



**market match**  
making fresh affordable

# Impact Report

**Food Insecurity Nutrition Incentive (FINI) Grant  
& California's Market Match**

A PROGRAM OF THE ECOLOGY CENTER • SUMMER, 2018

# Making Fresh Affordable

2015–2017 FINI  
Grant Report

This report shows that a federal incentive grant can leverage state and local resources to increase the purchase of fresh fruits and vegetables by low-income shoppers. And that increase improves the economic vitality of small and medium size farms. A classic win-win for two significant communities—**greater health, thereby reduced costs, for low-income consumers, and increased financial sustainability for small- and medium-scale farmers.**



In April, 2015, the U.S. Department of Agriculture awarded California's Ecology Center one of the first ever Food Insecurity Nutrition Incentive (FINI) grants. The goal: To see whether the \$3.7 million federal grant, matched with local resources, could motivate even more low-income shoppers to seek fresh fruits and vegetables at more of the state's farmers' markets. That growth would achieve two goals: **improve the health and vitality of low-income Californians, and increase the financial sustainability of small and medium family farms and their employees.**

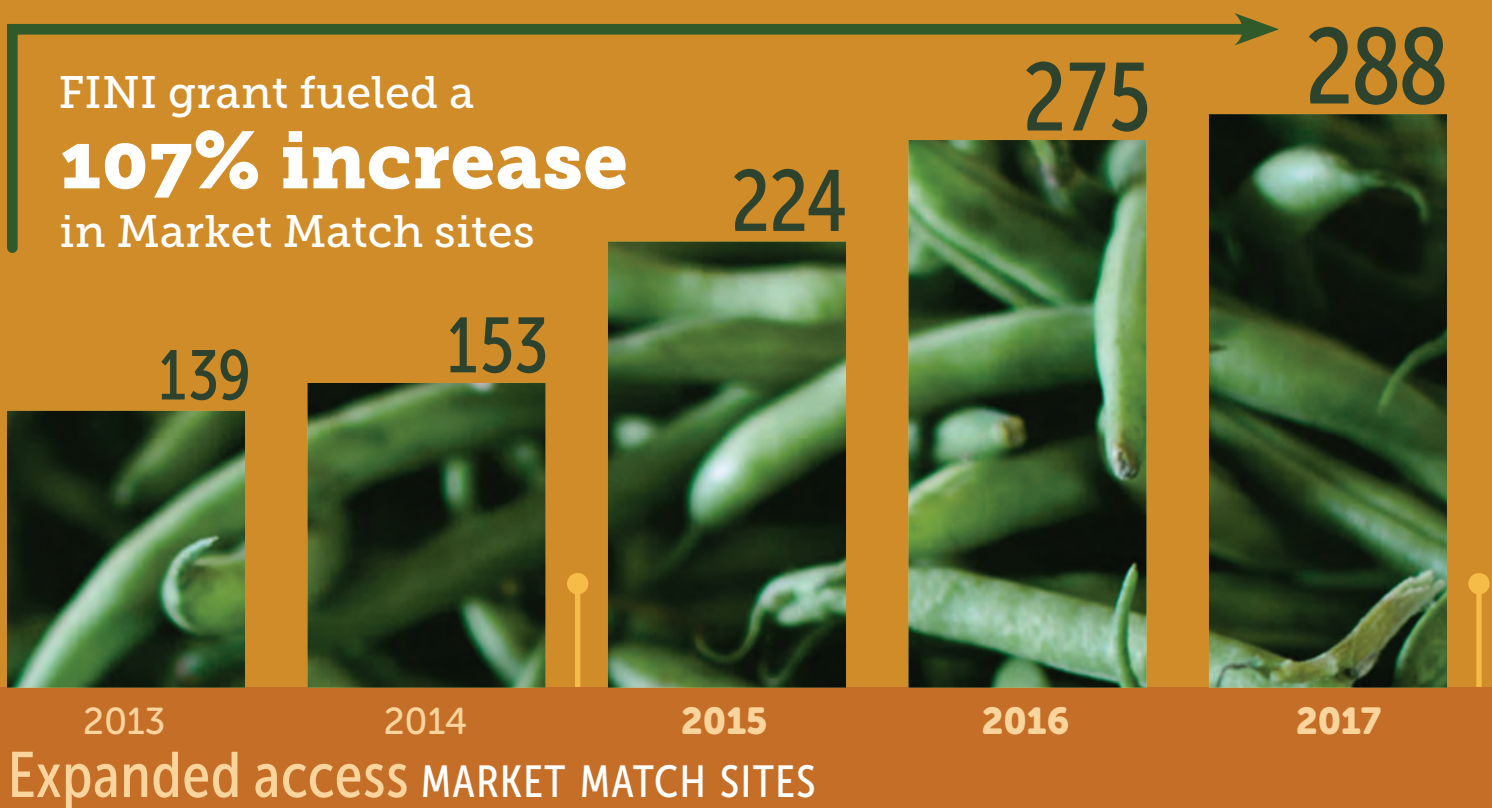
California's Market Match—a program begun in 2009 by Roots of Change—was the model the FINI grant sought to expand. It's a simple model: when people use their federal nutrition

benefits (SNAP, known as CalFresh in California) at farmers' markets in California, Market Match provides a financial match—an incentive to buy even more fruits and vegetables. For example, a shopper who wishes to spend \$10 of SNAP benefits at a farmers' market gets an extra \$10 to spend on fresh produce.

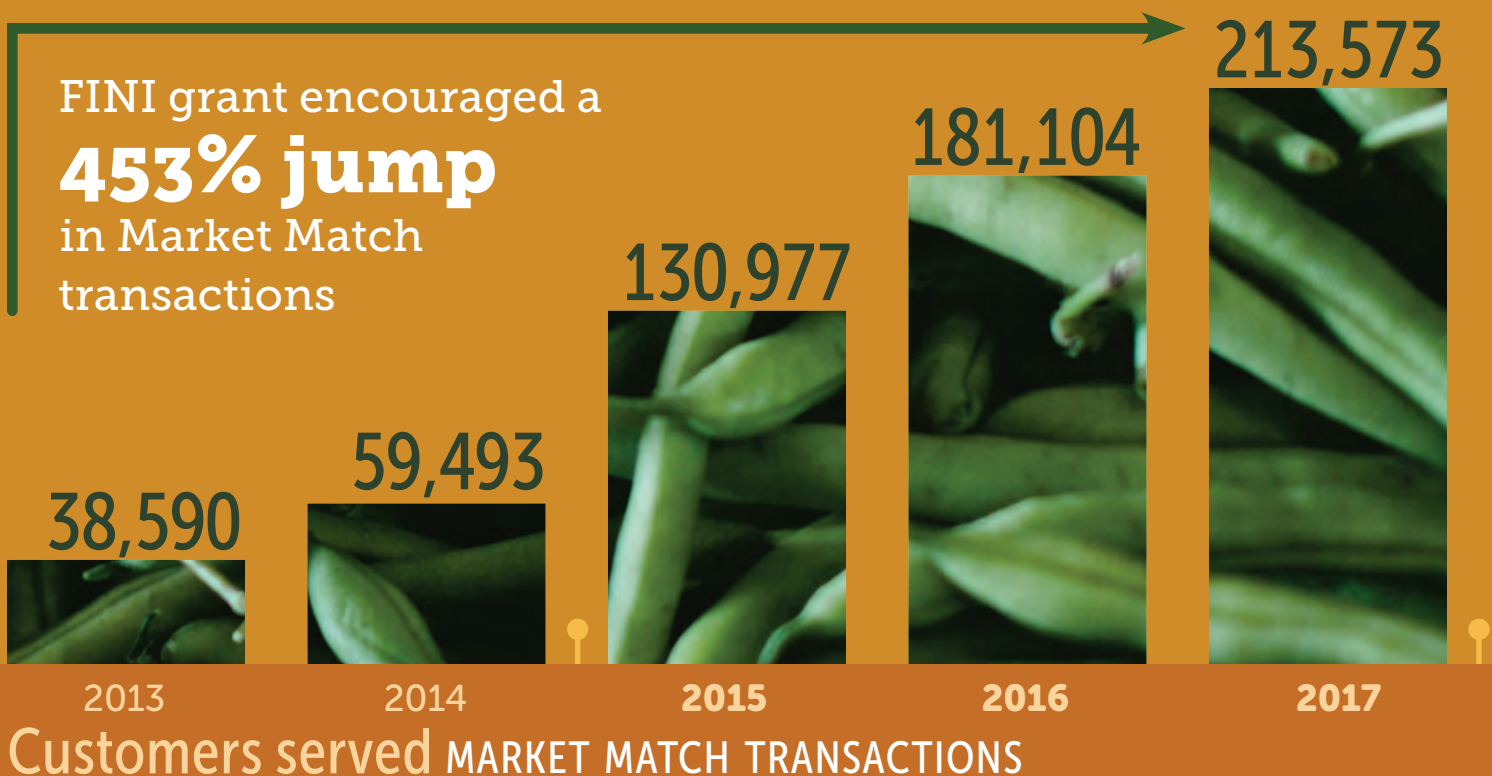
The Ecology Center in Berkeley now leads Market Match, which is currently offered at nearly 300 locations where farms sell directly to the community, like farmers' markets, produce stands, and Community Supported Agriculture programs (CSAs.) The program is available in 31 counties, meaning a financial boon to farmers in those rural communities working to boost the farm-to-fork economy through low-overhead market access.



FINI grant fueled a  
**107% increase**  
in Market Match sites



FINI grant encouraged a  
**453% jump**  
in Market Match  
transactions



"We knew that California receiving one of USDA's first ever FINI grants would expand access to fresh fruits and vegetables. What has been so remarkable is how that one grant has leveraged such a positive return for the health of our citizens and for the economic vitality of our state's farmers and communities that support farmers' markets. This is a program where the dividends far exceed the initial investment."

FINI grant

Secretary Karen Ross, CA Department of Food & Agriculture

# Market Match promotes a Culture of health

## Shoppers

73%

have increased the amount of fresh fruits & vegetables they buy each week

67%

have increased the number of trips they make to farmers' markets

85%

are buying different kinds of fruits & vegetables

71%

say their family's health has improved

"My husband and I had gained lots of weight, but now we are trying to follow clean eating. We've noticed **more activity** and **higher energy** levels."

"It's been a **major transformation**. I used to eat out every day, and was overweight. Now I **make time for good fruits and veggies** because Market Match makes them affordable."

"Being able to eat new foods has **completely changed** the way my family and I live our lives. We understand the **importance of a healthy lifestyle**."

## USC Evaluation

The Ecology Center worked with the University of Southern California to conduct an evaluation of the impact of the FINI Grant on its Market Match program. Through 2,351 shopper and 96 farmer surveys, interviews, and direct observation, the USC evaluators noted:

- increases in fruit and vegetable purchase and consumption;
- strong evidence of benefit to farmers and their communities; and
- increased access to fresh fruits and vegetables, leading to improved health for consumers.

That increase in consumption may correlate to a significant reduction in health care costs, based on a 2017 study in the *American Journal of Preventive Medicine*.\*

The cost effectiveness analysis looked at the impact of subsidizing fruit and vegetable purchases for low-income households enrolled in SNAP.

Researchers found changes in dietary intake likely to result from such incentives were sufficient to result in a **1.7% reduced incidence in type 2 diabetes**, which in California translates into a **health care savings** approaching **\$469 million a year**.<sup>^</sup>

The 2015 FINI grant allowed Market Match to be piloted at new types of outlets—farm stands, Community Supported Agriculture (CSA) programs, and Mobile Farmers' Markets, implemented in Sacramento, the San Francisco

# on Findings



Market Match is a farm-forward program that supports healthy food choices and the future of farming in California. Driving additional customers and revenue for farmers at farmers' markets and other direct-to-consumer locations means **supporting some of the most innovative and diverse farm operations**, including many who focus on sequestering carbon and flexing their farming practices to adapt to climate change.

Direct-to-consumer sales means farmers and their communities get the full financial benefit of their sales, rather than less than 20% of the dollar return in a traditional retail operation, according to the National Farmers Union Farmer's Share Report. And Market Match at farmers' markets returns nearly twice as much money to California farmers and farm communities as do sales at national chains, according to a 2016 study from University of California Davis. Researchers there found that farmers selling locally create 13 full time jobs for every \$1 million earned versus 3 jobs for those selling in other markets.<sup>†</sup>

\* "Cost Effectiveness of Subsidizing Fruit and Vegetable Purchases Through the Supplemental Nutrition Assistance Program," Sung Eun Choi, SM, Hilary Seligman, MD, MAS, Sanjay Basu, MD, PhD. May 2017.

<sup>^</sup> Based on estimated annual cost of \$27.6 billion to California for treating diabetes, via government, private insurers, and patients, according to the American Diabetes Association.

<sup>†</sup> "Economic Impact of Local Food Producers in the Sacramento Region", Shermain Hardesty, Libby O. Christensen, Erin McGuire, Gail Feenstra, Chuck Ingels, Jim Muck, Julia Boorinakis-Harper, Cindy Fake, and Scott Oneto. Spring 2016.

Bay Area, and Los Angeles. These innovative farm-direct sites made purchasing local food more convenient and accessible. Mobile markets traveled to multiple communities, enabling residents to shop in their own neighborhoods.

## Market Match promotes a Culture of growth

### Farmers

**84%** sell more fruits & vegetables

**65%** see more customers

**74%** make more money from sales

**"Farming is a struggle with slim margins. Market Match increases SNAP spending, adding revenue that keeps us at the farmers' market every week. It means we bring dollars back to some of the most high-need rural communities in the state, and make our customers happy."**

Tim Mueller, owner, River Dog Farm, Capay Valley

**37%**

have expanded their operations with new hires, equipment, acreage, & crops



# The Power of Partnership

Market Match is built on social capital - people and relationships. Using a network model, the Ecology Center acts as the central hub, providing grant administration, training, and promotions to 50 subcontracting lead partners.

Each lead partner has a network of its own, implementing and promoting the local or regional Market Match program. Since Market Match provides benefits to multiple stakeholders with the same dollar, the program has an incredibly diverse partnership base, as highlighted by the Los Angeles region featured on the map. This network model is key to the success of the statewide Market Match program, and allows the program its incredible reach.

For example, in Los Angeles, First 5 LA provided the largest single source of non-federal match for the Ecology Center's FINI grant, and the Department of Public Social Services (DPSS), which administers SNAP, promoted the Market Match program to its 600,000 SNAP households.

**At the heart of it all is the Ecology Center, coming up on its 50<sup>th</sup> year of inspiring sustainable and healthy solutions for California. Its team trains, convenes, and builds capacity for the Market Match Community of Practice through webinars, in-person trainings, one-on-one site visits, and an internal Market Match website, toolkit, and listserv. They have assured grant compliance, cultivated capacity in lead partners and farmers' markets, and built the body of knowledge around the impact of healthy food incentives. Participating in the FINI grant was a first experience with federal funding for many of the Ecology Center's partners, helping build organizational capacity in California.**

## Example: Los Angeles County

### LEAD PARTNERS

**Encino Farmers' Market**

**Hunger Action Los Angeles**

**Model Neighborhood Program**

**Social Justice**

**Learning Institute**

**Sustainable Economic  
Enterprises of Los Angeles**

### COMMUNITY PARTNERS

First 5 Los Angeles

Harbor Area Farmers Markets

Inglewood Business

Expansion Club

Kaiser Permanente

Southern California

LA Community Action Network

LA County Department  
of Parks and Recreation

LA County Department of  
Public Social Services

LA Department of Public Health

LA Food Policy Council

Los Angeles City Council

Districts 8, 9, 13, & 15

Pasadena Unified School District

Public Health Foundation

Enterprises WIC

South Los Angeles

Health Projects

SOVA Food Pantry

Thai Community

Development Corporation

The City of Inglewood

Watts Healthcare

Youth Policy Institute



# Current Market Match Network



Thanks to the FINI grant, a healthy diet is more easily within reach for our customers. Shopping the local farmers' market becomes a weekly routine, and their fresh fruit and vegetable purchases support California farmers whose hard work brings us year-round access to the freshest and best food imaginable.

Allen Moy, Executive Director, Pacific Coast Farmers' Market Association

Each dot represents a farmers' market. Numbers in circles represent number of outlets in those regions.



## ECONOMIC IMPACT LEVERAGED FROM MARKET MATCH

**\$2.5**  
**MILLION**

Market Match redeemed  
during FINI grant period

**\$4.2 + \$**  
**MILLION**

additional  
SNAP (CalFresh)  
benefits  
redeemed

50% of  
SNAP  
shoppers  
planned



**A 360% Social Return  
On Investment**



**ADDITIONAL CASH AND BENEFITS MATCH DOLLARS**

**2.7** + **\$2.8** = **\$9.7**  
**MILLION** **MILLION** **MILLION**

to spend  
\$18 additional  
cash/benefits  
in the market

32% of SNAP shoppers planned  
to spend an additional  
\$31 at businesses outside  
the farmers' markets

**total economic  
impact from  
the \$2.5 million  
in Market Match\***

\*California Market Match Program Food Insecurity Nutrition Incentive Grant: Evaluation Final Report, Howard P. Greenwald, PhD, Sol Price School of Public Policy, University of Southern California. Covers 6/2015 – 6/2017 FINI Grant period.

# Innovating the Future

## CALIFORNIA STATE FUNDING MODEL

The success of Market Match, with its federal grant incentive spurring farmers' market sales, inspired state legislators to develop a SNAP incentive program for California.

In 2015, with the leadership of Assembly-member Phil Ting (San Francisco), the Ecology Center, Roots of Change, Latino Coalition for a Healthy California, Public Health Institute, and American Heart Association successfully advocated to pass Assembly Bill 1321. This innovative legislation created the California Nutrition Incentive Program (CNIP), a state grant program to match future Federal FINI funds, build the State Farm-to-Fork office, and stimulate California's small farming communities.

In 2016, the State approved \$5 million in funds for CNIP, dramatically increasing the potential of Market Match. Run by the California Department of Food & Agriculture (CDFA), CNIP makes California a leader in state funded nutrition incentive programs.

In 2017, the Ecology Center and Market Match joined CDFA's application for another FINI grant. The result? USDA awarded its largest FINI grant to California—\$3.9 million over 2 ½ years.

## TECHNOLOGICAL INNOVATIONS

In 2015, the Ecology Center partnered with Code for America to review the technological landscape for incentive programs nationwide. The report found that no one technology met all farmers' market incentive program needs for market manager, farmer, and customer experiences. Due to the variety of contexts, different

technologies may be necessary. SNAP transaction technologies are expensive to develop, difficult to maintain, and often have expensive data and transaction fees.

In 2016, the Ecology Center and Pacific Coast Farmers' Market Association (PCFMA) developed a barcoded scrip system to improve benefit redemption and tracking. PCFMA successfully tested the system at dozens of its markets. They scanned 1.6 million pieces of SNAP and Market Match scrip, making it easy to track scrip movement between markets and to measure customer redemption timing. On a smaller scale, however, traditional non-barcoded scrip remained the most efficient incentive distribution process.

The Ecology Center is now pursuing an approach using tablet-based data-tracking through Case Western Reserve's FM Tracks.





**Food security continues to be a challenge in communities of color and for lower income families. The Ecology Center's work, supported by the USDA/FINI grant for Market Match, showed that providing matching dollars to low income families encourages greater consumption of fresh fruits and vegetables. This leads to improved health for participants, and also supports small-to-midsize farmers whose products were being purchased by families with lower incomes. This is truly a win-win program.**

Xavier Morales, Executive  
Director, The Praxis Project

# Demand Exceeds Funding

The multiple benefits and tremendous social return on investment shown in this report clearly demonstrate that incentivizing the purchase of fruits and vegetables at farmers markets is a wise investment, one that addresses health and food security while also delivering a substantive economic impact for farmers and farming communities.

Despite growth in funding, however, the demand for incentives at farmers' markets far exceeds the supply. Fewer than half of the 800 certified farmers' markets in the state offer incentives. Word-of-mouth marketing and community-based promotion alone have driven the growth in demand by SNAP shoppers to use Market Match.

When Market Match results are added to those of other FINI-funded projects, it is clear that there is a need to scale up nutrition incentives—particularly in farmers' markets, where the benefits are multiplied by encouraging a culture of health and delivering direct payment to farmers.

Public-private partnerships—plus expanded public funding in the farm bill and through state and local governments—can help deliver the full potential of incentives to make fresh, healthy, farm-direct food affordable for all, reducing health care costs and improving the sustainability of farmers and the economy of farming communities.



# Lead Partners & Funders Provided \$3.7 Million in Matching Funds

## LEAD PARTNERS



## FUNDERS

National Institute of Food  
and Agriculture, USDA  
California Department of  
Food & Agriculture  
First 5 LA

Kaiser Permanente,  
Northern California

Aetna Foundation  
Archstone Foundation  
Atwater Village Neighborhood Council  
Bi-Rite Market  
California Endowment  
City of Arcata  
City of Elk Grove  
City of San Francisco, Board  
of Supervisors  
Clear Lake Chamber of Commerce  
County of Marin Department of  
Health and Human Services  
Flora Family Foundation  
Humboldt County Department  
of Health and Human Services  
Inland Valley Hope Partners  
Institute for Maximum  
Human Potential  
Los Angeles City Council District 14  
Los Angeles City Council District 9  
Los Angeles County Department  
of Parks & Recreation  
Mack Road Partnership  
Martinelli Family  
Petaluma Health Care District  
Petaluma Poultry  
Sacramento City Councilmember  
Steve Hansen  
Sacramento Natural Foods Co-Op  
Santa Rosa Sunrise Rotary  
Sierra Health Foundation  
Soil Born Farms Urban Agriculture  
& Education Project  
Sonoma County Department  
of Health Services  
Sonoma County Human  
Services Department  
St. Joseph Health  
Sweetgreen  
Thai Community Development Center  
The Martin Family  
Volunteers of East Los Angeles (VELA)  
West Sacramento Chamber  
of Commerce  
Whole Foods Markets  
Wholesome Wave

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