

Dedicate Funding to Build Infrastructure

NFF examined Los Angeles’s food access ecosystem to understand the connectivity, financial dynamics, and funding needs of movements and organizations that provide fresh, healthy food for Angelenos. Our findings are organized into an overview of the landscape and a series of four specific recommendations for funders. The following case study explores the importance of dedicated funding to build infrastructure.

“As an agency, we stepped up and answered the call of community need in the pandemic. It would be hard to go back to where we were before, because now we have a commitment with our community. We need bigger trucks, staffing, refrigeration. We are able to survive this way, but we’re also asking, ‘how do we stabilize our work, and realistically what is the capacity that we can handle?’

We need to be funded the way that we are supposed to be or scale down to our immediate neighborhood!”

Manny Flores, Executive Director, North Valley Caring Services

Originally founded as a soup kitchen in 1978, North Valley Caring Services (**NVCS**) offers multi-pronged interventions to tackle homelessness, poverty, and food insecurity in the Northeast San Fernando Valley area of Los Angeles. The organization is the largest single-site food distribution center in the area and is responsible for distributing an average of 70,000 pounds of food into the surrounding communities each week. **Like many food access organizations in Los Angeles, at the outset of the COVID-19 pandemic NVCS significantly scaled up services to respond to increased food insecurity**, resulting in a tenfold increase in budget size over the last three years.

During the 2020 lockdowns, the organization remained open and adapted its food access services. NVCS augmented its own client choice pantry with a ramped up schedule of drive-through distribution events, deliveries of hot meals to unhoused neighbors, and notably – shifting into the role of a local food hub. NVCS began coordinating and re-distributing goods from the LA Regional Food Bank, Food Finders, West Valley Food Bank, and Children’s Hunger Fund among other partners, across a network of smaller, hyper-local agencies in the valley.

NVCS's infrastructure – including its facilities on a former church campus, refrigerated trucks, ample dry goods storage, and cold-storage (housed in a shipping container) – uniquely position it as one of the few organizations in the area able to receive, properly handle, and re-distribute the large volumes of food the community needs.

All of the leaders who NFF interviewed noted that food access organizations require specialized equipment, facilities, and labor to operate safely and effectively. While vans, forklifts, and freezers often come to mind first, leaders also noted that digital infrastructure – such as software to manage inventory, map food rescue pickup routes, mobilize volunteers, and track outcomes – is also incredibly impactful on the efficiency with which organizations were able to conduct and advocate for their work.

Given the direct reliance of services on this specialized infrastructure, it was often pointed to as a key to delivering on mission, and a factor that enables growth in food distribution. Conversely, lack of specialized facilities and equipment can also directly limit desired expansion. One leader shared, “My dream would be to do larger distributions. That would be amazing. But I would need resources to acquire warehouse space, more walk-in refrigerators, and new trucks.” Although leaders consistently expressed a need for additional and/or improved infrastructure, **several saw opportunity in – and in some cases, had a preference for – shared use over independent ownership.** A shared or “hub” model, leaders noted, could maximize the use of these fixed assets while spreading the risks and significant costs associated with full ownership over many organizations.

Specialized vehicles, cold storage, and other specialized infrastructure are not only expensive assets to purchase, but also require organizational reserves to maintain and replace them over time. For example, **Food Finders**, the LA-based food rescue nonprofit, shared that although a 2009 refrigerated vehicle they own still fully functions, they will need to replace it with a more sustainable model to comply with state regulations. The price tag for this update? An estimated \$200,000. NVCS's food security programs are largely funded by local government contracts that barely cover costs, pay in arrears, must be renegotiated and renewed each year, and certainly do not provide for major infrastructure costs. Fortunately, during the pandemic, the organization received two philanthropic grants to fund the purchase of a 20-foot refrigerated truck to facilitate its evolution into a local food distribution hub. However, **the majority of leaders NFF interviewed report that opportunities for funding for facilities, equipment, and other hard infrastructure are scarce and challenging to secure.**



Pamela Sepulveda, Manager of Falcon Basic Needs for **Falcon's Nest** – a food pantry and basic needs support center housed at Cerritos College – strategically braids and prioritizes any flexible funding the program receives to cover its infrastructure costs. She knows that the cost of food is the primary focus of most food access grants and that she can source in-kind donations of other supplies and services.

While food access organizations are employing creative solutions to work around current funding gaps (e.g., utilizing low or no-cost software and self-rigging makeshift cold storage), they require dedicated capital to help them acquire, develop, and maintain appropriate infrastructure over time. Distinct from operating revenue that pays for ongoing programs and operations, **capital for infrastructure is an investment that is periodic in nature. It is intended to build the capabilities of an organization, and it pays dividends through improved efficiency, stability, and scale of food access work.**



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