



# Food Co-op Issue Brief

***Shop Local...Eat Fresh...Have a Say***

## Overview

SunCoast Co-op Market is a grassroots effort to open a community-owned, cooperative grocery store in Imperial Beach (I.B.), California, an underserved, racially and socioeconomically diverse community located in the South Bay region of San Diego County. SunCoast is part of a resurgence in consumer food cooperatives across America that are **strengthening local food systems, increasing access to healthy food for all residents, and providing a needed retail outlet for small local farms and producers.** A consumer food co-op is a business that is equitably owned and democratically controlled by community members for their common good and the good of the community.

Community members purchase ownership shares and when there is sufficient funding through share purchases, grants, and loans, SunCoast Co-op Market, a full-service natural foods market, will open. Owner/members help determine the direction of the store by electing a Board of Directors, by serving on committees (if desired), and by patronizing the store. While anyone can shop at the store, owners will receive special owner discounts and can earn dividends in profitable years. Ownership is open to anyone living in California.

## Why a Co-op is Needed

Healthy eating plays a critical role in determining health outcomes, yet many of I.B.'s neighborhoods meet the USDA's definition of a food desert and have an over-abundance of liquor stores, convenience stores and fast-food restaurants. According to Esri market data and SunCoast's local survey, many residents in I.B. and surrounding communities are doing some, or all, of their grocery shopping outside of their neighborhoods. Over a 6-month period:

- 2,488 I.B. residents (13%) shopped at a Trader Joe's, as did 8,556 Nestor/Otay and 3,108 Coronado residents; the closest Trader Joe's to I.B. is in Eastlake, 14 miles away.
- 1,528 I.B. residents (8%) shopped at a Whole Foods, as did 5,077 Nestor/Otay and 1,943 Coronado residents; the closest Whole Foods to I.B. is in Hillcrest, 16 miles away.

*SunCoast's resident survey of 437 community members, found that:*



- *Approximately 40% shop regularly at regional natural food markets, such as Sprouts, located in other communities.*
- ***73% buy most of their food outside of their neighborhood.***

Driving out of town to buy groceries hurts the local economy, costs families time and money, and is bad for the environment. Residents need and deserve a grocery store that offers a great selection of fresh, local and organic food. Likewise, local farmers and small food businesses need more retail outlets so that their businesses can thrive.

## Mission

*SunCoast's mission is to provide a customer-owned food cooperative offering natural, local and organic products at reasonable prices while supporting the local economy, providing food education, and advocating for environmentally sustainable practices.*

## Impact

Food co-ops differentiate themselves from traditional grocers by establishing a set of values that drive the products sold and by tailoring inventory to meet the needs of the local community. At co-op markets you also find informed and educated staff as well as education for owners and the community-at-large on topics such as healthy eating and sustainable, earth-friendly practices.

### Compared to traditional grocery stores, food cooperatives...

- **Work with more local farmers and producers (20% locally sourced vs 6%).**
- **Give three times more to charity (13% of profits vs 4%).**
- **Provide better wages and benefits and spend more of their revenue on local wages and benefits.**
- **Spend 38% of their revenue locally vs 24%.**
- **Generate 1.5 times more for the local economy – for every \$1,000 spent at a local co-op more than \$1,600 is generated in the local economy.**
- **Offer more organic products (48% vs 2%), including organic produce (82% vs 12%).**

## Progress-to-Date & Next Steps

SunCoast is a community-driven effort led by a joint Steering Committee/Board of Directors. The group began meeting in November 2015; filed Articles of Incorporation in June 2016; selected the name, “SunCoast Co-op Market,” in March 2017; and began the owner campaign in July 2017.

Board members have attended state and national co-op conferences and are receiving technical assistance from O.B. People’s Community Market (the only food co-op in the county) and the Food Co-op Initiative, a national non-profit that has helped 134 co-ops open and is working with over 100 start-ups. SunCoast has a growing list of partners including the County of San Diego Health & Human Services Agency, City of Imperial Beach, O.B. People’s, Sharp HealthCare, UCSD Center for Community Health, and Wild Willow Farm. SunCoast is working with its partners to provide community education on healthy eating and engage more community members in this effort. When approximately 500 owners have joined, we will begin the search for a site and we expect to open the store once we have reached approximately 1,000 owners.

## How You Can Help

Creating a community-owned cooperative market takes significant financial and human capital. You can support this effort by:

- Becoming a SunCoast owner.
- Helping us to spread the word about this exciting community resource – each share purchase of \$200 or more moves us closer to opening!
- Partnering with us on community events and educational workshops.
- Donating products and gift cards and offering special discounts to SunCoast owners as incentives for people to join.
- Volunteering with SunCoast by helping with events, outreach, marketing, serving on a committee, hosting a business reception or house party, or other activities.
- Providing funding to help SunCoast hire market/feasibility study consultants, hire a part-time project manager, or establish a “Food for All” program so that low-income residents can purchase subsidized owner shares.
- Advocating for more local, state, national and foundation resources to help SunCoast and other start-up food cooperatives, particularly in low/moderate income communities.

