communities, with another \$11 billion available through Low-Income Housing and New Markets Tax Credits.

Eligibility

There are five RCs in California—in San Francisco, San Diego, Los Angeles, Parlier, and Orange Cove. Businesses of all sizes located within these RCs are eligible to receive incentives to open, to expand, and to hire local residents.

Project Example

San Francisco, California: Harvest Urban Market

The Harvest Urban Market is an 11,000-square-foot store that sits on the ground floor of an affordable housing development. The Citizens Housing Corporation and the Tenderloin Neighborhood Development Corporation secured a \$4.6 million loan from the San Francisco Redevelopment Agency (SFRA) to purchase land for the market, housing, and a childcare center and after school facility. The Market also used a \$1.2 million commercial revitalization deduction available to businesses locating in the renewal community to reduce its overall investment costs. In addition to fresh meat and produce, the market offers a variety of healthy, prepared meals that can be eaten onsite.

For more information: www.hud.gov/offices/cpd/economicdevelopment/programs/rc/index.cfm

U.S. Department of Housing and Urban Development Rural Housing and Economic Development (RHED) Program

RHED grants are targeted at economic development and innovative housing strategies in rural areas. Two types of funding are available through this program:

- **Capacity building:** Possible activities include hiring and training staff, purchasing software and other tools, obtaining expertise from outside sources, developing an accounting system, conducting asset inventories, developing strategic plans, and seeking technical assistance. The maximum award amount under this category is \$150,000.
- **Support for innovative housing and economic development:** Possible activities include preparing plans and architectural drawings, acquiring land and buildings, demolition, providing infrastructure, purchasing materials, construction, use of local labor markets, and job training. The maximum award under this category is \$400,000.

Eligibility

Local rural nonprofit groups, community development corporations (CDCs), federally recognized Indian tribes, state housing finance agencies (HFAs), and state community or economic development agencies are eligible for these grants.

Project Example

Pendleton, Oregon: Mission Market

In 2001 the Confederated Tribes of the Umatilla Indian Reservation received a RHED grant of \$400,000 to construct and operate a \$983,600 grocery.

For more information: www.hud.gov/offices/cpd/economicdevelopment/programs/rhed

U.S. Department of Housing and Urban Development (HUD): Section 3

Section 3 is a component of HUD policy that requires economic and community development funding be directed as much as possible toward the following:

- Residents of public housing, and/or low-income individuals living in a metropolitan area or non-metropolitan county that is receiving HUD funding for a housing or community development project
- Businesses owned at least 51 percent by these individuals
- Businesses employing at least 30 percent of these individuals in permanent full-time positions (these employees may have been Section 3 residents within three years of their employment with the business receiving funding)
- Businesses that award at least 25 percent of all subcontracts to other businesses satisfying Section 3 criteria

For more information: www.hud.gov/offices/fheo/section3/section3.cfm

U.S. Department of Housing and Urban Development (HUD) Section 108 Loan Guarantee Program

Section 108 is the loan guarantee provision of the Community Development Block Grant (CDBG) program, providing financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects. It allows communities to transform a small portion of their CDBG funds into federally guaranteed loans large enough to pursue physical and economic revitalization projects that can renew entire neighborhoods. This kind of public investment is often needed to inspire private economic activity of all kinds, including food retail.

Eligibility

The following entities are eligible for funds:

- Metropolitan cities and urban counties (see the entry on the Community Development Block Grant program for an explanation of eligibility criteria for entitlement communities)
- Non-entitlement communities that are assisted in their application by states that administer the CDBG program
- Non-entitlement communities eligible to receive CDBG funds under the HUD-administered Small Cities CDBG program (the public entity may act as or designate a public agency as the borrower)

Project Example

San Bernardino, California: Food 4 Less Supermarket

The city of San Bernardino received Section 108 guaranteed loans in 2005 to fund the city's redevelopment agency, which will use the funds to finance acquisition, demolition, and relocation in support of two retail projects, including the development of a Food 4 Less supermarket. The two retail projects are estimated to generate 375 full-time jobs, at least 51 percent of which will be made available to low- to moderate-income individuals.

For more information: www.hud.gov/offices/cpd/communitydevelopment/programs/108

U.S. Department of the Treasury New Markets Tax Credits (NMTC)

Through the New Markets Tax Credits (NMTC) program—one of the largest federal economic development programs—privately managed investment institutions known as community development entities (CDEs) make loans and capital investments in businesses in underserved areas. These designated CDEs must use at least 85 percent of these proceeds to make qualified low-income community investments. As of November 2007, the NMTC program had given 294 awards totaling \$16 billion to CDEs. Loans and other funds available through these entities may vary.

Eligibility

An organization wishing to receive funds under the NMTC program must be certified as a CDE by the U.S. Department of the Treasury. To qualify as a CDE, an organization must:

- Be a domestic corporation or partnership
- Have as its primary purpose serving or providing investment capital for low-income individuals or communities
- Be accountable to low-income communities through residents being represented on a governing or advisory board

Private for-profit and nonprofit businesses in geographically targeted communities may receive loans from these CDEs.

Project Examples

Milwaukee: Lena's Food Market

New Markets Tax Credits were used in 2005 to expand Lena's Food Market to an additional location by redeveloping a 33,000-square-foot building in Milwaukee with an additional 50,000 square feet of warehouse space.

Minneapolis: Midtown Global Market

The Market, which opened in 2006, is an 80,000-square-foot public marketplace where 50 local businesses offer a variety of internationally themed fresh and prepared foods. It supports local entrepreneurs and provides 200 permanent jobs. The NMTC program was essential in lending this project initial credibility and helping it attract additional private investment.

Philadelphia: Island Avenue ShopRite

ShopRite, a 57,000-square-foot supermarket, opened in 2005 with support from New Markets Tax Credits (as well as Pennsylvania's Fresh Food Financing Initiative). Most of the supermarket's 258 quality jobs, many with attractive employee benefits, are filled by local residents.

For more information: www.cdfifund.gov/what_we_do/programs_id.asp?programID=5

U.S. Small Business Administration (SBA)

Rather than offering grants, the Small Business Administration serves as guarantor of a variety of loans available to small businesses. The SBA also provides a range of services, including contract opportunities, counseling, and legal assistance. The SBA's primary lending program, the 7(a) Loan Guaranty Program, has a maximum amount of \$2 million available to small businesses.

Eligibility

Small businesses (as defined by the SBA) may apply for these services. The SBA also has special assistance programs for women- and minority-owned businesses.

Project Example

Harlem, New York: Bravo Supermarket

The first black-owned supermarket opened in Harlem in the late 1990s with loan approval assistance from the SBA.

For more information: www.sba.gov

STATE RESOURCES

The following is a list of California state economic development resources. For information about economic development resources in other states, please visit www.eda.gov/Resources/StateLinks.xml.

California Department of Housing and Community Development (HCD) Block Grants

State-run block grant programs, like their federal counterparts, fund economic and community development strategies in low- to moderate-income communities. Federal law requires that states use at least 70 percent of all CDBG grant money for activities that benefit low- to moderate-income people. Projects include planning and technical assistance grants for businesses, infrastructure improvement grants to support business development, and lending programs for private enterprise through the California Community Economic Enterprise Fund. Maximum grant amount is \$500,000 annually within a three-year funding cycle.

Eligibility

State CDBG programs grant resources to jurisdictions not eligible for federal Community Development Block Grants. These include cities of fewer than 50,000 people and counties with fewer than 200,000, and include specific allocations to Native American and Colonias jurisdictions.

Project Example

El Dorado County, California: Farmers' Market

Funding from a California CDBG was used to conduct a farmers' market feasibility study in this rural Northern California county.

For more information: www.hcd.ca.gov/fa/cdbg/about.html

California Department of Housing and Community Development (HCD) Enterprise Zone (EZ) Program

This program promotes business investment and job creation strategies in economically troubled areas through 15-year partnerships between local governments and private companies. There are 42 enterprise zones (areas targeted for economic revitalization) throughout the state. Incentives include tax credits for job creation and machinery purchases, deduction allowances for businesses and local lenders, preference on state contracts, and carrying forward of net operating losses for up to 15 years.

A number of incentives included in this program may benefit food retail development:

- State tax credits of \$31,544 or more for each qualified employee hired
- Up to 100% net operating loss (NOL) carry-forward (NOL may be carried forward 15 years)
- Sales tax credits for corporations on purchases of \$20 million per year of qualified machinery and machinery parts
- Upfront expensing of certain depreciable property (lenders to EZ businesses may receive a net interest deduction)
- Unused tax credits applied to future tax years, stretching out the benefit of the initial investment
- Preference points on state contracts for EZ companies

Eligibility

Both for-profit and nonprofit businesses located in a California EZ community are eligible for benefits.

For more information: www.hcd.ca.gov/fa/cdbg/ez

California Public Employee Pension Funds

The California Public Employees Retirement System (CalPERS) created the California Urban Real Estate Initiative (CURE) in 1995 to focus investments drawn from its statewide employee retirement program into underserved California communities. By 2005 CURE had \$3.4 billion in total assets, \$1.2 billion of which was invested in 12 different projects throughout California.

Eligibility

CalPERS works with local developers and nonprofit organizations on projects.

Project Example

Los Angeles, California

A partnership between CalPERS and the CIM investment group helped bring the first supermarket in 80 years to downtown Los Angeles.

For more information: www.calpers.ca.gov

California State Redevelopment Agency Funds

More than 400 California cities and counties have adopted redevelopment plans to rehabilitate residential, commercial, industrial, and retail districts. Redevelopment agencies administering these plans have access to unique financing mechanisms that are otherwise not available to cities and counties—the most important being tax increment financing, which allows the redevelopment agency to use the increased property taxes that result from redevelopment projects to repay debts incurred in financing them.

In 2003, redevelopment agency construction activities helped generate more than \$1.58 billion in additional state and local taxes. Typically, agencies use tax increment funds to leverage financial assistance from various agencies of the state and federal governments and private sources.

Eligibility

Cities and counties are eligible to adopt redevelopment plans and create redevelopment agencies in accordance with California redevelopment laws. In enacting the community redevelopment law that governs such agencies, the California legislature has implicitly recognized the importance of access to healthy food for improving low-income neighborhoods. In fact, the law explicitly states that one of the defining characteristics of blight is "a lack of necessary commercial facilities that are normally found in neighborhoods, including grocery stores" (CAL. HEALTH & SAFETY CODE § 33031(b)(4) (2006)).

Project Example

Sacramento, California: Food Source Grocery

Sacramento's Oak Park neighborhood established a Food Source grocery and retail center in 2002 after gathering an initial \$2.5 million in loans and grants from its local redevelopment agency.

For more information:

- The **California Redevelopment Association** provides public information about redevelopment law (www.calredevelop.org//AM/Template.cfm?Section=Home)
 - **Economic Development and Redevelopment**, a toolkit from Planning for Healthy Places, provides an introductory understanding of resources available to improve food access in low-income neighborhoods (www.healthyplanning.org/toolkit_edrd.html)
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**University of California at Davis
Sustainable Agriculture Research and Education Program (SAREP)**

SAREP supports scientific research and education on agricultural and food systems that are economically viable, conserve natural resources and biodiversity, and enhance the quality of life in the state's communities. Grants are designed to promote two objectives:

- To assist California farmers and ranchers in developing and implementing sustainable production and marketing systems
- To support California's rural and urban communities in understanding the concept and value of sustainable agriculture and participating in sustainable food and agricultural systems

Total funding for the 2007 grant cycle was approximately \$100,000, with maximum one-year grants of \$25,000 available.

Eligibility

Grants are targeted to University of California Cooperative Extension advisors and directors. Collaboration with scientists, California graduate students, farmers, ranchers, community groups, nonprofit organizations or public agencies is strongly encouraged.

Project Example

West Oakland, California: Food Security Council Model Program

In 2001 SAREP awarded \$15,000 to the West Oakland Food Collaborative to develop a comprehensive food system plan aimed at implementing food security strategies, providing access to healthy foods and revitalizing the community. This project enabled the organization to create a development plan and leverage additional funding for the expansion and development of a farmers' market, a cooperatively owned grocery, corner store conversions, community green space, and the growth and development of community-based businesses.

For more information: www.sarep.ucdavis.edu