

Dorchester Community Food Co-op



FOUNDED: 2012

CURRENT ORGANIZATION BUDGET: \$86,000

CONTACT: Darnell Adams, Project Manager

PHONE: 617.804.6085

EMAIL: dadams@dorchesterfoodcoop.com

WEB: www.dorchesterfoodcoop.com

The Dorchester Community Food Co-op (DCFC) is building a community-owned grocery store that makes healthy food accessible and advances economic opportunity through neighborhood engagement.

DCFC is a new model for socially responsible urban development, uniquely positioned to increase community health and wealth through a community- and worker-owned and operated cooperative. DCFC will offer affordable and healthy products that represent the vibrancy of Boston's most populous neighborhood.

- There are great disparities in adult unemployment across Boston: overall, 9% of Boston's residents are unemployed. Dorchester's unemployment rate is 16%.
- Each dollar spent at independent businesses returns three times more money to local economies than one spent at a chain and almost 50 times more than buying from an online mega-retailer.

By training, hiring, and ensuring local workers an ownership stake in the co-op, DCFC represents an innovative pathway to neighborhood sustainability.

Investment Opportunity

DCFC seeks to raise \$2 million dollars to build a 6,000 square foot grocery store in Dorchester by 2018. The store's design, product mix, and workforce will reflect the neighborhood's cultural, racial, ethnic, and socioeconomic diversity. The investment will also be used to hire key staff, enroll 1,000 member-owners, and develop and implement an operational plan to launch the store.

Two-year Goals

- Increase number of member-owners from 460 to 1,000
- Hire General Manager to move from planning to implementation phase
- Finalize site procurement and build out of store
- Recruit and train community members as DCFC worker-owners

Ways to Invest

FINANCIAL

- \$15,000 to contribute to store build out
- \$10,000 to support the store plan and design process
- \$5,000 to launch community worker-owner training and recruitment

IN-KIND

- Financial and accounting services
- Graphic design services for new logo, website, marketing and communications materials
- Grant writer to secure foundation and government grants
- Office space to support operations, pre-launch of store

Leadership & Governance

Darnell Adams, Project Manager, brings 10+ years' experience as a food entrepreneur and small business coach. Prior to DCFC, Darnell was Managing Director of CropCircle Kitchen, Boston's culinary incubator and accelerator.

Jenny Silverman, Capital Coordinator & DCFC Founder, has 35+ years' involvement in the cooperative movement. Jenny served as President of Boston's Workmen's Circle Board, and the National Workmen's Circle and Dorchester YMCA Boards.

DCFC is governed by an 11 member Board of Directors.

DORCHESTER COMMUNITY FOOD CO-OP'S MODEL



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We joined the Co-op because it means a stronger, healthier community in which we can raise our children.

SAMANTHA TAN & GIBRAN RIVERA

**Residents of Fields Corner,
Dorchester**

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TRANSFORMATION FROM WITHIN

Dorchester is Boston's largest neighborhood, a vibrant home to diverse residents from across income levels. Community assets are rich, but challenges exist:

- **Poverty-Related Illnesses:** Dorchester's rates of diabetes, obesity, and other diseases related to poverty and food insecurity are among the highest in Boston.
- **Lack of Access to Healthy & Affordable Food:** Few grocery options in Dorchester focus on local, organic, or bulk products.
- **Limited Locally Owned & Operated Business Opportunities:** Many business districts have a limited variety of retail services and high levels of income inequality and economic disinvestment.

There are proven advantages to operating a cooperative rather than a conventional grocery store:

- **Locally Owned & Operated:** Members and workers purchase a one-time equity share (\$100/\$250), which entitles them to a vote and a share of co-op profits. This innovative model creates an ownership and governance structure that invests stakeholders to maximize the benefit for all.
- **Higher Return on Investment:** Co-ops have lower failure rates than traditional corporations and small businesses after the first year and after five years in business.
- **Socially Responsible Business:** Food co-ops provide jobs with higher wages and benefits than conventional grocery stores of the same size. Co-ops recycle and compost more waste, are more energy efficient and more responsive to neighborhood concerns than conventional supermarkets.
- **Catalyst for Replication:** DCFC will drive local economic investment by incubating other locally owned-and operated co-ops.



The Co-op uniquely empowers community members to organize a cooperatively owned grocery to meet common needs: a business accountable to member-owners, not outside investors, a business that provides the neighborhood with economic opportunity, healthy, affordable food, and education.

BONNIE HUDSPETH

Neighboring Food Co-op Association



Primary Funders

- BOSTON IMPACT INITIATIVE
- CABOT FAMILY CHARITABLE TRUST
- MEMBER OWNERS & EQUITY INVESTORS
- TREFLER FOUNDATION
- US DEPARTMENT OF AGRICULTURE

Key Partners

- BOSTON PUBLIC HEALTH COMMISSION
- BOWDOIN STREET HEALTH CENTER
- CODMAN SQUARE HEALTH CENTER
- COOPERATIVE FUND OF NEW ENGLAND
- NEIGHBORING FOOD CO-OP ASSOCIATION

INCREASING ACCESS TO AFFORDABLE, FRESH & LOCAL FOODS

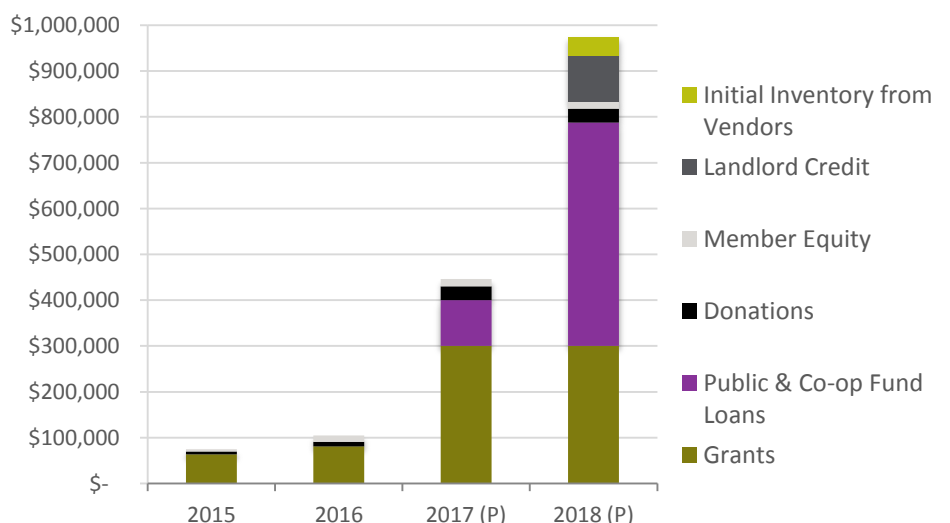
DCFC will focus on local produce, bulk foods, and green household products. In addition to natural and organic foods, DCFC will stock products that reflect Dorchester’s ethnic diversity.

- **Hub of Affordability:** DCFC will participate in food subsidy programs including SNAP and WIC. Income eligible co-op members receive a “Plus” membership that discounts food purchases by 10%. DCFC will operationalize its commitment to affordability by maintaining a low gross margin.
- **Hub of Economic Opportunity:** DCFC will activate Dorchester’s economic engine by creating local jobs with sustainable wages. When open, DCFC will employ 15 full-time worker-owners, plus a General Manager. DCFC will commit a number of part time jobs and internships for area youth.
- **Hub of Connection:** DCFC will be a space for Dorchester’s residents to celebrate community through partnerships with local business owners and non-profits. Examples include nutrition classes and strategies for buying healthy food on limited budgets. Bulk ordering and storage will be available for community organizations, churches, and restaurants, as well as local corner stores without capacity or volume to stock fresh produce at affordable levels.

FINANCIAL SUSTAINABILITY

While DCFC expects the store to be cash positive by its second year and profitable by its eighth year of operation, DCFC will require investment, including philanthropy, to complete the planning and construction phase. DCFC seeks new funding opportunities through individual donations and foundation grants, city loans, and landlord contributions. A main component of DCFC’s financial strategy is fundraising through its fiscal sponsor, the Cooperative Fund of New England, a community development loan fund that facilitates socially responsible investing in cooperatives. Other community investments include a Direct Public Offering as well as funds raised through member equity.

Revenue by Source



Success Story: Fresh Fridays

Fresh Fridays is a Dorchester-based, seasonal pop-up café sponsored by DCFC to bring neighbors together across class, ethnic, and racial lines to celebrate a “Global Fusion of Taste and Sound.” Fresh Fridays offers residents an affordable healthy meal in a café style environment that includes entertainment and nutrition education.

DCFC engages volunteers to plan and staff the event and collaborates with diverse partners to produce the series, including local farms, caterers, and a recycling and composting co-op.

Complete with tablecloths, flowers from neighborhood gardens on every table, recipe cards, art activities for young people, and local musicians, Fresh Fridays has rapidly become a summer tradition, and a space for culture, vitality, and healthy living.

Since 2012, over 200 volunteers and 2,100 attendees have participated in Fresh Fridays.



PROGRAM PERFORMANCE AND ORGANIZATIONAL HEALTH

Below is a summary of the key measures that DCFC will track to demonstrate progress, capture lessons learned, and adjust strategy as needed.

	FY 2016	FY 2017 (P)	FY 2018 (P)
PROGRAM PERFORMANCE			
Number of Member-Owners, Measured in Households	600	850	1,000
Number of Community Volunteers Participating in DCFC Activities	50	50	75
Worker-Owner Overview, Recruitment, Hiring & Training	Develop Plan and Training	Launch Recruitment Process	Hire 15 Worker - Owners
ORGANIZATIONAL HEALTH/CAPACITY-BUILDING			
Full-Time Employees	1	2	15
Board Members	11	11	13
DCFC Opens for Business	Update Pro-Forma Build Capacity Store Design	Finalize Business Plan and Funding	Grand Opening
Total Revenue:	\$86,000	\$446,000	\$974,000

SOCIAL IMPACT

Since 2012, DCFC’s founding team has built grassroots community investment and commitment to its vision and mission. When open, DCFC will drive the neighborhood’s economic engine and improve overall health through its business model, hiring practices, and store offerings.

Ultimately, DCFC will track bulk sales to indicate a shift toward healthier food purchases and the percentage of shoppers using affordability programs (SNAP, WIC) as an indicator of reaching low-income residents. Currently, DCFC uses the metrics below to measure social impact.

INDICATOR	2015
Percentage of DCFC Members who are from Dorchester	70%
Number of Participants in Community Events (Fresh Fridays, Winter Farmer’s Market)	1,400
Number of Board Seats Held by Worker-Owners	TRACKED BY 2018
Percentage of Bulk Sales	TRACKED BY 2018
Percentage of Shoppers Using Affordability Programs (ex: SNAP, WIC)	TRACKED BY 2018