



Biennial Food Security and Equity Report: OEWD Sub-Report

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Presented to the San Francisco Food Security Task Force

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Background

- The OEWD sub-report is a component of the biennial report required through City Ordinance 103-21.
 - *"OEWD shall contribute to the Biennial Report an analysis of economic development potential of community food system and food security initiatives."*
- OEWD engaged with Century Urban, LLC who conducted a comprehensive review of all data collected by DPH from each reporting department **to assess the economic development potential of the three food program types funded by the City and to identify existing City programs that have the potential for generating additional economic activity while addressing food insecurity.**
 - Financial Resources Programs
 - Food Access Programs
 - Food Infrastructure Programs

Methodology & Approach

- **Program Level (sub-report focus)**
 - Includes information related to each specific food program such as the program name, eligibility requirements, number of contracts and/or vendors, the unit of service among other data.
- **Program Data (sub-report focus)**
 - Includes the number of individuals and/or households enrolled in the program by zip code.
- **Department Level**
 - Includes the number of food programs supported by the department, number of department employees dedicated to food and nutrition related programs, description of the types of food programs supported by the department and type of data collected.
- **Program Funding**
 - Includes total budget by funding source (i.e., federal, state, and local sources) for FY 2020/2021 through FY 2024/2025.
- **Enrollment Demographics**
 - Includes number of individuals/households served by race, ethnicity, gender, language spoken, etc.

Types of Food Programs

- **Financial Resources Programs** *(provide a direct subsidy to individuals and families in need to purchase food from participating vendors, known as in-kind transfers)*
 - CalFresh
 - Women, Infants and Children (WIC)
 - Food vouchers and income support
- **Food Access Programs**
 - Free dining rooms
 - Food pantries
 - School meals
 - Congregate and home-delivered meals
- **Food Infrastructure Programs**
 - Technical assistance programs
 - Equipment and food recovery
 - Other programs that support food access programs but do not directly provide food and nutrition

There are a total of 36 programs in the dataset as shown below.

** Includes 225 Family Child Care Homes in the Child and Adult Care Food Program (CACFP) and 256 educators in the Healthy Apple Program.*

Program Type	Number of Programs	Number of Vendors/ Contractors	% of Total
Financial Resources	5	4	14%
Food Access	24	109	67%
Infrastructure	7	681*	19%
<i>Total</i>	36	794	100%

Funding for Food Programs

Federally Funded

- CalFresh
- WIC
- National School Lunch Program

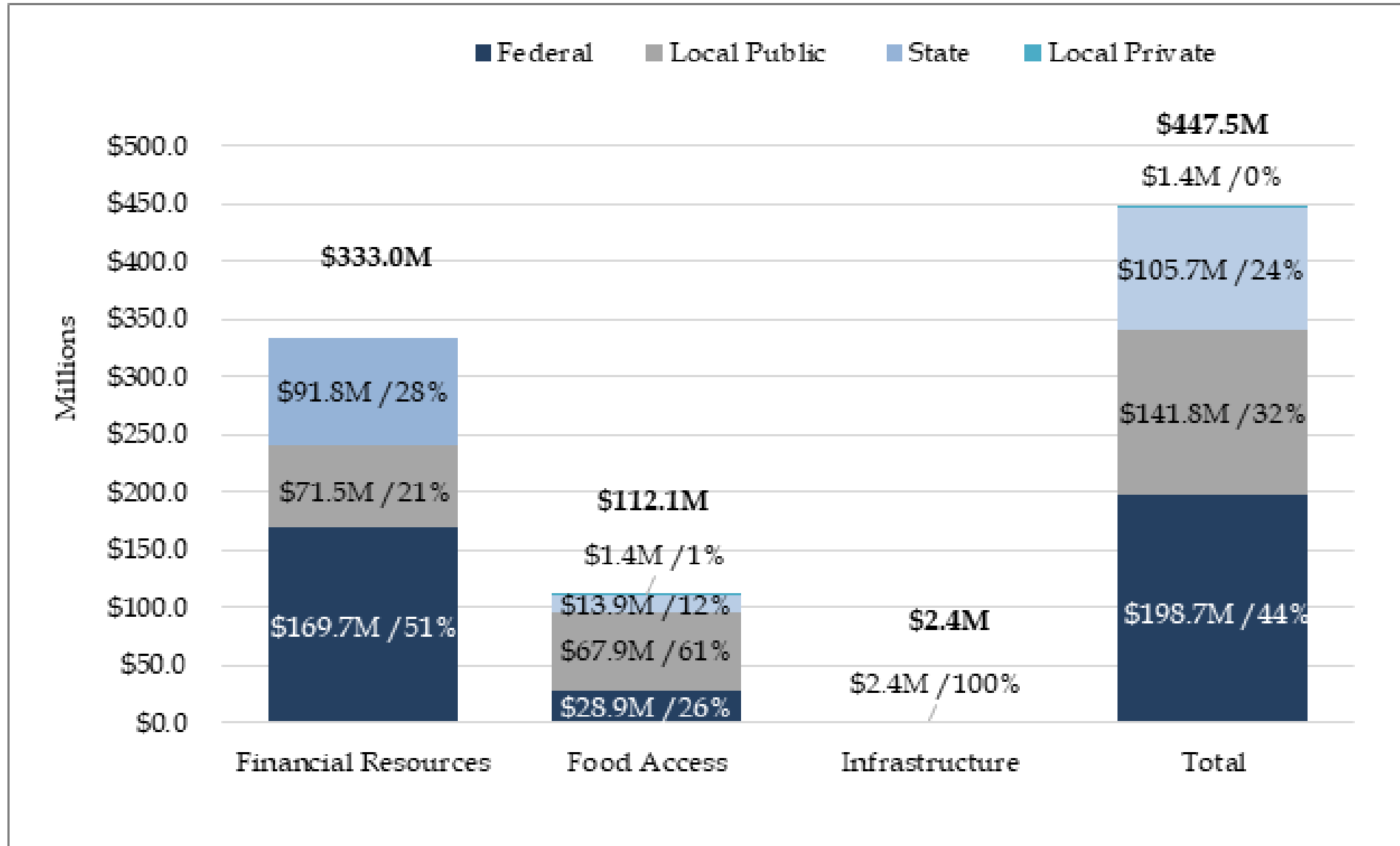
State Funded

- CalFresh
- National School Lunch Program

City Funded

- Financial resources programs represent the largest share of total food program spending.
- CalFresh is the largest program in the City (79% funded by federal and state sources)
- All infrastructure programs are locally funded

Funding by Food Program Type



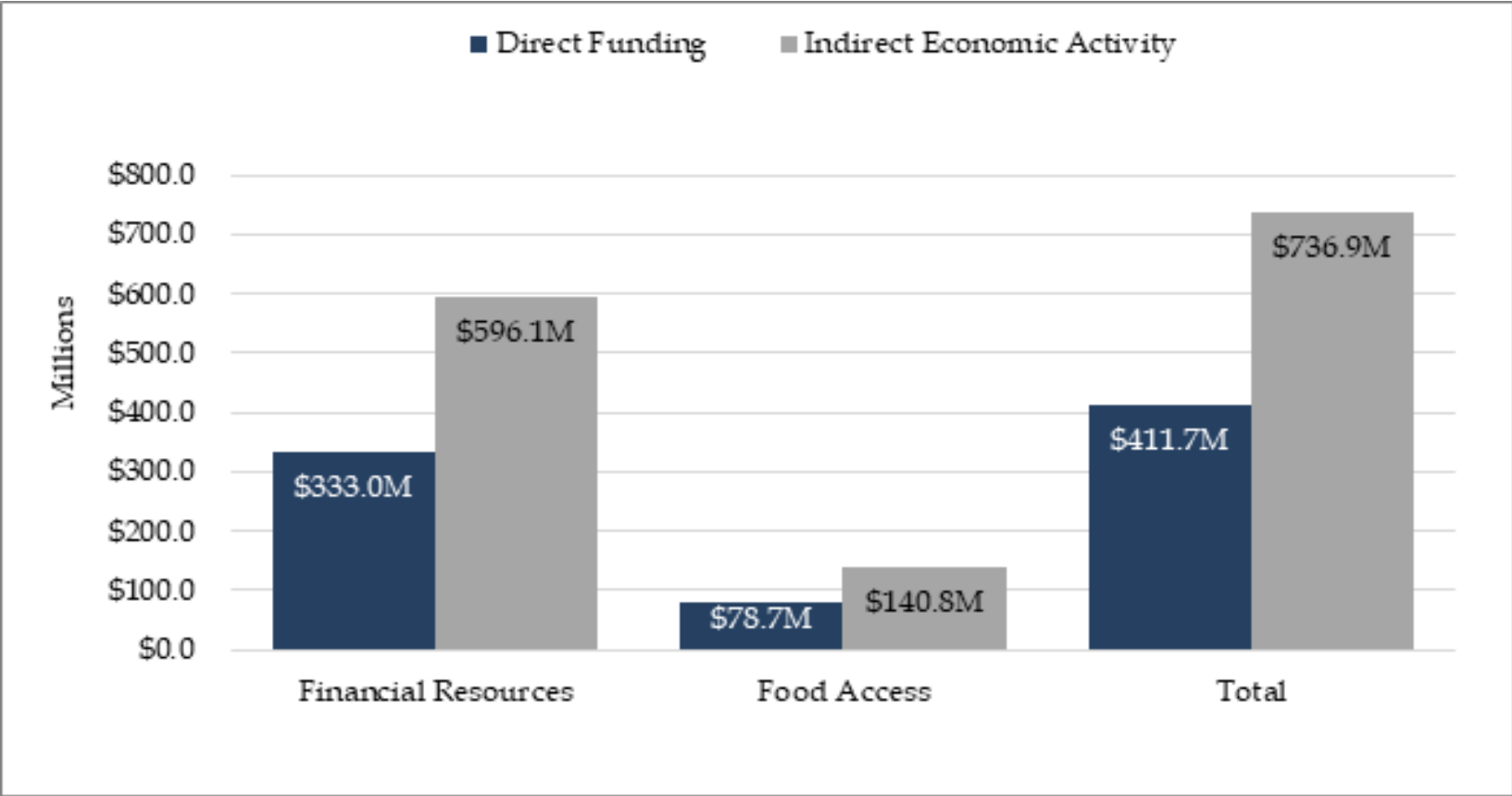
Economic Benefits of Food Programs and the 1.79 Multiplier Effect

- Programs such as CalFresh, WIC and grocery vouchers provide businesses with a direct payment for the sale of food to eligible participants.
- These financial resources programs comprised a total of **\$333 million in FY 22-23**. The recipients in turn spend this funding at businesses that accept the form of payment.
- A United States Department of Agriculture (“USDA”) study concluded that the Supplemental Nutrition Assistance Program (“SNAP”), under which the CalFresh program operates, generated an economic multiplier effect of **1.79 for every dollar spent**. That is, for every dollar of SNAP benefits, the local economy generated \$1.79 of activity through direct effects from the revenue received by retailers who in turn purchase more goods and pay labor wages. Employees in turn use their labor wages to purchase other goods and services.
- The study also found that recipients increased **food spending by 0.3x** and redirected **0.7x of each dollar to other spending** such as for housing or other non-food items.

Economic Benefits of Food Programs and the 1.79 Multiplier Effect

Application of 1.79x multiplier effect to all financial resources program funding, the City receives economic benefits totaling approximately **\$170 million**.

When we include the funding to meal programs within the food access category, the total indirect economic activity increases to approximately **\$311 million**.



Programs that Generate Economic Activity

Defined: adding to local spending or creating jobs and that are **not** funded by federal or state sources

1. Grocery vouchers
2. Restaurant meals
3. Matching programs
4. Community kitchens
5. Retail business infrastructure

Programs that Generate Economic Activity

Grocery Vouchers

- ✓ Three City-funded grocery voucher programs = \$4.7 million in funding.
- ✓ With the 1.79 multiplier effect, the indirect benefit of these programs is approximately **\$8.4 million** of economic activity.

Family Meal Pack (SF New Deal)

- ✓ 38 active restaurants that represent 14 cuisine types.
- ✓ FY 22-23: 5,378 individuals enrolled representing 1,295 households; served ~126,000 meals (\$12.50/meal) = **~\$1.6 million** of revenue to participating restaurants.
- ✓ Program budget is anticipated to decline from \$2.25 million in FY 23-24 to \$1.8 million in FY 24-25.

Market Match

- ✓ CalFresh recipients spent **~\$5.3 million** in CalFresh benefits at San Francisco farmers markets in FY 22-23.
- ✓ Previous study done with SPUR found that farmers market incentive spending generates an **economic multiplier of 3.0**. Higher than incentive spending at grocery stores.

Programs that Generate Economic Activity

Community Kitchens

- ✓ Three community kitchens operate in the City.
- ✓ One such program is Farming Hope - approximately 25-30 apprentices graduate from their trainee program annually.

Healthy Retail (OEWD & DPH)

- ✓ Stores participate in Healthy Retail SF for an average of 3-5 years before graduating from the program and participating stores have been in business in their neighborhoods for an average of 17 years.
- ✓ After three years participating in this program, each Healthy Retail store, on average, saw a 39% increase in the number of produce items sold and had a \$33,000 increase in revenue due to produce sales.
- ✓ The combination of Healthy Retail and EatSF vouchers provides further incentive for business to participate in this program.



Conclusion



In addition to many social benefits, food programs generate economic activity in the communities receiving funding. This is due to the multiplier effect of in-kind transfers as well as the direct payment made to local businesses.

The Family Meal Pack Program offers the opportunity to scale up to support more businesses (existing and new) in a sector that has been hardest impacted by the pandemic while also addressing food insecurity.

The program is currently limited to households with at least one child under the age of five; however, the need for restaurant meals extends to individuals who are unable to or do not have access to cooking facilities as well as seniors.

The City could consider expanding the eligibility for this program to include other groups.



Questions/Discussion

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