



The California FreshWorks Fund

Presentation to Obesity Prevention Conference

June 30, 2011



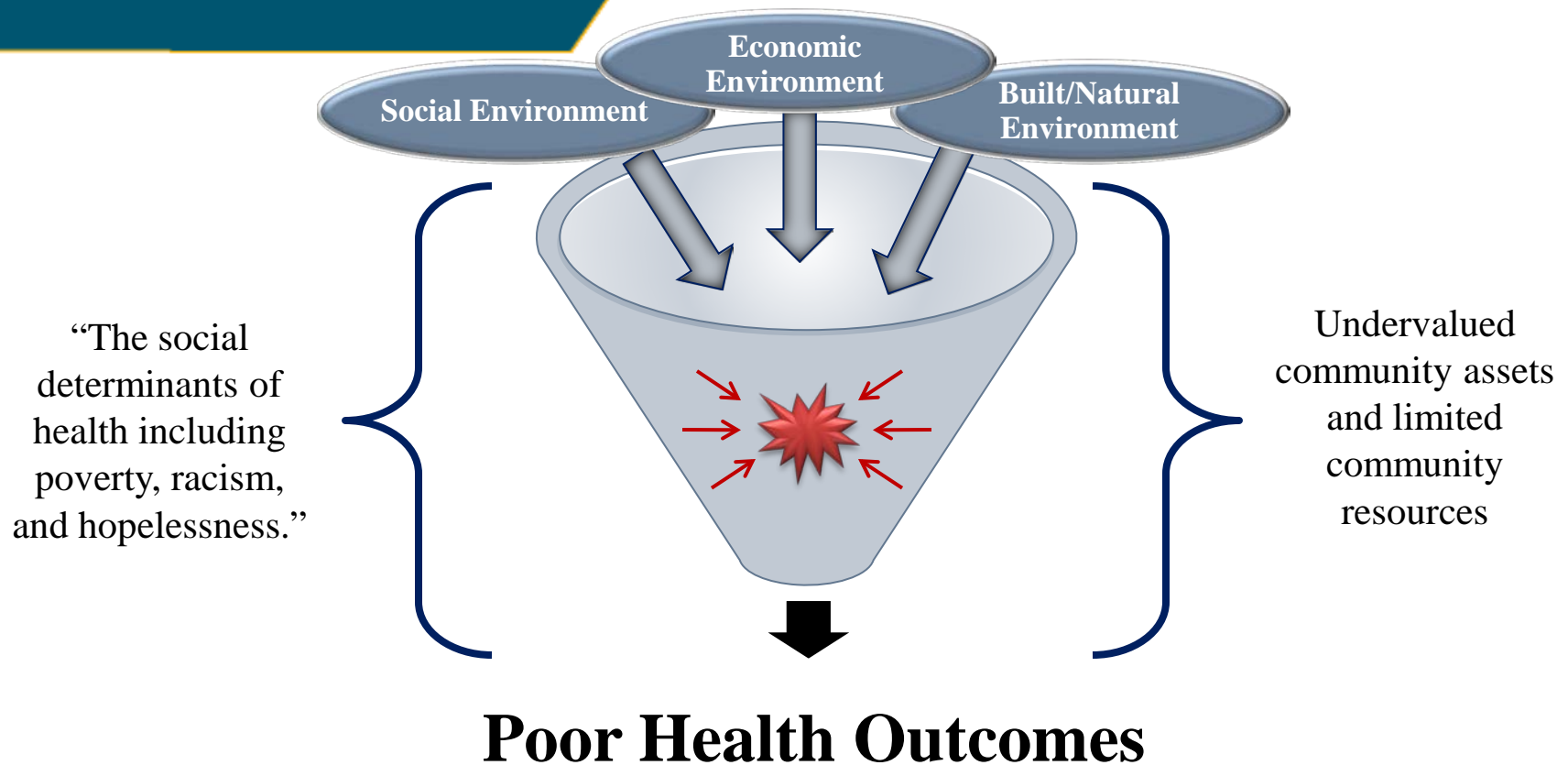
Healthy Food. Closer To Home.

Presented by:

Marion Standish, Director, Healthy California

Tina N. Castro, Director, Mission Related Investments

Where You Live Matters



How do we make investments to create healthy social, economic, and built/natural environments?

Building Healthy Communities

Building Healthy Communities Is a 10-year, \$1 billion program of The California Endowment. 14 communities across the state are taking action to make where they live healthier. They're doing this by improving employment opportunities, education, housing, neighborhood safety, unhealthy environmental conditions, access to healthy foods and more. The goal: to create places where children are healthy, safe and ready to learn. Ultimately, we're aiming at nothing less than a revolution in the way all of us think about and support health for all Californians.

Place Matters

Our Communities Are Leading the Way

Health in all Systems

The Communities

Boyle Heights	City Heights	East Oakland	Richmond	South Los Angeles
Central Santa Ana	Del Norte County and Adjacent Tribal Lands	East Salinas (Alisal)	Sacramento	Southwest Merced/ East Merced County
Central/Southeast/ Southwest Fresno	Eastern Coachella Valley	Long Beach	South Kern	

The California FreshWorks Fund

The California FreshWorks Fund is a public-private partnership loan fund intended to finance grocery stores and other forms of fresh food retail and distribution in underserved communities throughout CA. It is modeled after the PA Fresh Food Financing Initiative and it has been developed to align with the National Healthy Food Financing Initiative.



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Target Fund Size:	\$200 million (\$117.5M Committed, \$40 - \$70M In Due Diligence)
Uses of Capital:	Loans & Grants
Capitalization:	Debt & Grants
Program Eligibility:	Statewide Healthy Food Retailers & Distributors (See Program Guidelines)
Announcement:	Summer 2011

California FreshWorks Fund Goals

Access

Increase access to healthy food as a means to improve health outcomes.

Economic
Development

Spur economic development that supports healthy communities

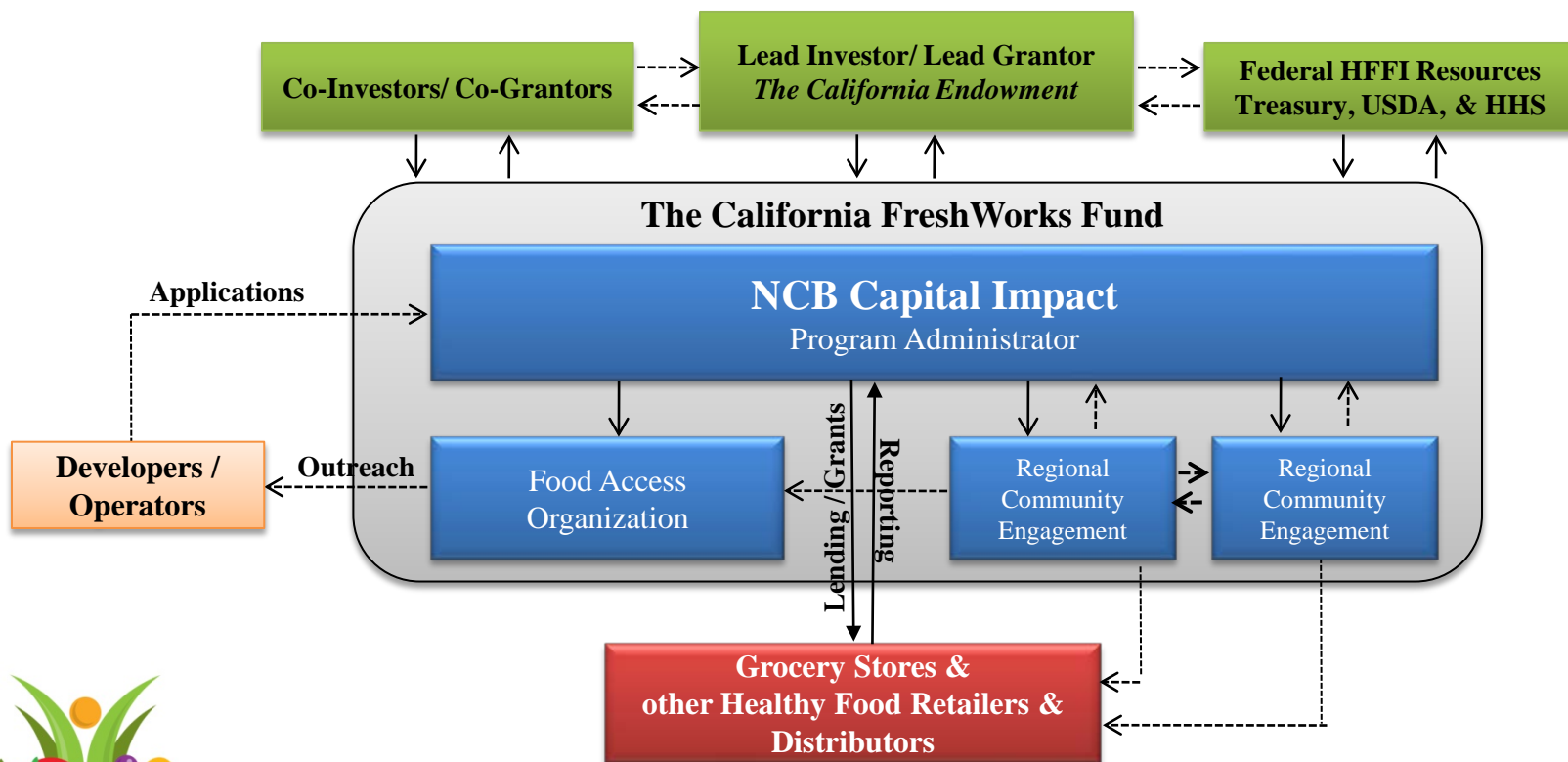
Innovation

Encourage innovation in healthy food retailing and distribution



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Initiative Structure



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Partners

Industry

Unified Grocers

CA Grocers Association

Emerging Markets, Inc.

Nonprofit

PolicyLink

Community Health Councils

Social Compact

Government

Community Redevelopment
Agency of Los Angeles

USDA CA Office of Rural
Development

Investors

(Grant and/or Debt)

The California Endowment

NCB Capital Impact

NCB, FSB

Calvert Foundation

Catholic Healthcare West

Kaiser Permanente

Morgan Stanley



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Capital Structure

\$200 Million Fund		
<u>\$25 Million</u> Higher Risk Innovation	<u>\$125 Million</u> Commercial Term Debt (20% Sub Debt)	<u>\$50 Million</u> New Market Tax Credits

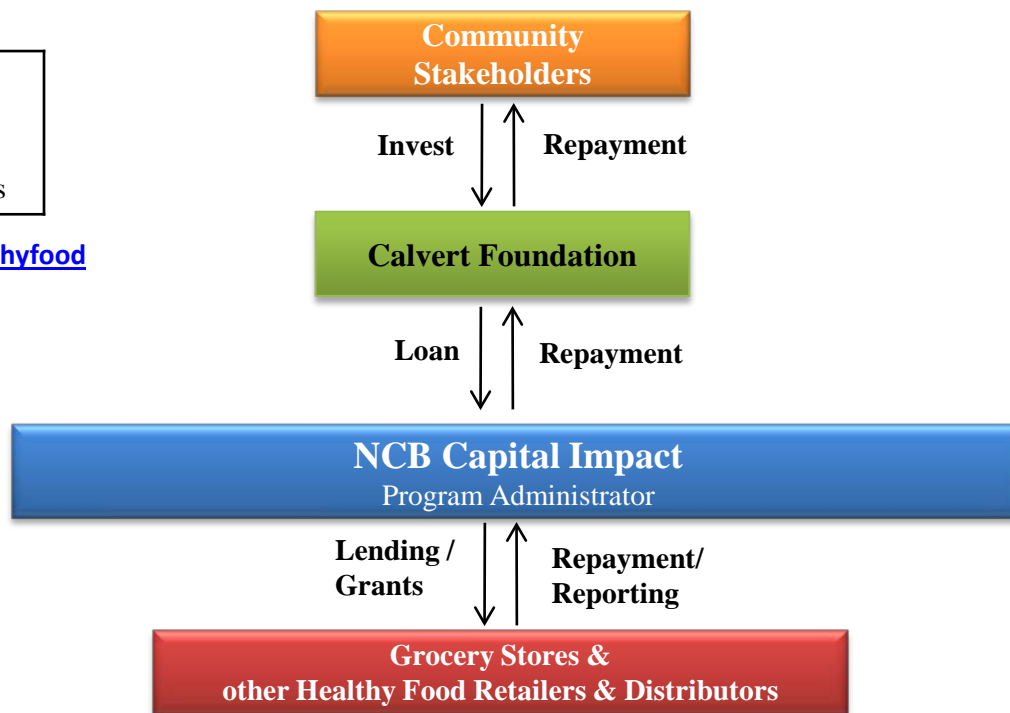


CAFWF Initiative Community Investment Note

The California FreshWorks Fund Initiative provides investors with a way to support CAFWF through the purchase of Calvert Foundation's Community Investment Note.* This will allow stakeholders across California to support healthy food access and economic development in underserved communities. Notes are available online, in brokerage accounts, and with a check and application.

Min Investment:	\$20
Rate & Terms:	0.5% for 1 yr 1.0% for 3 yrs

www.calvertfoundation.org/healthyfood



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* Calvert Social Investment Foundation, a 501(c)(3) nonprofit, offers the Community Investment Note, which is subject to certain risks, is not a mutual fund, is not FDIC or SIPC insured, and should not be confused with any Calvert Group-sponsored investment product. This slide is neither an offer to sell nor a solicitation of an offer to buy these securities; the offering is made only by the prospectus, which should be read before investing.



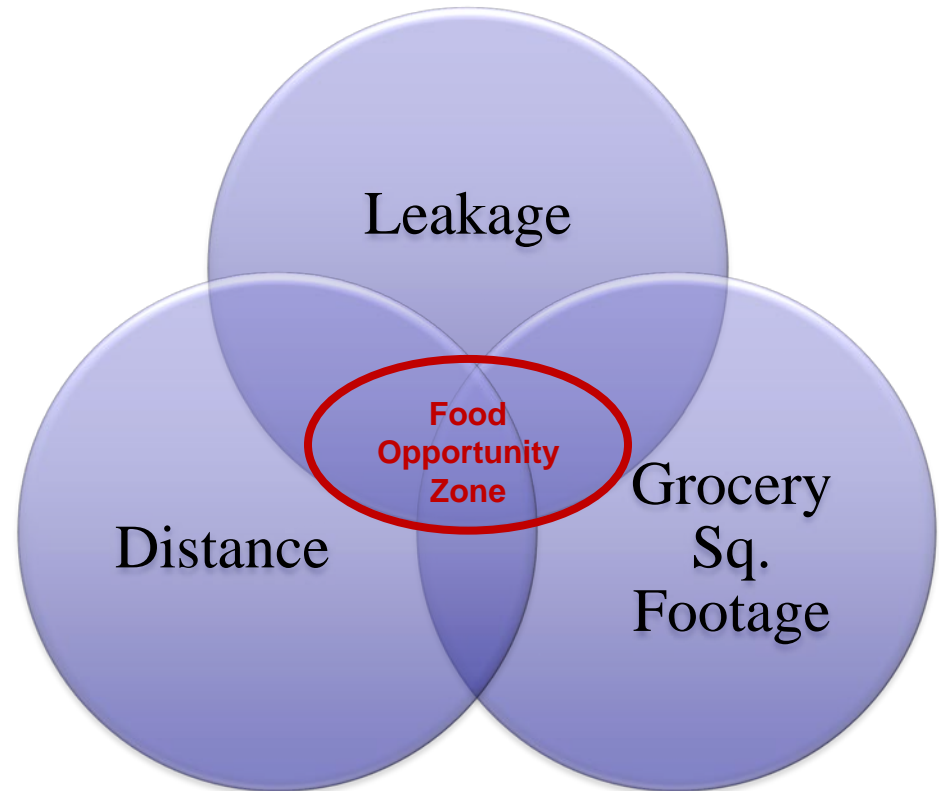
Social Compact: Grocery Gap Analysis

About Social Compact

Social Compact is a non-profit organization that breaks down barriers to public investment in underserved urban areas. Since its founding in 1990, the organization has become a powerful force for change in overlooked urban markets by delivering the reliable, representative, and up-to-the-minute information about a community's economic health needed to make critically important investments possible and partnering with investors, municipalities, and community leaders to leverage this valuable information in the decision-making process.

Grocery Gap Analysis

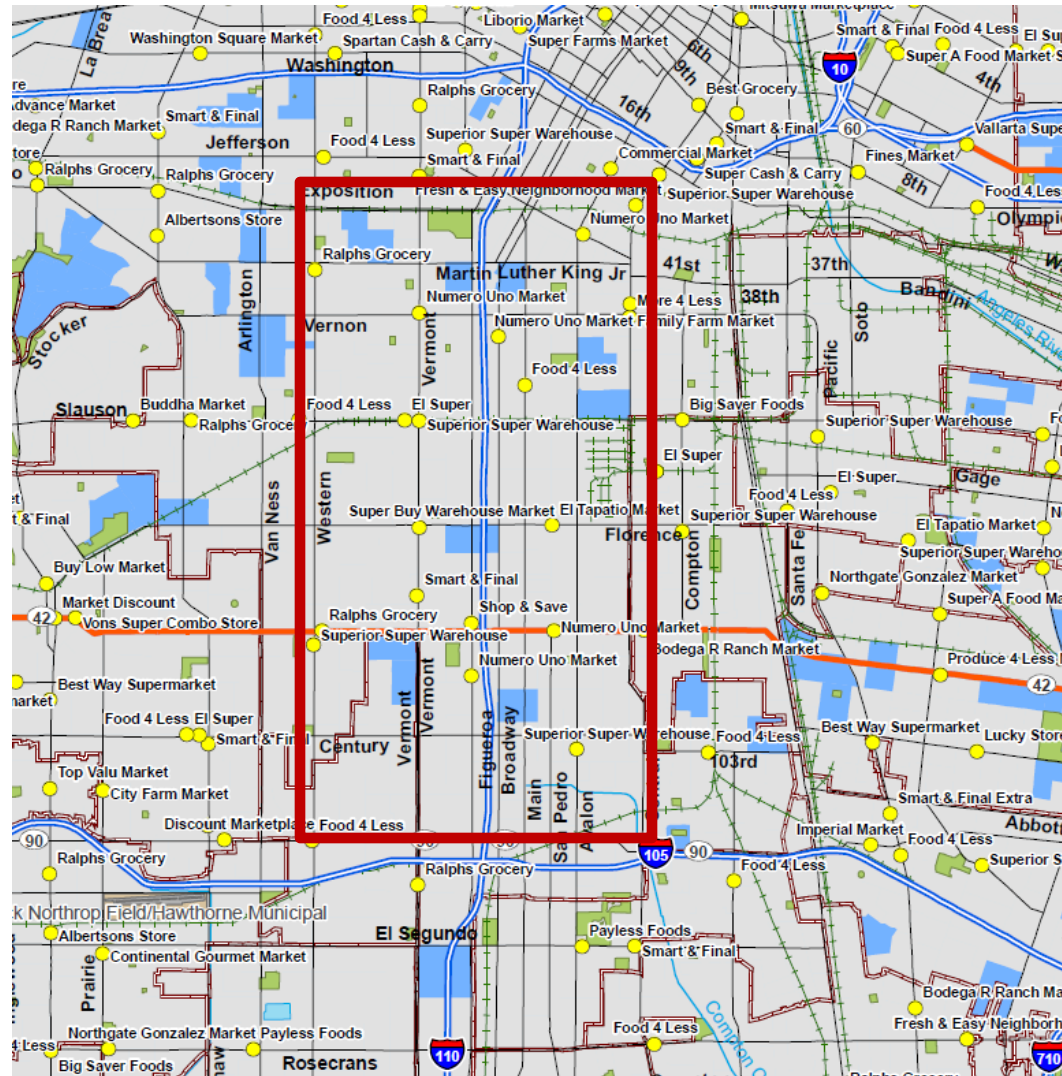
Through the Grocery Gap Analysis, Social Compact quantifies market demand for grocery providers, examines unmet grocery demand, and identifies sites where grocery attraction strategies are necessary. The grocery gap analysis determines an area's market size, buying power and overall grocery gap. In addition, the analysis also provides a detailed profile of the presence of fast food restaurants and their locations.



Ex.: Grocery Gap Analysis – South LA

Legend

- Food Deserts
- Full Service Grocers
- Los Angeles Area
- Urban Place Outline
- Runway
- Airport
- Limited Access, Interstate
- Highway
- Major Road
- Railroads
- Rivers
- Water Bodies
- Forests and Park Land
- Ocean



Need for Public-Private Collaboration

A comprehensive public-private partnership framework is essential to growing and sustaining the healthy food financing agenda.



Contacts

Program Administrator:

NCB Capital Impact

1333 Broadway, Suite 602
Oakland, CA 94612

Contact: Scott Sporte, Managing Director,
Community Investment Group
510-496-2233

SSporte@ncbcapitalimpact.org

Contact: CHFFI Program Manager TBD
www.ncbcapitalimpact.org/healthyfoods

Food Access Organization:

Emerging Markets, Inc.

1024 North Orange Drive
Los Angeles, CA 90038

Contact: Daniel Tellalian, Director
323.465.0406

dtellalian@emergingmarkets.us

www.emergingmarkets.us

The California Endowment Working Group:

Tina Castro, Director, Mission-Related Investments
213-928-8635

tcastro@calendow.org

Marion Standish, Director, Healthy CA
510-271-4309

mstandish@calendow.org

Beatriz Solis, Director, Healthy Communities
213-928-8736

bsolis@calendow.org

Charles Fields, Regional Program Manager, Healthy Communities
213-928-8601

cfields@calendow.org

Judi Larsen, Program Manager, Healthy CA
510-271-4346

jlarsen@calendow.org



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