Healthy Food Access Portal

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PROJECT HIGHLIGHTS & IMPACTS

\$1.5 million

HFFI grant funding received to build social enterprise incubation capacity and develop a revolving loan fund

\$4 million

Total sales in 2013 for the Latino-owned business La Loma Tamales.

200,000

Pounds of produce distributed through the LEDC marketing cooperative

12

Number of Latino- and Hmong-owned enterprises supported through the LEDC Immigrant Enterprise Healthy Foods Fund



Latino members of the Shared Ground Farmers' Cooperative, a marketing cooperative organized by LEDC

Profile: Latino Economic Development Corporation

Minneapolis, Minnesota



Members of the Agua Gorda Cooperative working on their farm

Immigrant-owned food enterprises are growing across Minnesota thanks to a series of Healthy Food Financing Initiative (HFFI) investments supporting several Latino Economic Development Center (LEDC) projects in Minneapolis. With investments in a Latino-owned grocery, a cooperative grocery, a Latino restaurant, commercial kitchens, a marketing cooperative, a commissary kitchen, and a produce warehouse for small agricultural cooperatives, the LEDC Immigrant Enterprise Healthy Foods Fund is strengthening the local food system, improving health, and building wealth in low-income immigrant communities of color.

LEDC has been investing in Latino-owned social enterprises since the late 1990s and began working with novice immigrant farmers in 2010. LEDC has been linking the farmers and the manufacturing and retail food businesses through a refrigerated warehouse facility partially financed with HFFI funding. LEDC leases warehouse space to Shared Ground Farmers' Cooperative which consolidates and distributes the produce grown by three Latino farm groups and a Hmong association of farmers. The links between and among LEDC clients are exemplified by La Loma Tamales, a Latino-owned wholesaler, caterer, and restaurant operator that now produces one million tamales a year. La Loma Tamales, an LEDC client, is operated by Enrique and Noelia Garcia, a husband-and-wife team, who started their careers as low-wage kitchen workers. They now run a \$4 million business and support an emerging Latino farm cooperative, another LEDC client, through an agreement to purchase 40,000 pounds of tomatillos which are the principal ingredient of green salsa that accompanies each tamale.

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LEDC has helped many Latino entrepreneurs start restaurants, groceries, and food retail shops in urban areas. With the average age of Minnesotan farmers rising steadily along with the number of Latinos in rural Minnesota communities, LEDC hopes to help aspiring Latino farmers access land and resources. HFFI financing is now helping LEDC expand their investments to support rural Latino and Hmong entrepreneurs who need access to capital and training to make the transition from farmworkers to farm owners.

The Agua Gorda Cooperative, an LEDC-incubated farming business, saw its sales increase more than three-fold this year thanks to HFFI financing. In 2013, the Agua Gorda Cooperative grew \$40,000 worth of produce but lost half because of limited storage and marketing options. Now with the help of HFFI financing, the co-op has access to a walk-in cooler and two refrigerated trucks, enabling them to secure \$80,000 in sales contracts. The increase in sales volume has enabled Agua Gorda to negotiate the purchase of a 54-acre farm for their expansion plans. The cooler and refrigerated trucks have been crucial to scaling up local immigrant-owned farm businesses and supporting the LEDC marketing cooperative, whose members include three other Latino farm ventures and a Hmong farm co-op involved in warehousing, incubating, storage, aggregation, and distribution.

Another HFFI-financed LEDC investment will support <u>El Chinelo Produce</u>, a Latino-owned retail and wholesale grocery. A \$150,000 loan helped El Chinelo Produce expand from a 5,000-square-foot space to a 16,000-square-foot warehouse, expanding their wholesale distribution system, which serves Latino restaurants and small Latino grocery stores. In addition to improving healthy food access in Latino communities by distributing additional fresh produce, El Chinelo Produce will also hire 15 production employees.

LEDC special projects coordinator John Flory attributes LEDC's success in financing Latino-owned food businesses to its membership model — grounded in a grassroots base of immigrant-led organizing which remains committed to its 300 members, one-third of whom work in the food industry.

"Typically immigrant workers in the food industry have been paid low wages," said Flory. "Our goal is to provide opportunities for immigrants to become business owners in the food industry." With HFFI financing, LEDC is making that goal a reality.



For more information about the Healthy Food Access Portal, contact us at info@healthyfoodaccess.org.

