

March 29, 2022

Michael J. Heffernan, Secretary  
Kaitlyn Connors, Assistant Secretary  
Executive Office of Administration and Finance  
Boston, MA 02133

Dear Secretary Heffernan:

**We are writing to thank you for your support of the Massachusetts Food Trust Program (MFTP) and to respectfully request that \$2 million be included in the FY23 capital budget to support continued implementation of the program.**

The MFTP is a public/private partnership overseen by the Massachusetts Department of Agricultural Resources and administered by the Local Enterprise Assistance Fund (LEAF) and Franklin County Community Development Corporation (FCCDC). The program provides flexible financing in the form of loans, grants, and business assistance to healthy food retailers and other food sector businesses to support them to overcome the barriers to entry, expansion, and success in low- and moderate-income communities underserved by healthy food retail.

Since its launch in late 2018, the MFTP achieved the following impressive results:

- Improved access to healthy food retail for **more than 225,000 residents**
- Supported **more than 678 jobs, 90% hired from within the local communities**, and
- Leveraged **\$11.2m in funding at the project level**, and an additional **\$5.2m in private and federal dollars to support the MFTP** using less than \$4m in state seed funding provided in the FY19-22 capital budgets.

To date, the MFTP has supported 48 projects (representing 38 unique entities) across 10 of the 14 Massachusetts counties. **42% of these businesses are owned or controlled by a person of color and 65% owned by a woman.** MFTP has also offered relief during the COVID-19 pandemic by distributing small emergency grants, including several bridge loans to Food Security Infrastructure Grant Program (FSIGP).

Demand currently outstrips the availability of funds. As of March 1, 2022, \$978k in eligible projects are under due diligence and \$1.1 million in projects under eligibility review. **Without increased state capital funding, the MFTP administrators will have to turn away high quality, eligible projects and will forego opportunities to leverage additional private and federal funds** that could directly support communities underserved by healthy food retail.

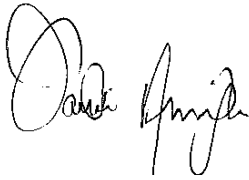
The capital funds released by the state to the MFTP offer local food businesses a “friendly capital” option for financing. The subordinated and below market rate loans provide the flexibility to adapt financing to the needs of the borrower and provide a starting point that draws traditional capital lenders to the project. Grants provided through this program

supplement loan financing and support projects that will require loan financing in the future. This reduces the risk for borrowers and incentivizes other funders to come to the table. The MFTP also provides pre- and post-loan business assistance, in order to ensure that entrepreneurs are getting access to the resources they need to be successful and sustainable.

Local food businesses create opportunity. Food businesses provide good paying jobs to people with varying levels of skills, education, and language proficiency – and they can't be outsourced. The Massachusetts Food Trust Program means jobs, economic development, and increased access to healthy food in communities across Massachusetts.

Thank you for your attention to this request. Please do not hesitate to contact us if you have any questions about this critical program.

Sincerely,



Oamshri Amrasingham, **Massachusetts Public Health Association**



Joe Kriesberg, **Massachusetts Association of Community Development Corporations**



Gerardo Espinoza, **Local Enterprise Assistance Fund**



Allyson Perron Drag, **American Heart Association**



Winton Pitcoff, **Massachusetts Food System Collaborative**



John Waite, **Franklin County Community Development Corporation**

cc: Secretary Kathleen Theoharides, Executive Office of Energy and Environmental Affairs  
Undersecretary Beth Card, Executive Office of Energy and Environmental Affairs  
Commissioner John Lebeaux, Department of Agricultural Resources

