CALIFORNIA FRESHWORKS

PROGRAM OVERVIEW

FRESH WORKS

CCEDA, April 2018

FRESHWORKS 1.0 OUTCOMES

$70 MILLION

$ 49,000,000+	NMTC
$ 14,650,000+	TERM LOANS
$ 2,200,000+	GRANTS
$ 3,300,000+	INTERMEDIARY INVESTMENTS

72 PROJECTS

*As of June 30, 2016

NEW STORES OPENED/OPENING	ADDITIONAL STORES SUPPORTED THROUGH WORKING CAPITAL	ACTIVE RETAIL SQ. FEET SUPPORTED
10	18	600,000+
ALTERNATIVE OR EMERGING BUSINESSES SUPPORTED	**PEOPLE WITH IMPROVED ACCESS TO HEALTHY FOODS**	**JOBS CREATED OR RETAINED**
28	800K	1,284

FRESHWORKS 2.0 PROGRAM GOALS

ACCESS TO HEALTHY FOOD

Increase equitable access to healthy food, and build equitable food systems, as a means to improve the health of all Californians

ECONOMIC DEVELOPMENT

Expand businesses, create sustainable jobs, and grow the economy of low-income communities

EQUITY

Encourage ownership and entrepreneurship by people of color, low-income people and women. Invest in long-term job and growth opportunities for low-income communities

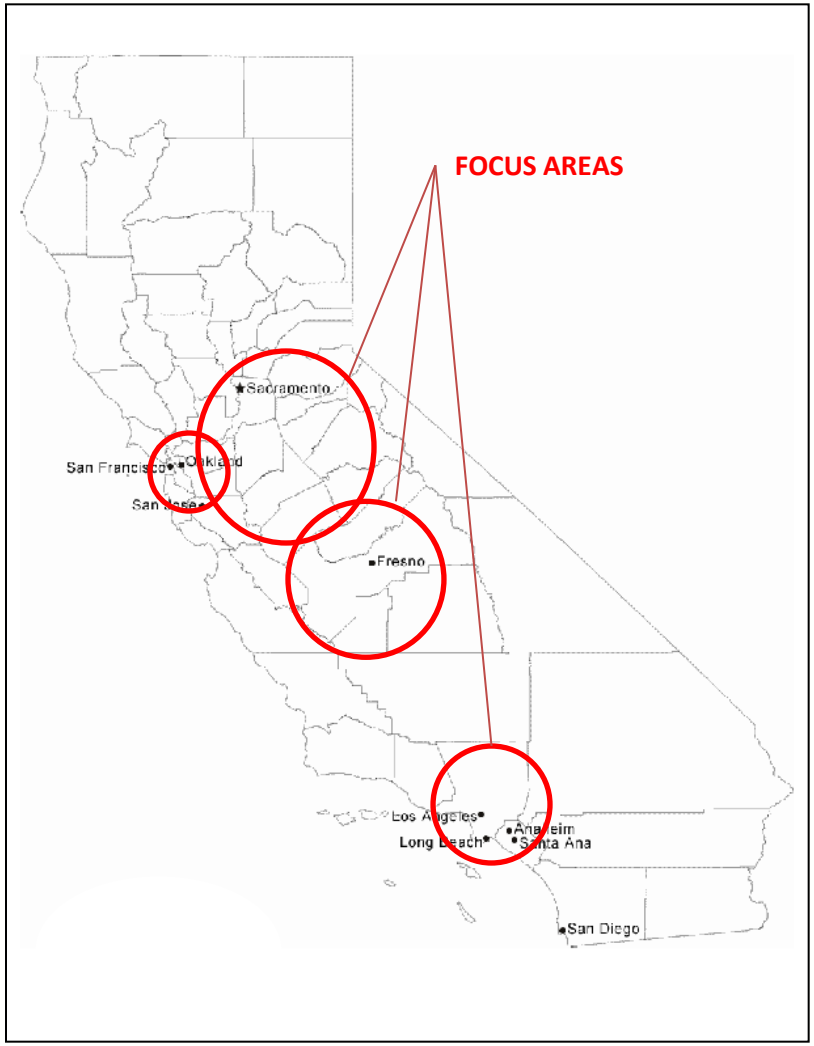
FRESHWORKS 2.0 KEY ISSUES

- **FLEXIBLE CAPITAL**
  - to meet a variety of financing needs
- **WORK ACROSS THE VALUE CHAIN**
  - recognizing that food access is not just about retail
- **EQUITABLE TOOLS**
  - create financial tools that will build financial strength of disinvested communities and support economic development
- **CUSTOMIZED APPROACH TO DIVERSE COMMUNITIES**
  - build in program flexibility to allow for different solutions in rural and urban communities

FRESHWORKS 2.0 FOCUS GEOGRAPHIES

PRIORITY AREAS:

- ALAMEDA COUNTY
- CONTRA COSTA COUNTY
- SACRAMENTO VALLEY
- SAN JOAQUIN VALLEY
  - Kern, Fresno, Merced, Tulare, Stanislaus
- GREATER LOS ANGELES
  - Los Angeles and Northern Orange

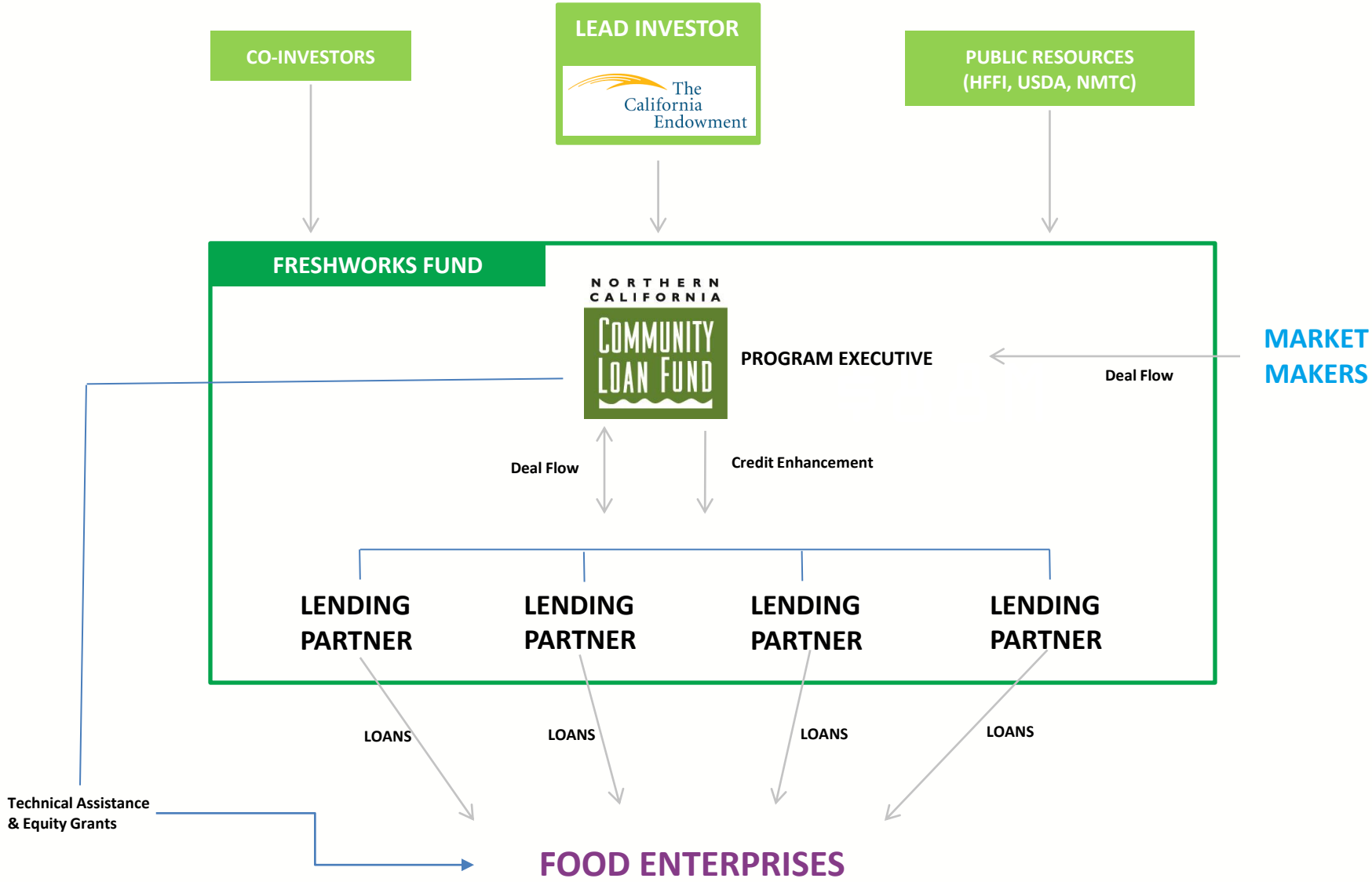


FRESHWORKS 2.0 PROGRAM RESOURCES

NEW, FLEXIBLE RESOURCES DESIGNED TO BUILD CAPACITY, GROW PIPELINE, AND MITIGATE LENDER RISK

- **CREDIT ENHANCEMENT**
  - allows lenders to take on greater risk
- **TA GRANT CAPITAL**
  - increases likelihood of enterprise success
- **MICRO EQUITY**
  - risk capital for promising start-ups
- **MARKET MAKERS**
  - facilitate deal flow
- **MICROLENDING**
  - through partnership with regional microlenders

FRESHWORKS 2.0 STRUCTURE



FRESHWORKS 2.0 MULTI-LENDER PLATFORM

* As of 3/2018

FRESHWORKS 2.0 EXTERNAL PARTNERS

A NETWORK OF PARTNERS TO INFORM OUTREACH EFFORTS, IDENTIFY CHALLENGES AND ROADBLOCKS AND HELP BUILD A PIPELINE OF PROJECTS

USDA

Rural Development

ALAMEDA COUNTY PUBLIC HEALTH DEPARTMENT

LOS ANGELES FOOD POLICY COUNCIL

MODESTO CALIFORNIA

CALIFORNIA FOOD POLICY COUNCIL

Intalytics INTELLIGENT ANALYTICS

Self-Help Enterprises

Unified Grocers is now SUPERVALU®

FOOD commons FRESNO

FRESHWORKS 2.0 PROJECTED OUTCOMES

OVER THREE YEARS, THE FRESHWORKS 2.0 NETWORK WILL UNDERTAKE:

- **FINANCING TOTALING $26MM**
- **TECHNICAL ASSISTANCE TO 40-50 FOOD ENTERPRISES OR COMMUNITIES**
- **MICRO EQUITY INVESTMENTS TO 10-15 FOOD ENTERPRISES**
- **UP TO $1MM IN MICROLENDING THROUGH PARTNERSHIPS**

TOTAL # ENGAGEMENTS OR INVESTMENTS: 80+

TOTAL CAPITAL DEPLOYED: $29+MM

FRESHWORKS 2.0 BUILDING PIPELINE

INVESTING IN ENABLING FACTORS THAT SUPPORT PROJECT DEVELOPMENT AND INCREASE PIPELINE OPPORTUNITIES

MARKET MAKING: focused on overcoming barriers and roadblocks, and developing long-term capacity in a target community.

TA GRANTS: providing specific expertise to move individual projects forward.

FRESHWORKS2.0 GRANTEE & CE CANDIDATE

- Client: Community Services Unlimited
- Lender: Self Help FCU
- Project: Paul Robeson Center, South LA
- TA Grant: Funded sector-specific expertise in development of business plan
- Credit Support: 15% credit enhancement participation, bolstering collateral and lowering cost of capital for client

FRESHWORKS 2.0 GRANTEE & CE CANDIDATE

- Client: Community Foods (frmly People's Community Market)
- Lender: NCCLF and Self Help FCU
- Project: Community Foods Market, West Oakland
- Background: Numerous years for project development; previous FreshWorks grantee
- Credit Support: 25% credit enhancement to bolster collateral and allow lenders to take on start-up risk

QUESTIONS?

FRESH WORKS™