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Community and Capital: Expanding Equity through Inclusive Food Systems

Washington, D.C. Convening | December 2018

Capital Impact Partners hosted a day-long convening in Washington, D.C.'s Ward 8 to envision ways to better link community and capital in order to create a more **inclusive local food system that provides access and opportunity for all.**

A lack of affordable, nutritious food affects a wide range of communities nationwide, from urban neighborhoods to rural areas. Nutrition deficiency has serious consequences, ranging from long-term health issues to poor educational performance to depressed economic development. In particular, communities of color have long coped with unequal access to healthy food. These communities often see far fewer opportunities to engage more broadly with the local food economy as well.

Addressing this issue, however, requires a multi-faceted approach that includes more than just food access. Community-based organizations must ask how to build inclusive food systems that ensure economic opportunity, high-quality jobs with living wages, access to affordable housing, and greater agency for communities no matter their racial or socioeconomic make-up. For example, knowing that poverty is one of the root causes of food insecurity, creating economic opportunity within the local food economy addresses underemployment and unemployment in our communities.

On December 6, 2018, Capital Impact set out to explore how inclusive food systems can be better supported by looking at how these issues are being addressed in the District of Columbia. In an all-day convening titled “Community and Capital: Expanding Equity through Inclusive Food Systems,” a broad coalition of stakeholders in Washington, D.C. came together with Capital Impact and fellow funders to discuss issues of access and opportunity in communities with the greatest need of both.



Hosts

Capital Impact Partners
Martha's Table

Discussions

“Spotlight on Community and Food Justice” facilitated by Dwayne Wharton, Director of External Affairs, The Food Trust

Asha Carter

Community Outreach Specialist, DC Greens

Chris Bradshaw

Executive Director, Dreaming Out Loud

Boe Luther Umar and Wallace Kirby

Co-Founders, Hustlaz 2 Harvesters

“Financing Products in the Market” facilitated by Lauren Counts, Senior Director, Strategy, Innovation, and Impact Management, Capital Impact Partners

Karina Mendoza

Small Business Coach, Latino Economic Development Center

Donna Nuccio

Director of Healthy Food Access, Reinvestment Fund

Steven Anthony

Small Business Advisor, Washington Area Community Investment Fund

“Policy Roundtable” facilitated by Brandy H. Brooks, independent activist

Ona Balkus

Director, D.C. Food Policy Council

Molly Hartman

National Fund Manager of HFFI, Reinvestment Fund

Ruth Tyson

Coalition Coordinator, Good Food for All, Union of Concerned Scientists

D.C.'s Wards 7 & 8: An Ecosystem of Needs and Opportunities

Hosting this discussion at the new headquarters of [Martha's Table](#) in Washington, D.C.'s Ward 8 was a deliberate choice. The location is central to both the challenges and opportunities that we face in building inclusive food systems.

As the following data illustrates, those living in Wards 7 and 8 have faced structural and historical barriers to accessing the citywide food system as well as longtime challenges in building community-based systems that support access, opportunity, and equity. At the same time, great promise exists for greater food equity, given models for how these issues are being addressed across the city. A perfect example is Martha's Table. After 35 years, the organization relocated from Northwest to the heart of Ward 8 to stand shoulder to shoulder with neighbors and develop better integrated and more accessible support systems that range from food access to childhood development and from workforce development to financial literacy programs. Other locally driven programs are also highlighted in this report.

For that reason, hosting this event at Martha's Table was equally as important as the topic discussed.

Access: Just three full-service grocery stores serve more than 148,000 residents who live in Wards 7 and 8. By comparison, Ward 6 has fewer residents (91,000) and 10 full-service grocery stores.

Income: Ward 7's median income is \$38,559 and Ward 8's is \$31,139—well below the overall D.C. median income of \$75,506.¹

Health: Wards 7 and 8 have the District's highest rates of infant mortality, and residents are least likely to be able to access mental health professionals². The diabetes rates in Wards 7 and 8 average at 16 percent, double the average diabetes rate of eight percent throughout the District. The obesity rates in Wards 7 and 8 are 45 percent and 34 percent, respectively, compared to an overall rate of 28 percent throughout the District.³

Hunger: One in seven D.C. households experiences some form of "food insecurity."⁴

Housing: Affordable housing is at a premium across D.C., where almost half of the city's renters are severely overburdened, spending half of their income or more on rent.

Education: Residents of Wards 7 and 8 are twice as likely to reach age 25 without a high school diploma as residents of the District as a whole.

Employment:

[Population 16+: Unemployed](#)

Ward: Ward 7: 17.05%

Ward: Ward 8: 19%

City: District of Columbia 8.04%

<http://www.dchealthmatters.org>

¹ According to 2016 Census data

² District of Columbia Department of Health. "District of Columbia Health Systems Plan 2017." https://dchealth.dc.gov/sites/default/files/dc/sites/doh/publication/attachments/DC%20Health%20Systems%20Plan%202017_0.pdf (Accessed on January 2019).

³ Centers for Disease Control and Prevention. "Behavioral Risk Factor Surveillance System, 2017." https://www.cdc.gov/brfss/annual_data/annual_data.htm (Accessed on August 25, 2018).

⁴ DC Hunger Solutions. "Closing the Grocery Store Gap in the Nation's Capital." <http://www.dchunger.org/wp-content/uploads/2018/11/dchs-closing-grocery-store-gap-report.pdf> (Accessed January 2019).

What is an Inclusive Food System?

Just as we understand that hunger and inequitable access to nutritious food are not isolated issues, there is no single answer to the question of what comprises an inclusive food system.

Indeed, solutions and ideas for achieving equity may vary from block to block within a single neighborhood. For some residents accustomed to a lack of access, it can be difficult to imagine what a solution might look like.

Accordingly, Ruth Tyson from Union of Concerned Scientists and the Good Food for All Initiative noted that she encourages collaborators and community members to deploy magical realism when considering solutions: thinking beyond what is realistic to what would be ideal and starting conversations with “if you could wave a wand...what would you want?”.

There are, however, some traits that arise repeatedly within discussions with invested stakeholders about what an equitable food system might look like. They include self-determination and participation, ownership and inclusion, justice and affordability, community development and sustainable investment. When envisioning development, community members must be involved in creating solutions from the beginning.

In fact, solutions may already exist within communities, and they would only need additional support to bring the work to scale. Solutions will look different for each neighborhood, and there are already outstanding examples of meaningful progress from which community-focused organizations can learn and draw inspiration.

Nothing About Us Without Us: The Importance of Community-driven Solutions

“ It comes down to ownership: Who owns the food enterprise? Who owns the land? Some of the notions of fairness about ownership that govern the rest of us do not consider us. ”

Chris Bradshaw, Dreaming Out Loud

As a nation, we are still reckoning with the aftermath of policies that codified racism and discrimination into housing law and a justice system that discriminates against people of color. Food access has not been immune to these issues, and it is important to consider who is benefiting from plans to increase access in underserved communities and to discuss ways in which communities can hold political leadership and institutions accountable.

In any conversation about how to move forward and address problems within the food system, it is important to acknowledge and understand the history of inequity in providing access to food in communities where affordability and availability are issues.

The first session of the convening focused on the importance of hearing from the local community members to give them a voice in issues that concern them and give them agency and control to address them. Too many communities have seen well-intentioned, optimistic organizations, policies, and funders arrive with ready-made solutions only to experience disappointment due to a lack of follow-through or project abandonment. Communities in search of solutions neither expect nor want them to come out of thin air. Residents have opinions, ideas, and understanding about what will suit their neighborhoods best when it comes to creating more equitable access to healthy food.

It is vital, therefore, for organizations, policymakers, and lenders to recognize this and ensure that community members are involved in designing projects from their inception. Before a grant is written or before a Request for Proposals is issued, the community should be engaged for their expertise. This is especially crucial in communities where residents have been historically excluded or marginalized. If residents of a neighborhood have been ignored for generations, it takes time to build trust, but doing so is vital for the long-term success of any project.

During the discussion, Asha Carter, a Community Outreach Specialist with DC Greens, stressed the importance of recognizing that there are existing resources within communities: “People already have skills and connections and networks,” Carter noted. “So the question for organizations working in communities is: How do you identify and support people’s assets and amplify them?”

Case Study in Community-oriented Food Solutions: DC Greens

DC Greens is serious about working with community members to identify needs and amplify community assets. The organization provides rigorous training and resources to community members who work with them as community advocates. Knowing that “time is money” and community members could invest their time in other pursuits, DC Greens pays them during their advocacy training, considering them more as employees than volunteers. Eliminating the financial burden that community members bear in adding their food advocacy on top of everyday tasks allows them to dedicate more time to fostering community-level solutions for food insecurity. By fostering advocacy, community members are actively engaged in thinking about and suggesting programs and policies that would expand their access to healthy food.

Historical Examples of Community Engagement

Many communities have come up with their own grassroots solutions for expanding food access over the years, and there is value in studying and learning from those examples.

Chris Bradshaw, executive director of Dreaming Out Loud, pointed to the legacy of D.C.’s own Nannie Helen Burroughs and the co-ops she hosted at her National Training School for Negro Girls in the early 1900s.

A generation later, the Black Panthers launched community support systems,

particularly a free meal program for children in their Oakland, California community, that had a lasting legacy in the school breakfast programs now common across the country.

Another D.C. program long hailed as a success is former Mayor Marion Barry’s Thanksgiving turkey giveaway in Ward 8. Barry made significant contributions to the city in the way of community programs. This holiday giveaway expanded to include tens of thousands of pounds of vegetables.



Let's Talk About "Reparations Financing"

According to the *New York Times*, "[For every \\$100 in white family wealth, black families hold just \\$5.04.](#)"

The discrepancy in wealth, earnings, and opportunity across racial lines can be traced back to African Americans' roots in slavery and other institutionalized forms of discrimination. The concept of reparations has been debated since the end of slavery in the United States. The concept is often dismissed as too unwieldy and too large in scope to effectively and fairly negotiate. Yet, for those organizations that acknowledge and recognize this historic systemic discrimination, we can take steps to adjust our policies and programming to allow for a more equitable and intentional flow of capital to communities burdened by redlining and other barriers to access. In particular, there is nothing to stop lenders from engaging with the notion of reparations lending, an idea raised by activist and advocate Brandy Brooks in the course of the day's conversation. How can we financially offset historical injustices that have led to the racial wealth gap and other social disparities?

Specifically, in this instance, how can organizations and local officials support communities to undo historical gaps in food access? How can communities and organizations be more strategic in the District so that, as the food sector grows, everyone can prosper and benefit? How can community members fully participate in the food economy and advance food sovereignty where the community controls the way food is produced, traded, and consumed? As Brandy noted, it starts with looking at the need for access and inclusion versus the need to build equity, justice, and sovereignty. Both are needed: there are people who desperately need food now, and they need access. Yet food justice and sovereignty are necessary as well to truly attain inclusion within our food systems. Community engagement at every level of the process of developing and expanding the city's food system, including as policy advisors, food proprietors and entrepreneurs, will bring about true food sovereignty, and with it, wealth-building potential.

The concept of reparations financing would bring capital back to communities from which it has been long extracted. Communities that experience ongoing neglect would be brought into focus; these communities would be the targets of intentional and strategic capacity building and capital. Food systems are perfect entry points for reparations financing to be implemented, as people of color have long been excluded from accessing healthy, culturally relevant food and from creating opportunity within the food economy.



The Role of Community Development Financial Institutions

The roots of Community Development Financial Institutions (CDFIs) are in this very field of creating access to capital in communities from which it has been systematically stripped. It is vital for those in the field to remember this mission as it relates to all categories of lending. Continual review is needed to assess how well organizations are meeting this commitment to ensure that communities experiencing underinvestment begin to benefit from intentional investment. Lenders need not only to foster an understanding of the needs of communities being served, but they must also make efforts to understand the context of the loans that their clients seek.

Lenders and program leaders must step up and ask how they can foster growth in communities that have been historically marginalized, prevented from acquiring assets, and/or intentionally stripped of assets.



As Donna Nuccio of Reinvestment Fund stated, “We want to make sure that assets are assets for the community—that is, they are not just a wealth building mechanism for someone who is not there.”

“ **Communities are surviving in spite of institutional racism.** [Organizations] need to tap into that. ”

Karina Mendoza,
Latino Economic Development Center

Many lenders are already working to balance equity, impact, job creation, and results as they fund projects. While an increased focus on lending in ways that are culturally meaningful and community-driven will not equate to reparations, it can help foster asset building and increased capacity that can transform communities into places of opportunity.

Technical Assistance That Dismantles Barriers

With the understanding that some communities have experienced concentrated wealth extraction, a key point of conversation was the importance of dismantling barriers through the strategic alignment of technical and financial assistance. One of the ways that the Latino Economic Development Center (LEDC) supports Washington, D.C. communities is through technical assistance for burgeoning entrepreneurs. Karina Mendoza, a Small Business Coach with LEDC, spoke during the session on “Financing Products in the Market” about their work in matching people to realistic goals as they look to start or grow their businesses.

Mendoza encourages clients to foster wealth by connecting with like-minded entrepreneurs and working with each other to share space rather than renting from large developers who may not be willing or able to provide support

to their businesses as they grow. She helps clients focus on finding proof of concept and building experience. It is through this very intentional guidance that often-marginalized entrepreneurs can determine realistic pathways to access capital.

In order to provide technical assistance that creates impact, financial organizations must understand the gaps and needs that are rampant in the communities we serve. Those needs include loans that are structured responsibly and that foster realistic goals. Clients should not default on a loan and accumulate more debt after working with a CDFI. As Donna Nuccio, Director of Healthy Food Access for the Reinvestment Fund, pointed out in the “Financing Products in the Market” discussion: “If you end up lending in a way that strips wealth, you’re not doing your job.”

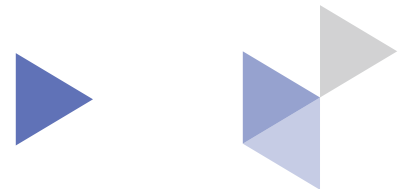
Where do We Go from Here?

There is, of course, no one-size-fits-all solution to making a food system work for all. Ona Balkus, Director of the D.C. Food Policy Council, noted that the challenge of her job is determining how needs and solutions vary in different parts of the city. It is a challenge that can feel daunting and discouraging, but as noted in this report, there are many best practices and success stories to consider and learn from. It is incumbent upon community development organizations, nonprofits, policymakers, and advocates to take an active role in amplifying the voices of their communities and creating and multiplying access points for effecting meaningful change.

The only danger is in stasis or not seeing solutions through to the end. Beverly Wheeler

with D.C. Hunger Solutions said it best: “We start, but we don’t finish. We half do it, and we don’t finish it.”

So what is most crucial is to tap into existing knowledge in the District and across the country on how to create an inclusive food system, use that knowledge to create a vision alongside communities, and then follow that vision all the way through to equitable opportunities and futures for communities in the District and nationwide.



Case Studies: Building Inclusive Food Systems at a Statewide Scale

Capital Impact has already invested in and implemented innovative food financing systems in Michigan and California that offer replicable solutions.



Michigan Good Food Fund:

The Michigan Good Food Fund provides financing to enterprises working to increase access to affordable, healthy food in low-income and underserved communities in Michigan with a serious commitment to racial and social equity. That means funding a wide range of businesses that grow, process, distribute, and sell healthy food and ensuring that financial and technical assistance reaches the good food enterprises that need it most.



California FreshWorks Fund:

The California FreshWorks Fund has focused on retail and distribution projects in underserved communities throughout California that have not historically enjoyed access to affordable fresh foods. Operated in partnership with The California Endowment, solutions include grocery stores, mobile food operators, farmers' markets, a food business incubator, and several intermediary lenders that provide micro-loans to smaller food enterprises.

Both of these initiatives combine capital and capacity to create jobs and increase healthy food access, and Capital Impact looks forward to sparking that same energy in Washington, D.C.

About Capital Impact Partners

Through capital and commitment, Capital Impact Partners helps people build communities of opportunity that break barriers to success. We champion social and economic justice for underserved communities to foster good health, economic opportunity, and interconnectedness. Through mission-driven lending, incubating social impact programs, impact investing, and policy reform we partner with local communities to create equitable access to health care and education, healthy foods, affordable housing, and dignified aging for those most in need. We have disbursed more than \$2.7 billion to revitalize communities over the past 35 years. Our leadership in delivering financial and social impact has resulted in Capital Impact earning a “AA-”



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rating from S&P Global and being recognized by Aeris since 2005 for our performance. Headquartered in Arlington, VA, Capital Impact Partners operates nationally, with local offices in Detroit, MI, New York, NY and Oakland, CA. Learn more at www.capitalimpact.org.

About Martha's Table

For more than 35 years, Martha's Table has worked to support stronger children, stronger families, and stronger communities by increasing access to quality education, healthy food, and family support in Washington, D.C. Martha's Table's Healthy Eating program operates dozens of free pop-up grocery markets across the city, and its Healthy Start and Healthy Connections programs offer premier early childhood education and older youth programming. In addition, the organization runs emergency support programs, including McKenna's Wagon, a daily mobile food truck that serves hundreds of



meals to homeless and hungry residents every night; a daily emergency mini market, open 7 days a week; and two affordable thrift stores, Martha's Outfitters, which offer a no-cost shopping program for neighbors in need. For more information, please visit www.MarthasTable.org.

BUILDING COMMUNITIES OF OPPORTUNITY TO BREAK BARRIERS TO SUCCESS



Inclusive Food Systems Supports Our Larger Vision

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2.7 MILLION

PATIENTS
receiving health care at
541 community health centers



265,000

STUDENTS
in 259 high-quality
charter schools



1.1 MILLION

PEOPLE
with access to healthy
food from 88 local retailers



15,000

ELDERS
aging with dignity
in 190 communities



38,000

AFFORDABLE HOUSING
units in 250
communities



870,000

COOPERATIVE CUSTOMERS
served by 221
Co-op businesses

WE HAVE DEPLOYED MORE THAN **\$2.7 BILLION** TO SERVE NEARLY
5 MILLION PEOPLE AND CREATE MORE THAN **37,000 JOBS**
NATIONWIDE IN SECTORS CRITICAL TO EQUITABLE COMMUNITIES.



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