California FreshWorks Food Access Report

An Examination of Three Northgate González Grocery Store Investments

MAY 2016

The California Endowment

Lead Author

SARAH SAMUELS CENTER
FOR PUBLIC HEALTH
RESEARCH & EVALUATION

Reader comments and ideas are welcome. Please direct correspondence to:

Sallie Yoshida, DrPH, RD
Executive Director, Samuels Center
sallie@samuelscenter.com

About this Report and Evaluation

This report is one of three in a series of reports released as part of the evaluation of FreshWorks. The other two reports–*California FreshWorks: A Case Study Examining the Development and Implementation of FreshWorks* and *The Social and Economic Impacts of FreshWorks*—can be found at www.calendow.org/freshworks.

The evaluation is led by a team of researchers experienced in evaluating health, social, and economic outcomes. The team consists of the Sarah Samuels Center for Public Health Research and Evaluation, InSight at Pacific Community Ventures, Dr. Allison Karpyn of the University of Delaware, and Dr. Karen Glanz of the University of Pennsylvania. To learn more about members of the evaluation team visit:

http://www.samuelscenter.com/

http://www.pacificcommunityventures.org/insight/

http://www.cresp.udel.edu/about-us/staff/allison-karpyn-phd/

http://www.med.upenn.edu/chbr/faculty.shtml

Acknowledgements

This evaluation has been a collaborative effort. We are indebted to the many FreshWorks partners who have supported this evaluation over the past several years, providing us with critical data, feedback, and direction. We are deeply grateful for the continued insight and support from the California Endowment, without whom this evaluation would not be possible. We would also like to especially thank Capital Impact Partners, Emerging Markets, and Northgate González Markets, who have been so generous with their time and continuously ensured we were provided with the data and information needed to conduct this evaluation.

Foreword

At the California Endowment, we believe that healthy food financing initiatives possess significant potential to improve health outcomes and spur economic development in underserved communities. In 2011, we created the California FreshWorks program by working closely with a diverse set of public and private partners to meet the tremendous need across our state for access to healthy food. In the time since FreshWorks was launched, we have seen new and exciting initiatives emerge in Colorado, Illinois, Michigan, New Jersey, and New York that seek to tackle the issue of access to quality, healthy food. As the field continues to grow and evolve, we believe it is vital to share our experiences with one another, including successes, challenges, lessons, and insights surfaced through our collective hard work on these initiatives.

With this goal in mind, we commissioned a two-year evaluation of FreshWorks to better understand the impact of the program on fresh food access as well as social and economic outcomes. The evaluation also examined the development and implementation of FreshWorks and identified key lessons and insights that will inform the work of FreshWorks moving forward.

We are pleased to be able to share the findings from this evaluation with the field and with our dedicated FreshWorks partners. We hope that the findings are informative and prove useful for other investors—in particular mission investors, policymakers, nonprofits, and grocers interested in or already supporting healthy food financing nationally. Through openly sharing our experience with FreshWorks, we hope to support a more developed and sophisticated healthy food financing field that is well equipped to deliver strong health, social, and economic outcomes. We look forward to continuing the conversation and learning from the experiences of our peers and others engaged in healthy food financing.

The California Endowment FreshWorks Team

Marion Standish, *Vice President, Enterprise Programs*

Amy Chung, *Director, Program-Related Investments*

Mona Jhawar, *Learning and Evaluation Manager*

Michelle Holleran, *Analyst, Program-Related Investments*

The California Endowment

Table of Contents

Executive Summary **1**

Introduction **3**

- Overview of FreshWorks 3
- Evaluating FreshWorks' Impact on Healthy Food Access 4
- The Northgate González Stores 6

Findings on Access to Healthy Food **7**

- **Research Question 1:** Are the new retail food stores meeting unmet need for grocery services? 7
  - Availability and Affordability of Commonly Purchased Food and Beverages 7
  - Promotion and Placement of Food and Beverages 8
  - Produce Sales Assessment 10
  - Summary*:* Are the new retail food stores meeting unmet need for grocery services? 10
- **Research Question 2:** How do community members perceive the benefits and/or negative consequences of the new stores? 11
  - Characteristics of Store Shoppers 11
  - Accessibility to the Store 12
  - Perceptions on the Variety, Quality, and Price of Groceries and Fresh Produce 12
  - Northgate's Influence on Shopping Behavior 13
  - Store Managers' Perceptions of Northgate's Role in Creating Access to Healthy Food 14
  - Summary: How do community members perceive the benefits and/or negative consequences of the new stores? 14

Conclusion **16**

Appendices **17**

- Appendix A: FreshWorks Transactions (as of Dec. 2015) 17
- Appendix B: FreshWorks Partners and Investors 21

Endnotes **23**

Executive Summary

Nearly one million Californians, 45 percent of whom are low-income, live without access to nearby supermarkets or large grocery stores in communities known as "food deserts."[1] Food deserts are defined as places with large proportions of households with low incomes, inadequate access to transportation, and a limited number of food retailers providing fresh produce and healthy groceries for affordable prices. These types of environments encourage poor eating habits, which can lead to poor health. Our understanding of the ways to increase access to healthy food for residents in these food desert communities is emerging. It is clear that providing access to healthy food through full-service supermarkets and other retail outlets is an important part of the solution—and an essential component of healthy communities.

Acknowledging the inequalities in food access and the associated health risks, The California Endowment, together with Capital Impact Partners, launched FreshWorks in 2011. FreshWorks is an initiative that aims to increase healthy food access in underserved communities by providing financing to supermarket operators, grocers, community markets, food distributors, nonprofits, commercial developers, and other entrepreneurs that offer nutritious, affordable food options in communities where such options are scarce. The program was also designed to increase economic development in low-income communities and support innovative models in healthy food retail. Since its inception, FreshWorks has furthered these goals across the state of California. As of year-end 2015, FreshWorks has deployed debt capital to 15 fresh food retail sites, developing 435,000 square feet of retail space and increasing access to fresh food for over 800,000 people across the state.[2]

In order to better understand and maximize FreshWorks' impact, the California Endowment commissioned a two-year evaluation of the program's food access, social, and economic outcomes. This report, one component of the evaluation, focuses on the food access impact of three grocery stores that received FreshWorks funding. All three grocery stores are part of Northgate González Markets, a family-operated chain with over 40 stores serving predominantly Latino communities in the Los Angeles and San Diego areas.

To understand FreshWorks' impact in increasing access to healthy food and changing food purchase and consumption patterns in underserved communities, the evaluation sought to answer two key questions:

1. *Are the new retail food stores meeting unmet need for grocery services?*
2. *How do community members perceive the benefits and/or negative consequences of the new stores?*

To answer these questions, the evaluation team used a mixed-method approach including key informant interviews with store managers, intercept surveys with store shoppers, grocery store environmental assessments, and analysis of produce sales.

Executive Summary

Overall, the evaluation revealed that the Northgate stores are providing needed grocery services and that community members are benefiting from these investments. Compared to where they had previously shopped, a high proportion of shoppers reported that the Northgate store:

- Is closer in proximity to them, and that store parking and access to public transportation are better;
- Offers a greater variety and higher quality of groceries, including fruits and vegetables;
- Offers groceries, fruit, and vegetables at equal or lower prices;
- Offers a greater variety of food that is culturally relevant to their family traditions; and
- Offers better customer service.

Collectively, these findings indicate that shoppers are experiencing increased access to healthy, affordable, and high-quality food that is relevant to their cultural and family traditions in stores with better customer service.

Collectively, these findings indicate that shoppers are experiencing increased access to healthy, affordable, and high-quality food that is relevant to their cultural and family traditions in stores with better customer service.

While the findings show that the Northgate stores are providing greater access to a wide variety of groceries, including fruits and vegetables at competitive prices, the offerings and promotion of less healthy items did not differ between the Northgate and comparison stores. On the days observed, the presence and promotion of sugary beverages such as soda were comparable, and soda was in fact priced lower at the Northgate markets than at their competitors. However, perhaps offsetting the lower-priced soft drinks, Northgate featured more bottled water in the checkout aisles and made water widely available in the main beverage aisles.

Viva La Salud (VLS), Northgate's unique in-store health and wellness program, sets it apart from its competitors in the area of healthy marketing and promotion. An important finding with respect to VLS is its influence on consumer shopping decisions. The cooking demonstrations, healthy food events, health screenings, and VLS shelf labeling offered under the program all influenced shoppers' decisions to varying degrees. Because the majority of purchase decisions are unplanned and made in-store,[3] promotion of healthy food options can encourage shoppers to opt for healthier food.

Eliminating food deserts and enabling greater access to healthy food require more than full-service grocery stores, but these are an important piece of the puzzle. FreshWorks is demonstrating great strides in creating access to high-quality food that is healthy, affordable, and culturally relevant for residents who live in food desert communities. Future studies should continue to explore other social benefits that a grocery store, as an anchor business may bring to residents, such as a sense of social cohesion and pride in one's community.

Introduction

FreshWorks Quick Facts

Year Founded: 2011

The California Endowment: Founder and anchor funder with $30 million commitment

Capital Impact Partners: Fund administrator deploying loans and grants

Emerging Markets: Food access organization sourcing loan and grant opportunities

FreshWorks Sources of Capital:

- New Markets Tax Credits (NMTC) ($120.5 million in commitments)
- Structured LLC Fund ($125 million and $7.5 million loan loss reserve)—closed in 2015 due to underutilization
- Other debt capital ($16 million)
- Grants ($4.4 million)

Overview of FreshWorks

Nearly one million Californians, 45 percent of whom are low-income, live without access to nearby supermarkets or large grocery stores in communities known as "food deserts."[4] As defined by the United States Department of Agriculture, food deserts are places with large proportions of households with low incomes, inadequate access to transportation, and a limited number of food retailers providing fresh produce and healthy groceries for affordable prices.[5] These types of environments encourage poor eating habits, which can lead to poor health. The development of food desert communities is rooted in a complex history of social and economic inequities, making solutions to the problem equally, if not more, complex. Our understanding of the ways to increase access to healthy food for residents of these communities is emerging, as many in the research community strive to unravel this complex problem and identify solutions. It is clear that providing access to healthy food through full-service supermarkets and other retail outlets is an important part of the solution—and an essential component of healthy communities.

The California Endowment, a foundation committed to health equity and social justice, responded to this scarcity of food options by developing FreshWorks, an initiative that aims to increase access to quality food within underserved communities throughout California. Launched by a broad coalition of public and private partners led by The California Endowment and Capital Impact Partners, a national nonprofit Community Development Financial Institution (CDFI), FreshWorks provides financing to supermarket operators, grocers, community markets, food distributors, nonprofits, commercial developers, and other entrepreneurs offering nutritious, affordable food options in communities where such options are scarce. In addition to incentivizing the development of healthy food retail, FreshWorks also seeks to encourage economic development in low-income communities and invest in innovative models for increasing access to healthy food. The program is designed to meet the financing needs of healthy food retailers that plan to operate in underserved communities where costs and credit needs cannot be filled solely by conventional financial institutions.

FreshWorks was launched in July 2011 with a $30 million anchor commitment from The California Endowment. Under the management of Capital Impact Partners, as of December 31, 2015, FreshWorks has disbursed 48 loans and grants totaling $58 million to various projects aiming to create healthy communities across the state.[6] These projects include grocery stores, mobile food operators, farmers' markets, a food business incubator, and several intermediary lenders that provide microloans to smaller food enterprises. See Appendix A for a complete list of funded projects and Appendix B for a complete list of FreshWorks partners and investors.

Introduction

Evaluating FreshWorks’ Impact on Healthy Food Access

In order to better understand and maximize FreshWorks’ impact, The California Endowment commissioned a two-year evaluation of the program’s food access, social, and economic outcomes. The evaluation was also designed to document the development and implementation of FreshWorks while identifying key lessons and insights. Given that FreshWorks is an early example of a state-level fresh food financing initiative, the evaluation provides an opportunity to inform the greater healthy food access movement going forward. The evaluation was led by a team of researchers experienced in evaluating health, social, and economic outcomes. The team consists of the Sarah Samuels Center for Public Health Research and Evaluation, PCV InSight, Dr. Allison Karpyn of the University of Delaware, and Dr. Karen Glanz of the University of Pennsylvania. To ensure a comprehensive evaluation design, the evaluation team collaborated with key partners, including The California Endowment and Capital Impact Partners, to refine the evaluation plan, methods, and outcomes to be assessed. This study was approved by the Institutional Review Board of the University of Pennsylvania for the protection of Human Subjects.

The evaluation focused on the impact of three FreshWorks investments made with the purpose of increasing access to healthy food. The evaluation examined three new Northgate González Markets which received New Markets Tax Credit financing through FreshWorks. Northgate González Markets is an independent chain that operates over 40 stores in the southern California region. It is important to note that the evaluation focuses exclusively on these three Northgate González stores, and it is therefore difficult to discern which impacts are attributable to existing Northgate González practices and which have resulted from FreshWorks funding. Also, given the launch of FreshWorks in 2011, this evaluation examines only two years of data. While it may be too early to discern certain outcomes, this report provides a preliminary assessment of food access and lays the groundwork for future evaluation of FreshWorks investments.

This report is one of three in a series of papers released as part of the evaluation of FreshWorks. The two other reports—*California FreshWorks: A Case Study Examining the Development and Implementation of FreshWorks* and *The Social and Economic Impacts of FreshWorks* can be found at www.calendow.org/freshworks.

To understand the influence of FreshWorks on increasing access to healthy food and changing food purchase and consumption patterns in underserved communities, the evaluation team examined two key questions:

1. *Are the new retail food stores meeting unmet need for grocery services?*
2. *How do community members perceive the benefits and/or negative consequences of the new stores?*

Introduction

To answer these questions, the evaluation team used a mixed-method approach including key informant interviews with store managers, intercept surveys with shoppers, grocery store environmental assessments, and analysis of produce sales.

The evaluation team conducted in-depth interviews with store managers of the three Northgate stores to understand their perceptions of their particular store in their community and their experience with FreshWorks. Surveys with shoppers were conducted to assess food purchasing habits, type and distance of travel to stores where food is typically purchased, and perception of certain store attributes, such as the quality, variety, and prices of food. In City Heights, 200 surveys were conducted; 199 were conducted in Inglewood, and 201 were conducted in South L.A. In addition to the interviews and shopper surveys, the availability of specific foods and beverages and marketing strategies were assessed using two tools, the Nutrition Environment Measurement System (NEMS)[7] and the Grocery Marketing Environment Assessment (GMEA).[8] The store assessments were conducted in all three Northgate Markets and 16 comparison stores located within a 2-mile radius of the respective Northgate location. There were six comparison stores each in City Heights and Inglewood, and four comparison stores in South L.A. The Northgate and comparison stores were similar in terms of size, as determined by the average number of aisles and checkout aisles. The average number of aisles per Northgate store was nine, compared to 12 in the comparison stores. Finally, to assess produce sales, produce movement reports were collected from all three Northgate stores for a 12-month period, from September 2013 through August 2014. Since the South L.A. store opened in April 2014, data were collected for five months, from April to August 2014. Movement reports included the total volume of produce sold in terms of dollars in sales, units, and weight.

The Northgate González Stores

Northgate González Markets spans three generations as a family-operated chain. It runs over 40 full-service markets serving predominantly Latino communities in the Los Angeles and San Diego areas, and employs more than 6,000 employees. The evaluation examined three grocery stores located in City Heights, a neighborhood in San Diego County; the City of Inglewood; and South Los Angeles in Los Angeles County (see sidebar). These stores are among the top five largest FreshWorks investments. Together, they received close to $24 million in FreshWorks financing, and demonstrate FreshWorks' commitment to bringing healthy, affordable food to low-to moderate-income (LMI) communities. In addition to operating full-service grocery stores with a wide array of items, including fresh foods—such as tortillas and other hot entrée items made on the premises—Northgate also operates "Viva La Salud," a health and wellness program which was created in 2009.

Viva La Salud (VLS) is a nationally recognized award-winning worksite and community wellness program (Figure 1). The goals of VLS are to educate Northgate employees and the community about health and wellness, and to serve as a resource for health information. VLS promotes healthy, high-quality products through healthy labeling, food tastings, cooking demonstrations, nutrition education, and health screenings. To support community wellness, Northgate hosts, on average, 65 health-related events across all their stores each month, and provides healthy food donations for community programs and events. They also operate special events, such as mobile health screenings for breast exams, dental services, immunizations, children's physicals, and diabetes awareness.

Figure 1: Viva La Salud Health & Wellness Program

NORTHGATE GONZÁLEZ MARKETS

CITY HEIGHTS

- 41,000 square-foot store.
- Received FreshWorks financing in March 2012 in the form of $8.5 million in New Markets Tax Credits (NMTC) financing.
- Used funding as reimbursement for tenant improvements and other costs related to the development of the market, which opened in October 2011.

INGLEWOOD

- 30,000 square-foot store.
- Received FreshWorks financing in August 2012 in the form of $7.7 million in New Markets Tax Credit (NMTC) financing.
- Used funding to help complete the renovation of the space previously occupied by another grocery store. Funding helped cover the costs of improving, equipping, stocking, and opening the store in November 2012.

SOUTH LOS ANGELES

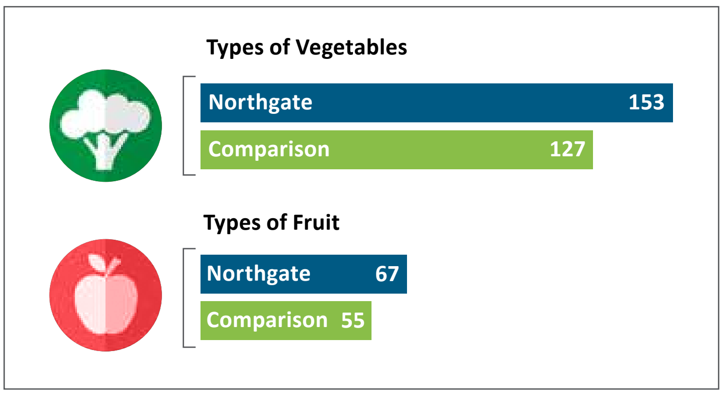
- 42,500 square-foot store.
- Received FreshWorks financing in December 2013 in the form of $7.6 million in New Markets Tax Credits (NMTC) financing.
- Used funding to support tenant improvement, equipment, and inventory, and to provide working capital. The supermarket, which opened in April 2014, serves as the anchor tenant for a newly-constructed shopping center.

Findings on Access to Healthy Food

Research Question 1 ***Are the new retail food stores meeting unmet need for grocery services?***

This question examined whether the FreshWorks-funded stores are meeting the food access needs of community residents. To answer this question, the evaluation team collected data on the availability and price of commonly purchased foods, as well as the ways in which certain foods are marketed and promoted in the three Northgate stores and the 16 comparison stores. For the purposes of this report, healthy items are defined as products that have at least one of the following traits: low fat content, low sugar content, or are made of whole grains. It is important to note that the data represents the availability and price of foods and beverages observed on the day of assessment, and does not account for fluctuations in inventory and price.

Figure 2: Number of Types of Fruits and Vegetables, Northgate vs. Comparison Stores

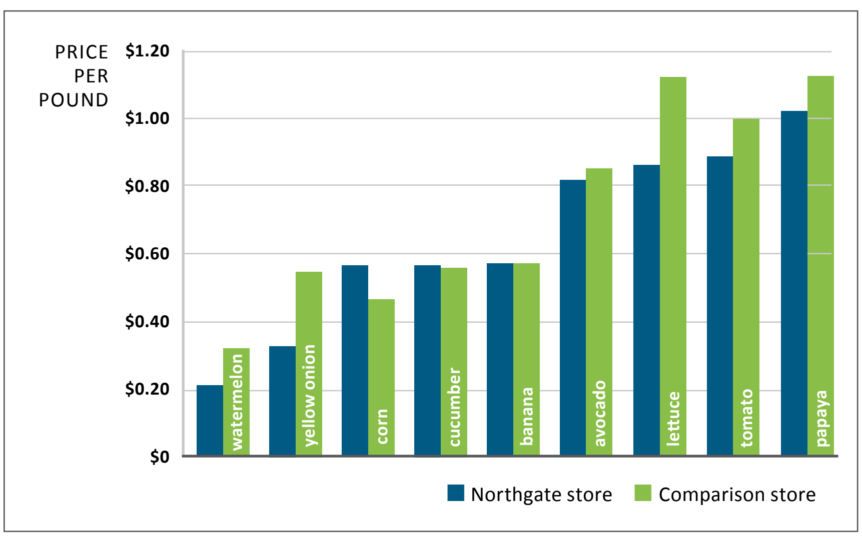


Availability and Affordability of Commonly Purchased Food and Beverages

The number and types of fresh produce available at the Northgate and comparison stores were collected. Overall, Northgate stores had more types of vegetables and fruits than the comparison stores (Figure 2). On average, the Northgate stores had 153 types of vegetables compared to 127 types of vegetables at comparison stores, and 67 types of fruits compared to 55 types at comparison stores.

For healthy food to be accessible, it must be affordable as well as available for purchase. To examine price differences between the Northgate and comparison stores, the average price of commonly purchased fresh fruits and vegetables was compared. In nearly all cases, Northgate's prices (per pound, primarily) were comparable to or lower than those of the comparison stores, with the exception of corn, which was higher at Northgate stores (Figure 3).

Figure 3: Price Comparison of Selected Fruits and Vegetables, Northgate vs. Comparison Stores



The price of other commonly purchased foods and beverages, such as milk, ground beef, chicken, and soda, was collected from both the Northgate and comparison stores. On the day of the assessment, Northgate's prices were lower for milk and soda, and higher for ground beef and chicken (Table 1).

Table 1: Food and Beverage Price Comparison, Northgate vs. Comparison Stores

FOOD/BEVERAGE	NORTHGATE STORES			COMPARISON STORES		
	N	Mean	SD	N	Mean	SD
Whole milk (gallon)	3	$3.62	$0.23	16	$3.87	$0.52
Low fat milk (gallon)	3	$3.49	$0.00	16	$3.86	$0.64
Standard ground beef (pound)	3	$4.42	$0.75	12	$3.61	$1.11
Lean ground beef (pound)	2	$5.59	$0.14	6	$4.86	$0.77
Boneless, skinless chicken breast (pound)	3	$3.76	$0.40	16	$3.63	$1.17
Diet Coke (12 can pack)	2	$4.75	$1.05	16	$4.99	$0.79
Diet Coke (2 liter)	2	$1.12	$0.18	15	$1.60	$0.22
Coke/Pepsi (12 can pack)	2	$4.58	$1.29	16	$4.99	$0.79
Coke/Pepsi (2 liter)	2	$0.99	$0.00	16	$1.59	$0.25

Promotion and Placement of Food and Beverages

An important concept in marketing is the Marketing Mix, commonly known as the four "P's" of marketing: Product, Price, Placement and Promotion.[9] Since 60 percent of purchase decisions are unplanned and made in-store, strategic placement and promotion of foods and beverages can influence shoppers' purchasing choices.[10] To understand the ways in which certain foods and beverages are promoted for sale, the placement, promotion, and prompts (visual indicators used to attract customers to a product) for certain types of foods and beverages were assessed in the Northgate and comparison stores. To this end, the types of foods and beverages were observed in five "high impact areas," or places throughout the store that have been shown to have a higher-than-average effect on purchasing patterns: the store entrance, the endcaps at the end of each aisle, islands throughout the store, and the checkout aisles. In addition, products placed at eye level are also strategically placed to increase their likelihood of purchase.

Checkout Aisles

Checkout aisles are strongly linked to impulse purchases (also known as point of purchase sales). On the day of assessment, it was found that nearly all of the checkout aisles at Northgate and comparison stores offered candy. This finding is consistent with other studies that have examined offerings in checkout aisles.[11] Northgate stores and comparison stores also offered other items such as nuts, water, diet soda and gum. A higher percentage of Northgate stores

Findings

offered bottled water and regular soda at checkout, and were less likely to offer diet sodas. Since diet sodas are less commonly consumed by Latino, African American, and low-income individuals,[12] this may explain the low levels of promotion of this product.

Fresh Fruits and Vegetables in High Impact Areas

The extent to which fresh fruits and vegetables are featured in any of the five high impact areas was examined. All three Northgate stores featured fresh fruit in an island. Twelve of the 16 comparison stores featured fresh fruit in one high impact area, entrance, island, or endcap. The types of fruits offered, as well as the prompts and price promotions, were similar between the Northgate and comparison stores. Overall, fresh vegetables were not featured in the high impact areas.

Prompts and Promotions in Produce Section

All Northgate and comparison stores used signage as a prompt to encourage purchasing of fresh produce. Northgate stores had more signage prompts than all the other comparison stores except one. For the Northgate stores, the average number of signage prompts in the produce section was 284, compared to 95 across the comparison stores. All three Northgate and comparison stores (except one) offered price promotions, such as price reductions and/or quantity discounts.

Soda and other Beverages

All three Northgate and comparison stores featured soda in high impact areas of the stores. In the main soda aisle, all Northgate stores and all comparison stores placed both regular and diet sodas at eye level. All Northgate stores featured other non-soda beverages in four to five types of high impact areas. Some of these high impact areas featured bottled water, consistent with the pattern seen in comparison stores. All three Northgate stores devoted a substantial amount of space in the main beverage aisle to bottled water.

Cereal

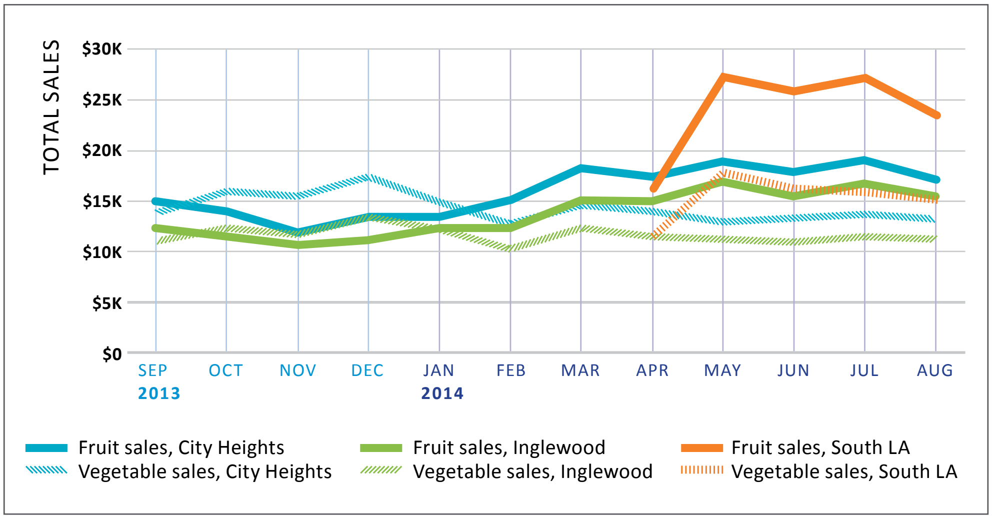
Overall, comparison stores featured healthier cereals (defined as containing <7 grams of sugar per serving) in high impact areas more than the Northgate stores. In the main cereal aisle, comparison stores featured greater numbers and healthier types of cereals at eye level, compared to the Northgate stores. However, the Northgate stores had more promotions via their VLS program of healthier cereal items compared to the comparison stores.

There were no notable differences in the promotion and availability of chips, baked goods, and milk in high impact areas and at eye level within their respective sections in both the Northgate and comparison stores.

Produce Sales Assessment

Produce movement reports from the three Northgate Markets were analyzed to track trends across time in terms of fruits and vegetable sales from September 2013 to August 2014. The three markets experienced over $8.5 million in produce sales over 12 months, which includes data from a store that was open for half of the year (Figure 4).

Figure 4: Total Fruit and Vegetable Sales, by Northgate Stores



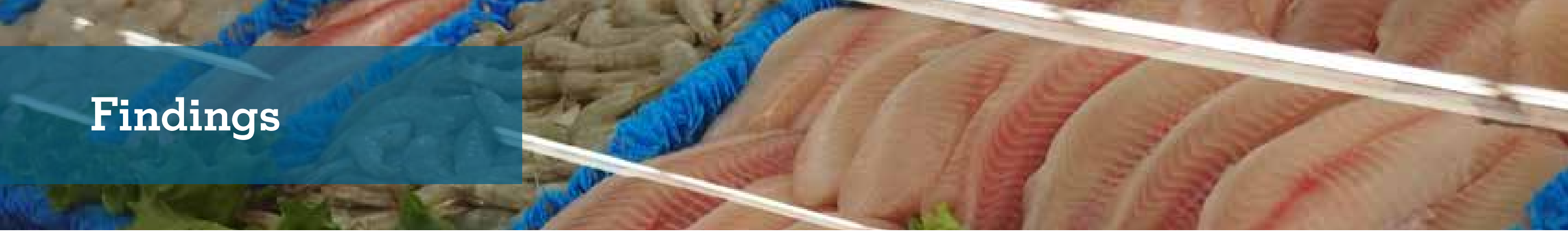
Total produce sales were relatively stable over the course of the year. From May through August 2014, the South L.A. supermarket had comparatively higher sales than Inglewood and City Heights, though sales among the three locations track one another quite well over the course of the year. The greatest sales for Inglewood, City Heights, and South L.A. were in July, March and May respectively. November represented a low point in sales for both the City Heights and Inglewood stores. Upon opening, produce sales in South L.A. began strong though appeared to decline slightly within four months of opening.

SUMMARY

Are the new retail food stores meeting unmet need for grocery services?

These findings collectively indicate that the three Northgate stores are providing shoppers access to a greater variety of fruits and vegetables at similar or lower prices compared to stores where they previously shopped. While most stores promoted fresh produce, Northgate provided more prompts for purchasing these products than comparison stores. Produce movement reports show $8.5 million in produce sales over 12 months across the three Northgate stores. Without comparing this number to sales of produce from other nearby stores or to an industry standard, it is difficult to decipher this data fully.

For beverages, prices were lower for milk, regular soda, and diet soda at the three Northgate Stores compared to other stores in the area. Regular and diet soda were heavily promoted in both Northgate and the comparison stores. Lowering the consumption of sodas and other sugary beverages is an important strategy to reduce obesity and diabetes, particularly among low-income individuals. While sodas were highly promoted, Northgate stores also offered bottled water in checkout aisles and made water widely available in the main beverage aisles. Since it is unlikely that full-service markets will omit sugary beverages from their inventory, strategically placing and marketing healthier beverages such as water is an important strategy for health promotion.



Findings

Research Question 2 ***How do community members perceive the benefits and/or negative consequences of the new stores?***

This question was intended to assess shoppers' food purchasing habits, as well as their opinions on store attributes in the three Northgate communities. To answer this question, 10-minute surveys were conducted with consenting store shoppers as they exited the market. Findings below describe the characteristics of the shoppers who were surveyed and highlight their perceptions about store accessibility; the variety, quality, and price of groceries and fresh produce; and Northgate's influence on their shopping behavior. Perceptions from store managers about the impact of their respective stores on the community are also presented.

Characteristics of Store Shoppers

A total of 600 shoppers were surveyed at the three Northgate stores (Table 2). Most of those surveyed had shopped more than once at Northgate and for more than one year (except for South L.A., which had been open for five months at the time of the survey). Most shoppers surveyed were Latino/Hispanic, female, aged 36-50 years, and reported having at least one child less than 18 years of age in their household. In terms of educational experience, 73 percent had a high school degree/GED or less. Overall, most shoppers had lived in their community for 10 years or more. Regarding household annual income, most shoppers (47 percent) reported earning $20,000 or less with 29 percent earning $21,001–$35,000. About one-third of respondents said they receive SNAP benefits and WIC benefits.

Table 2: Shopper Demographics, by Store Location

Shopper Characteristics	Percentage			
	City Heights	Inglewood	South L.A.	TOTAL
Shopped at Northgate >1 time	99%	96%	98%	98%
Identify as Latino/Hispanic	84%	87%	90%	87%
Shopped at Northgate >1 year	81%	84%	0%*	81%
Have 1+ children <18 years in HH	76%	78%	79%	78%
Female	71%	78%	70%	73%
High school graduate/GED or less	65%	69%	83%	73%
Lived in the neighborhood 10 years +	43%	62%	54%	53%
Earning $20,000 or less, annually	46%	42%	50%	47%
Earning $20,001 – $35,000, annually	23%	33%	31%	29%
Aged 36 to 50 years	42%	44%	40%	42%
Currently receiving SNAP benefits	34%	34%	33%	34%
Currently receiving WIC benefits	31%	24%	32%	29%

*At the time of survey, South L.A. Northgate had been opened for less than one year.

Accessibility to the Store

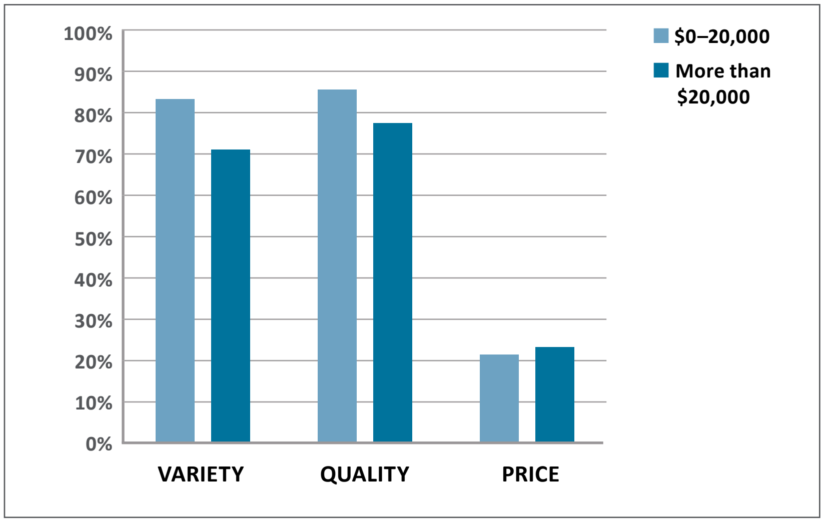
Most shoppers (87 percent) reported that they do most of their food shopping at the Northgate store. When asked how far they traveled to the store, about 45 percent reported traveling less than one mile to the store; another 45 percent traveled between 1-5 miles. On the day of the survey, most shoppers (76 percent) drove to the store; about 19 percent walked or rode a bike. Most shoppers (60 percent) reported that Northgate is closer in proximity to their home than other stores; 29 percent reported Northgate is farther away than other stores. Most shoppers (73 percent) reported that the availability of parking is better and that the store was more accessible via public transportation (70 percent), compared to other stores. Most shoppers (76 percent) also reported that staff were more friendly at Northgate compared to other stores.

Perceptions on the Variety, Quality, and Price of Groceries and Fresh Produce

Regarding the variety, quality, and price of groceries at Northgate compared to other stores where they previously shopped, most shoppers reported that Northgate offers greater variety (78 percent) and higher quality (81 percent) groceries. They also reported greater variety (81 percent) and quality (84 percent) of fruits and vegetables compared to other stores. Regarding price, 77 percent of shoppers reported that the price of groceries was about the same or lower at Northgate compared to other stores. For fresh produce, 83 percent reported that the prices of fruits and vegetables were lower or about the same at Northgate compared to other stores. Most shoppers (87 percent) also reported having access to a greater variety of traditional foods at Northgate compared to other stores.

To explore whether perceptions of shoppers varied by income level, the reported household median annual income was divided at $0 to $20,000 and above $20,000. Those in the lowest income group ($20,000 annually or less) tended to be most satisfied with the quality and variety of groceries that Northgate offers (Figure 5). This finding may indicate that those with very low incomes are experiencing greater impact through access to more variety and higher quality groceries at the Northgate stores compared to where they previously shopped.

Figure 5: Shopper Satisfaction with Northgate Groceries, by Median Household Income



Northgate's Influence on Shopping Behavior

Shoppers were further asked about their buying habits and the extent to which Northgate encourages the purchase of various food items (Table 3). Compared to other stores, most shoppers reported that Northgate encourages them to buy more fruit and vegetables. About half of the shoppers said Northgate encourages them to buy more meat and poultry, milk, bread, and rice. More than a quarter of the shoppers said that Northgate encourages them to buy more soda.

Table 3: Percent of Shoppers Encouraged to Buy More Food and Beverage at Northgate

Percent of Shoppers	Encouraged to Buy More (Food or Beverage)	Type of Usual Purchases
71%	Fruit	--
68%	Vegetables	--
59%	Meat/Poultry	**58%** reported usually buying skinless or lower fat meats.
53%	Milk	**53%** reported usually buying 2% milk; 30% reported usually buying whole milk.
50%	Bread	**54%** reported usually buying whole grain bread.
48%	Rice	**83%** reported usually buying white rice.
28%	Regular Soda	--

69% of shoppers reported that Northgate promotes healthy options to a greater extent than other grocery stores in the area.

In terms of access to fresh produce in their neighborhoods, most shoppers (88 percent) reported they could find fruit and vegetables in other stores in their area, but that they purchase most of their fruit and vegetables from Northgate. Less common among Northgate shoppers was the acquiring of fruit and vegetables from corner stores (17 percent), farmers markets/swap meets (10 percent), produce trucks (3 percent), or a personal garden (1 percent). When asked whether anything could be done to improve access to healthier foods in their neighborhoods, the majority (55 percent) of shoppers reported no change was necessary, as it is easy to find healthy foods in their neighborhoods; about 12 percent suggested opening more grocery stores. Sixty-nine percent of shoppers reported that Northgate promotes healthy options to a greater extent than other grocery stores in the area.

The goals of the Viva La Salud program are to introduce new healthy items to customers and to promote healthy food purchases through in-house labeling and store events, such as healthy food demonstrations, food events, and health screenings. Healthy cooking demonstrations and health screenings were conducted at the Inglewood and City Heights locations; healthy food events were conducted in South L.A. For those shoppers who were aware of the store events and participated, most reported that the healthy demonstrations (74 percent) and healthy food events (80 percent) had influenced their shopping decisions;

others reported that the shelf labeling and health screenings influenced their shopping decisions, at 54 and 38 percent, respectively (Figure 6).

Figure 6: Influence of Viva La Salud Activities on Shopping Decisions

Activity	Aware of Activity	Those Aware Who Participated in Activity	Influenced Shopping Decision of Those Who Participated
Food Demonstrations	**42%** (n=166)	**48%** (n=80)	**74% (n=59)**
Healthy Food Events	**30%** (n=60)	**25%** (n=15)	**80% (n=12)**
Health Screenings	**40%** (n=158)	**18%** (n=29)	**38% (n=11)**
VLS Shelf Labeling	**61%** (n=368)	–	**53% (n=195)**

Store Managers' Perceptions of Northgate's Role in Creating Access to Healthy Food

Interviews were conducted with store managers at each of the three stores, as well as the manager of the Viva La Salud program. Managers were asked their opinion regarding the impact their store has had on their community. In addition to providing high-quality products to their shoppers, a shuttle service to take shoppers home, and donations for community programs and events focused on health and wellness, store managers felt that Northgate provides quality jobs for their employees. It was reported that "the store makes the neighborhood look better and is unique from other neighborhoods in the area." Furthermore, interviewees observed that competing stores have improved their storefronts and lowered their prices to compete with Northgate stores. Managers also talked about the high quality of customer service they provide. This observation aligns with responses in the shopper surveys, in which most respondents reported Northgate staff were friendlier than staff at other stores.

SUMMARY

How do community members perceive the benefits and/or negative consequences of the new stores?

The purpose of the shopper surveys was to understand the ways in which shoppers are benefitting from the new Northgate stores. A high proportion of respondents reported that the store is closer to them, and that parking and access to public transportation is better, compared with where they shopped before Northgate. This indicates that community members have better access to full-service markets than before the stores were opened.

A high proportion of store shoppers reported that Northgate offers a greater variety of groceries, including fruits and vegetables, and that the quality is better compared to other stores where they previously shopped. This finding may be owed in part to Northgate's policy to replace produce that has spoiled within five days of purchase, thereby ensuring access to fresh, high-quality produce. The majority of shoppers also felt that prices for groceries, fruit, and vegetables were either the same or lower than other

Findings

SUMMARY *continued*

stores. In particular, those with very low incomes reported greater access to more variety and better quality groceries, compared to where they previously shopped. Most store patrons also reported that there is greater variety of family traditional foods at Northgate, compared to other stores. Collectively, these findings indicate that shoppers are experiencing access to healthy, quality food that is relevant to their cultural and family traditions.

As described above, supermarkets promote the sale of certain foods and beverages through placement and pricing strategies. The majority of shoppers reported that Northgate encourages them to buy more fruit and vegetables—and other staples such as milk, bread, rice, and meat—than other stores. Regarding fruit and vegetables, the greater variety reported by the shoppers and Northgate's promotion of fresh produce found in the observational assessments support this finding. Shoppers also reported that they are encouraged to buy more soda; this observation was similarly supported by the observational assessment, as indicated by the pervasive placement of soda in high impact areas in the stores, coupled with lower prices for soda compared to other stores.

An important finding with respect to Northgate's VLS health and wellness program is its influence on shopping decisions. The healthy demonstrations, healthy food events, health screenings, and VLS shelf labeling all had varying degrees of influence on shopping decisions. It is important to note that shelf labeling alone can have an influence on which products shoppers buy. Since the majority of purchase decisions are unplanned and made in-store, promotion of healthy food options can help shoppers make healthier choices.

Finally, creating healthy food access requires more than the physical presence of a supermarket. In addition to the availability and affordability of culturally relevant groceries, other social features that connect people to places can also influence where people choose to shop. High-quality customer service, such as that reported by shoppers and store managers at the Northgate stores, can create a store atmosphere where shoppers feel welcomed, which can garner repeat visits and support their access to healthy food.

Conclusion

FreshWorks was created in California in response to the need for greater access to healthy food in communities where inequitable access exists. The evaluation of FreshWorks' success in meeting this need focused on three FreshWorks investments in Northgate González Markets to answer two key questions:

1. Are the new retail food stores meeting unmet need for grocery services?
2. How do community members perceive the benefits and/or negative consequences of the new stores?

The findings suggest that the Northgate stores are providing needed grocery services and that community members are benefiting from these investments. Perhaps most insightful of all the findings, many shoppers reported that their respective Northgate market is more accessible and grants them greater access to fresh produce and culturally relevant food, compared to other stores. A high proportion of shoppers reported that Northgate offers a greater variety of groceries, including fruits and vegetables, and that the quality is better compared to alternative options. Most of the store patrons also reported that prices for groceries, fruit, and vegetables were either the same or lower than other stores—a claim supported by the findings on the price comparisons of fresh produce between the Northgate and comparison stores.

While the findings show that the Northgate stores are providing greater access to a wide variety of groceries, including fruit and vegetables at competitive prices, it was found that the offerings and promotion of less healthy items did not differ between the Northgate and comparison stores. The presence and promotion of sugary beverages such as soda was similar. Furthermore, soda was priced lower at the Northgate markets than at their competitors. In spite of this shortcoming, Northgate's unique in-store program, Viva La Salud, sets them apart from their competitors in the area of healthy marketing and promotion. Full-service markets have the space and inventory to offer many types of foods and beverages—both healthy and unhealthy. While it is unlikely that markets will omit unhealthy products from their inventory, they can play an important role in exposing customers to healthier food options through product placement, marketing, price promotions, and educational initiatives, such as healthy food cooking demonstrations and tastings.

Having access to a full-service grocery store in one's community may offer other benefits in addition to increasing access to healthy food options. Future studies should continue to explore other social benefits that a grocery store, as an anchor business in any given community, may bring to residents. These benefits could include, for instance, a sense of social cohesion and pride in one's community.

Eliminating food deserts and enabling greater access to healthy food require more than full-service grocery stores, but these are an important piece of the puzzle. FreshWorks is demonstrating great strides in creating access to high-quality food that is healthy, affordable, and culturally relevant for residents who live in food desert communities.

Appendix A:

FreshWorks Transactions (as of December 31, 2015)

Deals	Date Closed/ Funded	Description	Debt ($)	NMTC ($)[1]	Grants ($)	FEMI ($)[2]	Total
People's Community Market	Jan-12	Grant supporting efforts to raise equity to support a full-service, fresh food grocery store in West Oakland.	-	-	35,000	-	35,000
NGEP I (City Heights)	Mar-12	Financing for tenant improvements for a full-service Northgate González supermarket in San Diego.	-	8,500,000	-	-	8,500,000
Community Development Foundation of LA County	Mar-12	Support for the planning and launch of a year-round, weekly farmers' market that serves thousands of residents of the Carmelitos Public Housing Project and the surrounding community of North Long Beach.	-	-	50,000	-	50,000
Heritage Education Group	Jun-12	Grant for a portion of startup costs for a year-round farmers' market in Compton, Los Angeles County in partnership with school district.	-	-	5,100	-	5,100
Urban Radish	Jun-12	Predevelopment grant for an 8,000 sq. ft. fresh food market serving the downtown Los Angeles Arts District. Market hires staff from Homeboy Industries.	-	-	4,000	-	4,000
NGEP II (Inglewood)	Aug-12	Financing for a new full-service Northgate González supermarket located in Inglewood.	-	7,662,890	-	-	7,662,890
CA Fresh Brands Pismo	Dec-12	Providing El Rancho Marketplace the means to open a new grocery store serving Pismo Beach, Grover Beach, Arroyo Grande, Oceano, and Shell Beach.	1,659,458	-	8,000	-	1,667,458
Canoga (Jumbo Foods)	Feb-13	Upgrading a local market to a full-service grocery store serving the Canoga Park community in the San Fernando Valley of LA.	131,000	-	-	-	131,000
Northgate González	Apr-13	Supporting workforce development and local hiring activities for grand opening of South LA store.	-	-	50,000	-	50,000
25th Street Collective	Apr-13	Supporting the development of a business plan and pilot project for a mobile food vending program.	-	-	5,000	-	5,000
H.P. Palomino	May-13	Financing equipment and tenant improvements for a 6,000 sq. ft. neighborhood superette in South LA.	651,840	-	15,500	-	667,340
Public Health Institute	May-13	Financing a pilot project for an aggregation and distribution system that connects small family farms in the San Joaquin Valley with under-resourced, small urban, and rural stores.	-	-	7,800	-	7,800

[1]New Markets Tax Credits
[2]Food Enterprise Microlending Intermediary Program

Appendix A

Deals	Date Closed/ Funded	Description	Debt ($)	NMTC ($)[1]	Grants ($)	FEMI ($)[2]	Total
Homeboy Industries	Jun-13	Supporting a job training program focused on preparing former gang members and other low-income, at-risk individuals for positions within the grocery industry.	-	-	50,000	-	50,000
Food Forward	Aug-13	Providing grant funding for a nonprofit that forages fresh, local produce that would otherwise go to waste, connecting this food supply to low-income people in need. Grant funds supported expansion into Ventura County.	-	-	50,000	-	50,000
Mariposa Valley Farm	Aug-13	Supporting a mobile produce market targeting underserved communities in rural Yolo County in partnership with Yolo Family Resource Center. Mobile market makes five stops throughout the county weekly.	-	-	13,900	-	13,900
Family Service Association	Sep-13	Grant support for the development of a mobile market targeting underserved communities in rural Riverside and San Bernadino Counties.	-	-	50,000	-	50,000
PACE Finance Corporation	Nov-13 (FEMI) Jun-15 (FEMI) Sep-15 (Grant)	Supporting a business development center in LA that deploys funds to smaller food enterprises. Grant to support technical assistance for FEMI.	-	-	50,000	350,000	400,000
NGEP III (Central/ Slauson)	Dec-13	Financing for a new full-service Northgate González supermarket in South LA.	-	7,618,777	-	-	7,618,777
Make Someone Happy	Dec-13	Supporting the development of a mobile market targeting underserved communities in Merced County.	-	-	30,000	-	30,000
United Way of Kern County	Dec-13	Grant for an organization that mobilizes donors, volunteers, and advocates to improve community conditions in Kern County. Grant supports healthy lifestyle program as well as a cornerstore conversion.	-	-	7,500	-	7,500
LA Prep	Mar-14	Financing a food production business incubator for local entrepreneurs.	-	16,000,000	-	-	16,000,000
Feed the Hunger Foundation	Jul-14	Providing FEMI capital to a foundation that works to eliminate poverty through microloans.	-	-	-	100,000	100,000

[1]New Markets Tax Credits
[2]Food Enterprise Microlending Intermediary Program

Appendix A

Deals	Date Closed/ Funded	Description	Debt ($)	NMTC ($)[1]	Grants ($)	FEMI ($)[2]	Total
Special Service for Groups - APIOPA	Aug-14	Grant for a nonprofit seeking to reduce obesity rates of Asian and Pacific Islander (API) communities in Los Angeles County. Grant proceeds support equipment to allow for expansion of a culturally-specific CSA[3] serving API communities.	-	-	27,000	-	27,000
The Farmstead Market	Aug-14	Grant for a farm-to-market grocery store in Riverside County, California. Grant proceeds support increasing capacity and improving placement for produce, meat, and dairy.	-	-	20,500	-	20,500
Community Services Unlimited	Aug-14	Grant for a nonprofit that fosters the creation of communities actively working to address the inequalities and systemic barriers that make sustainable communities and self-reliant life-styles unattainable. Grant proceeds fund bicycles to allow expanded geographic coverage through pop-up produce stands and subscription CSA[3] programs.	-	-	10,000	-	10,000
Numero Uno	Dec-14	A business term loan for a 12-store chain serving low-income communities in South Los Angeles.	12,000,000	-	-	-	12,000,000
Agriculture & Land-Based Training Association	Mar-15	Grant for an equipment and inventory system to support organic farming and distribution at a farmer incubator that targets migrant workers with training, enabling them to operate sustainable family organic farms.	-	-	50,000	-	50,000
Agricultural Institute of Marin	Mar-15	Grant for equipment to support a fresh, mobile market carrying produce, grains, dairy, and other meat proteins to reach the most underserved populations of Marin County.	-	-	50,000	-	50,000
Mandela Marketplace	Jun-12 (Grant) Mar-15 (FEMI)	Supporting the expansion of a worker-owned fresh food store dedicated to increasing healthy food access and building assets for low-income workers in West Oakland.	-	-	50,000	100,000	150,000
Phoenix Foods USA	Apr-15	Grant for equipment to support meal preparation and processing for a senior center and food bank through donations of products exclusively from wholesalers and farmers.	-	-	50,000	-	50,000
Leadership for Urban Renewal Network	May-15 (FEMI) Jun-15 (Grant)	Supporting a community development organization working in South and East Los Angeles that has relationships with immigrant/monolingual communities. FEMI capital will be deployed toward mobile markets and corner stores. Grants support food permitting and licensing and other technical assistance.	-	-	68,000	75,000	143,000

[1]New Markets Tax Credits
[2]Food Enterprise Microlending Intermediary Program
[3]Community Supported Agriculture

Deals	Date Closed/ Funded	Description	Debt ($)	NMTC ($)[1]	Grants ($)	FEMI ($)[2]	Total
AmPac Tri-State CDC	May-15 (FEMI) Jun-15 (Grant)	Supporting a community development corporation working closely with the African American community in southeast Los Angeles. FEMI capital will be deployed to small grocers and food enterprises. Grant supports technical assistance, including marketing, packaging, and general business assistance.	-	-	40,000	200,000	240,000
Emerging Markets Development Corporation	Jun-15	Grant to a nonprofit organization for a technical assistance fund for FEMI loan applicants or end-borrowers in Los Angeles. Funds go toward consultants who provide services such as accounting, business planning, legal advice, procurement assistance, project management, marketing consulting, and licensing assistance.	-	-	350,000	-	350,000
Opportunity Fund Northern California	Jun-15 (Grant) June-15 (FEMI)	Supporting a statewide microlender and CDFI. FEMI capital will be deployed to finance healthy restaurants, mobile vending, and other food enterprises in Los Angeles County and across the state. Grant supports technical assistance including procurement and licensing.	-	-	100,000	750,000	850,000
Valley Economic Development Corporation	Jun-15 (Grant) June-15 (FEMI)	Supporting a national microlender and CDFI. FEMI capital will be deployed to finance healthy food enterprises across a broad geography. Grant supports technical assistance including project management, marketing, and general food consulting.	-	-	100,000	750,000	850,000
West Angeles Community Development Corporation	Sep-15 (Grant) Aug-15 (FEMI)	A nonprofit organization based in LA's Crenshaw neighborhood will deploy FEMI capital to entrepreneurs and use grant proceeds to support business training and counseling.	-	-	20,000	100,000	120,000
Vermont Slauson Economic Development Corporation	Sep-15 (Grant) Aug-15 (FEMI)	A nonprofit organization based in LA's Slauson neighborhood will deploy FEMI capital to entrepreneurs and use grant proceeds to support business training and counseling.	-	-	20,000	100,000	120,000
Fresh-Producers	Jun-15	Grant for a mobile grill and refrigerated truck distributing ready-to-eat meals in Sacramento.	-	-	50,000	-	50,000
CANGRESS	Jun-15	Grant for a pop-up produce market to serve the homeless and extremely low-income population in South LA.	-	-	50,000	-	50,000
Total			**14,442,298**	**39,781,667**	**1,487,300**	**2,525,000**	**58,236,265**

[1]New Markets Tax Credits
[2]Food Enterprise Microlending Intermediary Program

Appendix B:
FreshWorks Partners and Investors

Partners and Investors	Role in FreshWorks	Description
Bank of America Corporation	Investor	A financial services company that provides banking and nonbanking financial services and products throughout the United States and in certain international markets.
California Grocers Association	Thought Partner	A non-profit trade association representing approximately 500 retail members operating over 6,000 food stores in California and Nevada, and approximately 200 grocery supplier companies.
Calvert Foundation	Investor	A non-profit organization making investments that deliver a social and financial return.
Capital Impact Partners	Founding Investor, Fund Administrator	A national, non-profit Community Development Financial Institution (CDFI). Selected to manage the California FreshWorks Fund.
Charles Schwab Corporation	Investor	A financial institution based in San Francisco, CA providing a full range of brokerage, banking, and financial advisory services through its subsidiaries.
Citigroup Inc.	Investor	A multinational financial services firm that provides consumers, corporations, governments, and institutions with a broad range of financial products and services.
Community Health Councils	Thought Partner	A policy advocate focused on eliminating health disparities by expanding healthcare coverage, increasing access to quality healthcare, and improving the environment for under-resourced communities.
Community Redevelopment Agency of Los Angeles	Thought Partner	A public agency of the City of Los Angeles focused on strategic investments to create economic opportunity, build affordable housing, generate good jobs, and improve the quality of life for residents in various areas of LA.
Dignity Health (formerly Catholic Healthcare West)	Investor	A system of 40 hospitals and medical centers in California, Arizona, and Nevada.
Emerging Markets, Inc.	Food Access Organization	A double-bottom line consulting firm that assists financial institutions and food retailers in pursuing business opportunities in low-income communities.
First 5 LA	Grantor	A leading early childhood advocate working collaboratively across L.A. County.
Healthy Food Financing Initiative	Investor	An initiative of the U.S. Treasury via its CDFI Fund that supports projects aiming to increase access to healthy, affordable food in communities that currently lack these options.
JPMorgan Chase & Co.	Investor, Grantor	A financial services company that provides a range of financial and investment banking services in all major capital markets.
Kaiser Permanente	Grantor	A health care provider and not-for-profit health plan.
Koret Foundation	Grantor	Based in San Francisco, the Koret Foundation supports organizations that promote a vibrant and distinctive Bay Area.
Los Angeles Development Fund	Investor	A certified Community Development Entity whose purpose is to assist in carrying out the economic development program and objectives of the City of Los Angeles to promote the development, establishment, or expansion of industries and commerce.

Appendix B

Partners and Investors	Role in FreshWorks	Description
MetLife, Inc.	Investor	A global financial services company offering insurance, retirement, and savings products.
Morgan Stanley	Investor	A global financial services company engaged in investment banking, securities, investment management, and wealth management services.
National Cooperative Bank	Investor	A savings bank providing financial products and services for the nation's cooperatives, their members, and socially responsible organizations.
Opportunity Finance Network	Investor	A leading national network of CDFIs investing in opportunities that benefit low-income, low-wealth, and other disadvantaged communities across America.
PolicyLink	Thought Partner	A national research and advocacy institute advancing economic and social equity.
Social Compact	Thought Partner	A nonprofit, nonpartisan organization formed by a coalition of business leaders from across the country committed to promoting successful investment in lower-income communities.
The California Endowment	Founding Investor, Grantor	A private, statewide health foundation. Conceived of and launched FreshWorks with an anchor $30 million capital commitment.
The Reinvestment Fund	Thought Partner	A CDFI that finances housing, community facilities, supermarkets, commercial real estate, and energy efficiency projects.
U.S. Bancorp	Investor	A financial institution that provides a full range of financial services, including lending and depository services, cash management, foreign exchange, and trust and investment management services.
Unified Grocers	Thought Partner	A retailer-owned wholesale grocery distributor that supplies independent retailers throughout the western United States.
UrbanAmerica Advisors	Investor	A CDFI that has provided structured equity and mezzanine debt financing for the redevelopment of more than 1.1 million square feet of office, retail, and mixed-used space throughout the U.S.
W. K. Kellogg Foundation	Grantor	An independent, private foundation that works with communities to create conditions for vulnerable children so they can realize their full potential in school, work, and life.

Endnotes

[1] See: http://californiawatch.org/dailyreport/nearly-1-million-californians-living-food-deserts-10122.

[2] Retail space and food access figures based on projections by Capital Impact Partners, December 2015.

[3] Harnessing the Power of Supermarkets to Help Reverse Childhood Obesity," http://policylinkcontent.s3.amazonaws.com/harnessingthepowerofsupermarkets.original_0.pdf. Accessed November 2015.

[4] See: http://californiawatch.org/dailyreport/nearly-1-million-californians-living-food-deserts-10122.

[5] Dutko, Paula, Michele Ver Ploeg, and Tracey Farrigan. *Characteristics and Influential Factors of Food Deserts*, ERR-140, U.S. Department of Agriculture, Economic Research Service, August 2012, http://www.ers.usda.gov/publications/err-economic-research-report/err140.aspx.

[6] Data from Capital Impact Partners as of December 31 2015.

[7] NEMS can be found at http://www.med.upenn.edu/nems/measures.shtml#nemss.

[8] Development of the GMEA tool was led by Karen Glanz at the University of Pennsylvania.

[9] Neil Borden, http://www.guillaumenicaise.com/wp-content/uploads/2013/10/Borden-1984_The-concept-of-marketing-mix.pdf. Accessed November 2015.

[10] "Harnessing the Power of Supermarkets to Help Reverse Childhood Obesity," http://policylinkcontent.s3.amazonaws.com/harnessingthepowerofsupermarkets.original_0.pdf. Accessed November 2015.

[11] "Temptation at Checkout: The Food Industry's Sneaky Strategy for Selling More," http://cspinet.org/temptationatcheckout. Accessed November 2015.

[12] Fakhouri TH, Kit BK, Ogden CL. Consumption of diet drinks in the United States, 2009–2010. NCHS Data Brief. 2012 Oct;(109):1-8.