

## The Michigan Good Food Fund is a new public-private partnership loan and grant fund.

The Michigan Good Food Fund (MGFF) will improve the lives and health of Michigan children and families living in underserved communities throughout the state by:

- Strengthening Michigan's food system
- Expanding access to healthy foods
- Driving economic development & job creation

### How will it work?

We aim to structure the MGFF to support projects across the food value chain including processing, distribution, marketing, retail, and other food entrepreneurship projects.



Projects will be evaluated by how well they:

- Increase access to healthy food
- Drive economic development and job creation
- Promote environmental stewardship
- Increase sourcing of Michigan grown foods
- Ensure equity by supporting businesses owned or operated by women, people of color, or entrepreneurs in low-income communities

### How did it get started?

MGFF was jumpstarted in 2012 by a \$3 million federal Healthy Food Financing Initiative (HFFI) award provided to Capital Impact Partners, a nonprofit certified Community Development Financial Institution, which will serve as the MGFF manager.

### When will it launch?

We are working to launch the MGFF in early 2015.

A 25 member task force and several working groups are currently providing guidance on its development.

### FUND OVERVIEW

**Target Fund Size:** \$30 Million

**Uses of Capital:** Loans & Grants

### Capitalization:

Debt & Grants

### Program Eligibility:

Michigan healthy food processors, distributors, retailers and entrepreneurs benefitting underserved communities throughout Michigan

### FUND GOALS

- Expand Access to Healthy Foods
- Drive Economic Development & Job Creation

### By promoting

- Equity
- Environmental Stewardship
- Local Sourcing

### **Who is involved?**

A diverse group of partners is involved including the W.K. Kellogg Foundation, Capital Impact Partners, Michigan State University Center for Regional Food Systems, Fair Food Network, AFPD, Avivar Capital, Growing Hope, Michigan Food & Farming Systems, FoodLab Detroit, and representatives from multiple state agencies including Michigan Department of Agriculture Rural Development, Michigan Economic Development Corporation, Michigan Department of Community Health, as well as USDA, among others.

The MGFF is also grounded in the Michigan Good Food Charter and hopes to serve as its financing vehicle to accelerate progress against its goals. These goals include providing 80 percent of Michigan residents with access to affordable, healthy food with 20 percent coming from Michigan by 2020.

### **Why is the fund needed?**

You can't eat healthy food if you can't buy healthy food. According to the USDA 2.1 million Michigan residents, including more than 500,000 children, live in communities with limited access to a nearby grocery store. These same communities often struggle with high rates of unemployment as well as high rates of obesity and other diet-related illnesses. Investing in healthy food retail can improve health, create jobs, and generate meaningful economic development in areas that need it most.

A vibrant regional food system also requires solid infrastructure that connects family farmers to the growing demand for local food. This includes processing, aggregation, marketing, and distribution. In addition to investing in healthy food retail projects, the MGFF will look at opportunities to support entrepreneurs across the food value chain. This will create greater entrepreneurship and job-creation potential across the Michigan food system.

### **How much and what type of funds will be available?**

In addition to the original \$3 million HFFI award, we are working to secure additional funding and financing through grant dollars and low-cost debt to ensure the fund is as targeted and flexible as possible.

### **Who will be eligible to apply?**

While the lending terms and eligible borrower definition are still being developed, we anticipate that Michigan-based for-profits, nonprofits, and cooperatives that serve or are located in traditionally underserved areas will be eligible to apply.

### **What parts of Michigan will be impacted by this new fund?**

The goal of the MGFF is to impact all of Michigan by strengthening its food system, driving economic development benefits, and creating greater and more equitable access to good food for all Michiganders.

### **Are you accepting new investors/funders?**

**Yes.** The MGFF presents a strategic opportunity for Michigan foundations to amplify their investments for greater impact while directly supporting underserved residents of this state. We invite interested investors and funders to join us in this important effort.

### **Are there other funds similar to this in the United States? What makes the Michigan Good Food Fund unique?**

Yes, multiple other healthy food financing funds exist, including the California FreshWorks Fund, the Illinois Fresh Food Fund, and the Virginia Fresh Food Loan Fund among others.

The MGFF is unique because it will:

- Finance **good food entrepreneurs across the regional food supply chain**
- Provide **targeted business assistance** to help entrepreneurs develop their ventures and **build a pipeline of investment-ready businesses**
- Have a **rigorous focus on equity** to ensure it benefits underserved residents of this state
- **Leverage unique Michigan assets** including statewide programs such as Fair Food Network's healthy food incentive program, Double Up Food Bucks, which doubles the value of federal nutrition benefits when spent at participating sites to purchase additional locally grown fruits and vegetables. This will increase the buying power of an important customer base and deepen the entire system's support of local farmers.

### **How can I get involved?**

Interested funders and investors, borrowers, or partners can connect with MGFF representatives to learn more and get involved.

- Funders & Investors
  - John Duong | W.K. Kellogg Foundation | [john.duong@wkkf.org](mailto:john.duong@wkkf.org)
- Fund Criteria
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- Potential Borrowers
  - Retail & Good Food Entrepreneurship  
Meredith Freeman | Fair Food Network | [mfreeman@fairfoodnetwork.org](mailto:mfreeman@fairfoodnetwork.org)
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