FAIR FOOD NETWORK

BUILDING A BLUEPRINT FOR FOOD SOVEREIGNTY IN BLACK AND BROWN NEIGHBORHOODS

NORTH FLINT FOOD MARKET



After the Flint water crisis in 2014, the last two major grocery stores left the city's northside, leaving residents without healthy food when it was needed most to mitigate the effects of lead poisoning.

Pastor Reginald Flynn, a Flint native who returned to the city 13 years ago to minister at the Foss Avenue Baptist Church congregation, was not surprised. Nor was he going to beg them to come back. Instead, spurred by residents, they decided to build a new grocery store — one that was owned by the community, not by a corporation.

Says Pastor Flynn, "This is a place where corporations come and go at their will. We don't want to be subjected to that. We want to be the solution."

It's called the <u>North Flint Food Market</u> and the model relies on membership, with individuals investing as co-owners of their local grocery store, which will carry pantry staples along with meats, dairy, and fresh produce, with an eye toward sourcing from local farms.

Despite the deluge of attention following the water crisis, Pastor Flynn found fundraising for the grocery store to be a long-haul journey.

"I've challenged every politician who said they cared about the Black and Brown communities when the water crisis was going on," he says. "Lots of funding following [the water crisis] went into downtown projects. Few made it into communities like ours. People in poor neighborhoods just didn't benefit from the dollars that came in then."

Yet after six years and many financial and bureaucratic hurdles, the North Flint Reinvestment Corporation, a place-based nonprofit led by Pastor Flynn, has raised over \$7 million, and the North Flint Food Market broke ground in August, revitalizing a long-vacant and obsolete building.

Fair Food Network's Fair Food Fund was part of the capital stack, providing a critical bridge loan that helped cover transaction costs — a common hurdle, especially for community-based developers that lack deep balance sheets to prepay such hefty expenses.

Beyond financing, we've been honored to know and partner with Pastor Flynn over the past five years through our work with the Michigan Good Food Fund, a statewide collective of partners working together to improve health and economic opportunity by investing in local food entrepreneurs.

Given Fair Food Network's deep work in Flint with our <u>Double Up Food Bucks SNAP incentive program</u>, we recognized early on the importance of this grocery project. In addition to bringing healthy food to North Flint, the coop was the first step toward a broader vision of community-first development and cooperative economics. Indeed, the long-term vision includes affordable housing, healthcare, maternal health services, early childhood education, and community spaces centered around the market. It will be a "health and wellness corridor" in Flint, says Pastor Flynn.

This was a project that needed to come to fruition, and we wanted to support moving it forward.

We engaged a member of our Fair Food Fund investment committee, Daniel Tellalian, Founder and CEO of Angel City Advisors. With expertise in healthy food retail and community development finance, Tellalian served as an embedded thought partner and collaborator with Pastor Flynn, tackling the financial plan, brokering connections, and coordinating a complex capital stack.

It has been an adventure — more than five years, 12+ sources of funds recruited, tax credit financing, hundreds of hours, and a few thousand emails. Yet it is this type of integrated, long-term support that demonstrates the reimagined healthy food financing that's often needed.





With time and steady partnerships, including with Fair Food Network and other Michigan Good Food Fund partners, Pastor Flynn was able to piecemeal capital together into what Tellalian refers to as a "lasagna of funding." This includes support from the State of Michigan, the City of Flint, Charles Stewart Mott Foundation, Community Foundation of Greater Flint, Ruth Mott Foundation, ELGA Credit Union, USDA Community Food Projects, Healthy Food Financing Initiative, LISC, and the Food Coop Initiative, as well as other community funders and New Market Tax Credit partners.

Michigan Good Food Fund partners also provided early grant funding to help develop the concept and advance predevelopment. That initial injection of capital, Pastor Flynn says, was pivotal. "That's a massive problem for communities across the country who are trying to do this just getting the initial investment."

Yet another source of support was the community itself. Pastor Flynn found hope and joy in the 900+ members who have signed up as member-owners and the more than \$200,000 that has been raised by the community. "I'm so happy to see that people are making this co-op their own," he says.

In this way, this project also models how we can root our investments in the vision, priorities, and entrepreneurialism of the communities in which we work.

Tellalian notes that Pastor Flynn's work and Flint's story is emblematic of local movements across the country. As a city that was based on 20th century manufacturing and middle-class families who relied on those industries for work. Flint suffered from an exodus of capital and talent when these industries collapsed. Since then, it's faced a series of "gut punches," Tellalian says, but this neighborhoodowned market could now serve as a blueprint for similar communities across the United States where low-income and Black and Brown neighborhoods want better options — and instead of turning to the giants in the grocery industry, are building it themselves.



Fair Food Network is a founding partner of the Michigan Good Food Fund, a statewide collective of partners working together to improve health and economic opportunity by investing in local food entrepreneurs.

In addition to serving as the fund's administrator, Fair Food Network also leads technical assistance and marketing. Its impact investing arm, Fair Food Fund, serves as a lender bringing equity and near-equity capital products, with a focus on catalyzing investments that otherwise might not be possible.





