THE MANY HANDS FOOD COOPERATIVE:

Ending Food Deserts and Building Sustainable Communities through Asset-Ownership and Community Empowerment



MAY 2018



About the Roosevelt Institute

Until the rules work for every American, they're not working. The Roosevelt Institute asks: What does a better society look like? Armed with a bold vision for the future, we push the economic and social debate forward. We believe that those at the top hold too much power and wealth, and that our economy will be stronger when that changes. Ultimately, we want our work to move the country toward a new economic and political system: one built by many for the good of all.

It will take all of us to rewrite the rules. From emerging leaders to Nobel laureate economists, we've built a network of thousands. At Roosevelt, we make influencers more thoughtful and thinkers more influential. We also celebrate—and are inspired by—those whose work embodies the values of both Franklin and Eleanor Roosevelt and carries their vision forward today.

About the Author

Eamon Ross is an Emerging Fellow at the Roosevelt Institute and a senior at Binghamton University, majoring in political science. From Queens, New York, he transferred to Binghamton University after receiving his associate's degree in social sciences from LaGuardia Community College. With an interest in widening avenues of social mobility, Ross researched and wrote a policy proposal in the fall of 2016, calling for the establishment of a community-owned grocery store as a means to address food deserts and social stratification in Binghamton, New York. After being published in the Roosevelt Network's *10 Ideas* journal, Ross forged relationships with community organizations and formed the Many Hands Coalition, who together revived the Many Hands Food Cooperative project. Ross is the Blueprint Chairman and executive board member of the Roosevelt Institute's chapter at Binghamton University, where he focuses on empowering students to collaborate with the Binghamton community in tackling local issues.

The author extends a special thanks to his mentors, David Currie, Aman Banerji, Jade Wilenchik, and Brianna Cea, and to his friends, family, and fellow chapter members.



Executive Summary

Increasing access to affordable and nutritious food for low-income residents in Binghamton, New York, requires a holistic and community-centric solution. This solution must incorporate sustainable community development and the cooperative business model. Food insecurity—the inability to acquire sufficient healthy and affordable foods due to systemic barriers—drains public and private resources while lowering the quality of life for affected communities. It amplifies the effects of poverty, further entrenching already impoverished households. This paper argues that the city of Binghamton, along with local, state, and private institutions, must support the development of the Many Hands Food Cooperative to overcome food insecurity in the North Side neighborhood and surrounding communities.

The United States Department of Agriculture (USDA) has designated the North Side as a food desert—a community without access to a full-service grocery store. The last store closed more than two decades ago, forcing residents, many of who do not have cars, to either travel over a mile to buy adequate supplies or to go to overpriced convenient stores, delis and fast-food outlets for nutrient-poor foods. A food cooperative, or a community-shared asset in the form of a grocery store, offers a community-centric solution to solving food insecurity in Binghamton. By aligning individual and communal economic interests, empowering residents through the promotion of self-help, and offering an asset in which stakeholders can financially and personally grow from, it is a holistic and sustainable approach. The Many Hands Food Cooperative is designed as a community-owned, full-service grocery store, which operates on the cooperative business model and is organized and supported by residents and community organizations. By involving residents in owning and managing the store, Many Hands would serve a broader purpose than just providing affordable and accessible foods and products; residents would gain knowledge of healthy living and personal financing, as well as the ability to reinvest in and revitalize their long-underserved neighborhood.

Introduction

Food is the foundation to a healthy lifestyle and the key ingredient in maintaining individual and communal socioeconomic health. As a basic human need, it is essential to the growth and development of both individuals and communities. This premise is underlined by Maslow's hierarchy of needs, which organizes the necessities of individuals in attaining the fulfillment of one's potential. Biological needs, such as a source of food, form the foundation of Maslow's hierarchy and must be met before an individual can progress towards self-actualization. Therefore, along with shelter, the procurement and consumption of food is a fundamental step towards a more productive life. ²

Approximately one-third of Binghamton's 45,672 residents go to bed hungry every night, leading to serious health and economic problems. In order to lay the foundational knowledge needed to better grasp why a food cooperative offers the best means to a resolution, this paper will begin by explaining the phenomenon of food deserts in Binghamton. First, the paper examines the importance of food as a basic human need and introduces key concepts, including food insecurity, food deserts, emergency food networks, and how changes in the grocery retail sector affect food accessibility, all of which is followed by an overview of cooperative

² Abraham Maslow, "A Theory of Human Motivation," *Psychological Review* 50, no. 4 (1943): 370.



¹ Judith Bell and Marion Standish, "Building Healthy Communities Through Equitable Food Access," Community Development Investment Review 5, no. 3

businesses and food cooperatives. Next, the paper provides background and context for Binghamton, with subsections on the city's current efforts to combat food insecurity alongside relevant statistics and key community desires. With this information in mind, the paper then shifts to explore national trends in combating food insecurity informed by the efficacy of emergency food networks. Following this, food cooperatives are introduced as an alternative solution to resolving food deserts, with supporting evidence from a case study. Lastly, the Many Hands Food Cooperative is introduced with a detailed explanation on why it offers the most viable solution in restoring accessibility to nutritious foods overall and for Binghamton. In conclusion, the paper suggests recommendations for policymakers and presents a case for city officials and local public and private institutions to support the cooperative.

Access to affordable and nutritious food promotes the physiological, socioeconomic, and financial health of communities, as it is central to community self-reliance and individual growth. Public goods are commodities or services that benefit the public. While food itself may not be a public good, access to a source of nutritious food is. Because food is a basic resource needed for human development, it is the responsibly of society to ensure that individuals have access to an adequate diet—as a basic right. Doing so promotes the well-being of individuals and society at large.

Access to nutritious food options also carries broad positive externalities for communities beyond the obvious, such as creating jobs, increasing property values, and ensuring a more productive and healthy populace.³ Research shows that having access to healthy foods positively impacts eating habits and healthy diets.⁴ Healthy diets help mitigate the risks of developing chronic diseases, such as diabetes, cardiovascular disease, and obesity.⁵ A healthier population is not only more productive, but also better equipped to take advantage of opportunities for social mobility.

Key Concepts

FOOD INSECURITY

In the United States, 42.2 million households are food insecure.⁶ Per the United States Department of Agriculture (USDA), food insecurity is a socioeconomic condition in which access to nutritious food is severely limited due to transportation barriers, socioeconomic status, or both.⁷ Food insecurity is most extreme in food deserts—geographical areas where communities lack access to a source of affordable and nutritious foods.¹⁰

EMERGENCY FOOD NETWORKS

Emergency food networks are systems that organize the distribution of private and public food insecurity relief. They are mainly comprised of food pantries, soup kitchens, and other forms of emergency relief. Emergency food networks form a core component of food security initiatives in major urban areas.

https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-us/key-statistics-graphics.aspx.

https://www.ers.usda.gov/topics/food-nutrition-assistance/food-security-in-the-us/definitions-of-food-security/.

⁸ Karen A. Curtis et al., "Falling through the Safety Net: Poverty, Food Assistance And Shopping Constraints In An American City," Urban Anthropology



³ Bell and Standish, "Building Healthy Communities Through Equitable Food Access," 75.

⁴ Julie Beaulac, Elizabeth Kristjansson, and Steven Cummins, "A Systematic Review of Food Deserts, 1966-2007," *Preventing Chronic Disease* 6, no. 3 (June 15, 2009), https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2722409/.

⁶ "Food Insecurity in the U.S.: Key Statistics and Graphics," United States Department of Agriculture, accessed April 27, 2018,

⁷ "Food Security in the U.S.: Definitions of Food Security," United States Department of Agriculture, accessed April 27, 2018,

FOOD DESERTS

Food deserts are geographical areas that are severely challenged by food insecurity. These areas are defined by the lack of a full-service grocery store within a mile radius of a community. According to the USDA, 23.5 million Americans live in low-income communities that are considered food deserts.⁹ By negatively impacting quality of life, influencing the proliferation of health-related diseases, and contributing to the decline of economic activity within communities, food deserts threaten the well-being of communities.¹⁰ The lack of healthy and nutritious food options increases socioeconomic challenges for residents and shapes their health outcomes and financial security. Restricted access to grocery stores is often exacerbated by limited mobility due to low rates of car ownership or inadequate public transit.¹¹ A lack of transportation can hinder individuals from choosing healthier options that are further away, facilitating a reliance on accessing what's nearby. Small food retailers that characterize food deserts, such as convenience stores and fast food outlets, generally carry comparably more expensive goods and offer processed and high-caloric but energy-dense, unhealthy foods, respectively.¹²

Food deserts reflect the structural and racial inequalities in the food system. They are most commonly found in rural and urban core communities, and there is convincing evidence that they predominately affect low-medium income (LMI) and minority communities—as illustrated by extensive research in the racial dynamics behind food accessibility. Studies show that the food environment differs in neighborhoods depending on racial and economic makeup. In Albany, New York, for example, 80 percent of non-white residents live in food insecure neighborhoods that lack a source of low-fat milk and high-fiber bread. And in California, there are 20 percent fewer healthy food options for low-income communities than for the state's more affluent counterparts. Overall, communities of color are less likely to have as many grocery stores as more affluent and whiter areas, and therefore these neighborhoods experience less access to food options. Studies show that urban minority communities are underserved by grocery stores, with fewer supermarkets and larger distances to existing ones. In Detroit Michigan, access to supermarkets for African Americans in highly impoverished areas was, on average, 1.1 miles further away compared with white neighborhoods of similar economic standing. Lacking access to full-service grocery stores, LMI and minority urban communities are transformed to food deserts, where the only reasonably accessible source of food is from convenience stores and fast food outlets.

THE IMPLICATIONS OF FOOD DESERTS

With limited access to nutritious food—a basic need—food deserts infringe upon citizens' ability to utilize a public good. Local environments influence individuals' choices regarding diet and physical activity, both of which are key contributors to obesity. Restricted choices in terms of food options correlates to poor health outcomes. The lack of affordable and nutritious food options, such as fruits and vegetables, impacts the diets of adults and children. In turn, this contributes to the proliferation of physical diseases, such as obesity. The absence of grocery stores also has negative socioeconomic consequences—e.g., decreasing the quality of life in communities, as food retailers create jobs, stimulate consumer traffic, and bolster the local economy. Additionally, without access to a grocery store, people pay more for food. Items sold at convenience stores and

and Studies of Cultural Systems and World Economic Development 24, no. 1/2 (1995): 99.

²⁰ Zenk et al., "Neighborhood Racial Composition, Neighborhood Poverty, and the Spatial Accessibility of Supermarkets in Metropolitan Detroit," 660.



⁹ Ibid

¹⁰ Beaulac et al., "A Systematic Review of Food Deserts, 1966-2007."

¹¹ Ibid

 $^{^{12}}$ Beaulac et al., "A Systematic Review of Food Deserts, 1966-2007."

¹³ Ibic

 $^{^{\}rm 14}$ Beaulac et al. "A Systematic Review of Food Deserts, 1966-2007."

¹⁵ Beaulac et al. "A Systematic Review of Food Deserts, 1966-2007."

¹⁶ Ibio

¹⁷ Shannon N. Zenk et al., "Neighborhood Racial Composition, Neighborhood Poverty, and the Spatial Accessibility of Supermarkets in Metropolitan Detroit," *American Journal of Public Health* 95, no. 4 (April 2005): 660. https://doi.org/10.2105/AJPH.2004.042150.

¹⁸ Ibid

¹⁹ Ibid

other small food retailers not only lack variety and nutritional value, but also are more expensive.²¹ To overcome this, residents must travel outside of the community for food, increasing transportation costs. Since LMI households are more likely to have restricted access to food and constrained budgets, they are disproportionately affected by food deserts and food insecurity.²²

HOW THE CONSOLIDATION OF GROCERY RETAIL AFFECTS FOOD INSECURITY

The proliferation of food deserts is the result of several intersectional factors, including poverty and inadequate accessibility. The consolidation of the grocery retail industry over the last several decades, however, has exacerbated this problem. Concerns to maximize profits in response to competition and low profit margins have driven grocery retailers to consolidate, resulting in both the decline of small independent grocers and the relocation of supermarkets to wealthier suburban areas.²³ The largest corporate actors behind consolidation are mid- to large-sized retailers who want to achieve more growth by merging into greater economies of scale.²⁴ In 1998, for example, the four largest grocery retailers held 28.8 percent of the total market share, but by 2009, they controlled 42 percent of total grocery sales.²⁵ When corporations consolidate—having prioritized higher profits over customer service (and access)—the focus shifts away from all consumers to a more concentrated group of consumers with sizeable purchasing power. Consolidation decreases consumer power and choice, and there is strong evidence that fewer competitors in a single market lead to higher prices.²⁶

Market domination by chain grocers has enhanced inequities within the distribution network, as operators relocate to more affluent communities. Small independent grocery stores, which have traditionally upheld food security and served as a central community institution, either closed their doors or were acquired by larger chains.²⁷ Between 2005 and 2015, small independent grocers saw their market share drop in 44 percent of counties and had a 1.62 percent decrease in sales.²⁸ Higher volume and accessibility to higher-income communities has shifted the market away from low-income communities and inner cities.²⁹ This is illustrated by the flight of supermarkets from LMI urban communities, a trend that began in the 1980s and continues today. A study by the New York City Department of Planning found that 3 million New Yorkers live in communities with an inadequate number of supermarkets, which correlated with a high ratio of health problems.³⁰ And according to the USDA, between 2010 and 2015, the number of low-income areas with limited supermarket access increased by 5 percent, while supermarket access increased in rural and more affluent communities.³¹As the food distribution system has consolidated and relocated to wealthier areas, LMI and minority urban communities are left without access to affordable and nutritious foods.

COOPERATIVES

Cooperatives, also referred to as co-ops, are member-owned and member-controlled businesses that are modeled to return benefits back to its members.³² They leverage membership equity, the money derived from the sales of memberships, to purchase products and services that are sold to members at a discounted price. Upon purchasing a membership, consumers become joint-owners of the enterprise and therefore gain the

³²Kimberly Zueli et al., "Cooperatives as a Community Development Strategy: Linking Theory and Practice." *The Journal of Regional Analysis & Policy* 35, no. 1 (2005): 44.



²¹ Beaulac et al., "A Systematic Review of Food Deserts, 1966-2007."

²² Ibid

²³ Richard J. Sexton and Tian Xia, "Increasing Concentration in the Agricultural Supply Chain: Implications for Market Power and Sector Performance," *Annual Review of Resource Economics*, February 28, 2018. https://doi.org/10.1146/annurev-resource-100517-023312.

²⁴ DePillis, Lydia. "Supermarkets are Merging Again. What Does That Mean for Your Grocery Bill?" *The Washington Post*, July 28, 2013.

²⁵ Ibid

²⁶ David Davis, "Price and Promotion Effects of Supermarket Mergers," Journal of Agricultural & Food Industrial Organization 8, no. 1 (2010).

²⁷ Curtis et al., "Falling through the Safety Net: Poverty, Food Assistance And Shopping Constraints In An American City," 102.

²⁸ Clare Cho and Richard Volpe. 2017. "Independent Grocery Stores in the Changing Landscape of the U.S. Food Retail Industry," ERR-240, U.S. Department of Agriculture, Economic Research Service.

²⁹ Ibid

³⁰ Gonzalez, David. "The Lost Supermarket: A Breed in Need of Replenishment." *The New York Times*, May 05, 2008.

³¹ Cho and Volpe, "Independent Grocery Stores in the Changing Landscape of the U.S. Food Retail Industry."

opportunity to not only invest in the business, but also influence its trajectory.³³ Membership costs vary and are decided by the board of directors, which co-op members, or stakeholders, elect on a semiannual basis. Unlike corporate businesses, cooperative stakeholders are allowed only one share—meaning all stakeholders have an equal vote and thus equal input in business decisions. Depending on the organization and nature of the cooperative, a variety of benefits are made available to stakeholders and consumers. Some stakeholders can receive financial dividends or control the availability and pricing of goods, while some consumers benefit from increased product options at lower prices.

When approaching business ventures, cooperatives ask fundamentally different questions than traditional business enterprises. Co-ops operate on a set of goals and incentives that prioritize community benefits over financial gains, subordinating the interests of capital investors in favor of stakeholder and consumer interests. The inclusive nature of the cooperative model allows it to efficiently meet the needs of its members and act in their interests. During periods of socioeconomic turmoil, participation in co-ops increases as consumers become more worried about accessibility to the products and services they deem important. Economic difficulty creates more of an incentive for consumers to retain access to goods, which cooperative participation provides.³⁴

The nature of co-op enterprises enhances their capacity to confront community needs.³⁵ While unconventional, they form a viable route to both community development and economic self-sufficiency. As democratic and community-owned enterprises, they pool local residents and resources to gain participatory power and influence in the market.³⁶ In doing so, they not only promote local control of capital, but also create opportunities for social mobility and foster positive communal changes.³⁷ The promotion of economic self-management means that the business is responsive to community needs, which is demonstrated by establishing local connections, providing experience, and facilitating social engagement between individuals with similar interests.³⁸ Cooperatives perpetuate norms, such as economic self-sufficiency, self-help, and self-management by teaching community members to rely on themselves and act collectively to improve the well-being of their communities.³⁹ They also help assimilate individual and community interests and incentivize cooperative participation as a means of growth.⁴⁰

Two crucial factors that determine the success of a cooperative is the support of both the community and local and state institutions, which play a key role in community development.⁴¹ As an enterprise modeled to meet the needs of members, community buy-in is imperative in forming a strong membership base needed to sustain a co-op. With meager community support, cooperatives struggle to maintain an adequate membership base for acquiring equity.⁴² Membership equity is derived from selling shares and is a vital source of funds used to cover operational expenses when the business opens. Along with grants—both public and private—and donations, membership equity is an imperative stream of revenue during the development phase,⁴³ especially for low-

⁴³ Ibid 52



³³ Ibid 44

³⁴ Steven Deller et al., "Research on the Economic Impact of Cooperatives" (University of Wisconsin, March 2009): 20.

³⁵Zueli et al., "Cooperatives as a Community Development Strategy," 43.

³⁶ Ibid 44

³⁷ Ibid 44

³⁸ Zueli et al., "Cooperatives as a Community Development Strategy," 44.

³⁹ Ibid 49

⁴⁰ Ibid 49

⁴¹ Zueli et al., "Cooperatives as a Community Development Strategy," 44.

⁴² Ibid 51

income communities. This allows the cooperative to have an inclusive membership base while acquiring necessary funding for development. Along with strong community buy-in, institutional support is another variable determining success. 44 Public sector institutions, such as municipalities, universities, and state and federal agencies, are an imperative asset, providing financial and operational resources during development. Private organizations, including foundations and community-based organizations, provide funding but also play a key role in fostering community support and economic growth. By mobilizing residents and increasing membership rates, private organizations help grow financial resources. The Renaissance Community Cooperative, established in a low-income food desert in Greensboro, North Carolina, raised both private and public resources during the start-up period. To date, Renaissance has added more than \$2 million to the local economy through wages and benefits. 45

FOOD COOPERATIVES

Dating back to the 1850s, food cooperatives are consumer cooperatives that function as grocery stores. As consumer co-ops, they purchase wholesale goods and sell them back to members. ⁴⁶ The democratic structure of the administration allows food co-ops to specialize in niche markets, meaning businesses can provide niche items not typically found in available grocers and stock goods that members want. ⁴⁷ This democratization of selection ensures a broad base of consumer patronage ⁴⁸ As a means of remaining competitive within the market, food co-ops have also proved to be innovative with a "consumer first" approach against competitors, such as supermarkets. For example, food cooperatives pioneered the sale of bulk foods and started consumer protection trends, such as nutritional labeling, selective merchandising, and education. ⁴⁹ These factors allow for food cooperatives to survive, and even thrive, in LMI neighborhoods and food deserts. ⁵⁰ The triple bottom line approach of food cooperatives—which encompasses social, environmental, and financial aspects—elevates the well-being of individuals and the community, and therefore plays an important role in strengthening food cooperatives' core business model: the well-being of member-owners. ⁵¹

Unlike grocery stores, food cooperatives have access to a variety of funding sources that are generally not accessible to conventional grocery stores. For a grocery store seeking to operate in a food desert, this is a crucial advantage that gives co-ops a competitive edge. As an enterprise guided by community development principles, co-ops can gain access to wide spectrum of grant opportunities. Since food cooperatives are a collective effort to expand access to affordable and fresh foods, they create new opportunities for residents living in food deserts. The humanistic principles behind food cooperatives—such as a focus on individual empowerment and communal well-being—and the bottom-up approach to promote economic self-help and self-management make food cooperatives attractive to funders.

For low-income communities, food cooperatives offer a unique solution in addressing both food insecurity and poverty. Food co-ops or grocery stores organized around the cooperative model, benefit communities through

⁵²lbid 44



⁴⁴ Zueli et al., "Cooperatives as a Community Development Strategy," 51.

⁴⁵ "Renaissance Cooperative: Local Economic Benefit," Renaissance Community Cooperative, accessed October 15, 2018, https://renaissancecoop.com/about/.

⁴⁶ Steven Deller et al., "Research on the Economic Impact of Cooperatives." University of Wisconsin, March 2009: 20.

⁴⁷ Ibid 20

⁴⁸ Zueli et al., "Cooperatives as a Community Development Strategy," 44.

⁴⁹ Deller et al., "Research on the Economic Impact of Cooperatives," 20.

⁵⁰ "How Cooperative Grocery Stores Are Bringing Food Access to Low-Income Neighborhoods," Cooperative Development Institute, accessed April 27, 2018, http://cdi.coop/food-coops-food-deserts-low-income-communities/.

⁵¹ Zueli et al., "Cooperatives as a Community Development Strategy," 47.

the promotion of norms and the building of social capital.⁵³ Studies analyzing the correlation between cooperatives and social capital have found that cooperatives facilitate increased levels of interactions between stakeholders and external actors and resources.⁵⁴ They promote norms through their business practices, engaging community members as stakeholders and empowering them to act collectively in the shared interests of the community. By developing skills sets and fostering interpersonal connection, food cooperatives can increase levels of individual self-confidence and better businesses and interpersonal skills, which increase participation in socioeconomic activities and civic engagement. Cooperative development fosters economic self-sufficiency at the community level by combining the principle of self-management and a bottom-up community approach.⁵⁵ The coupling of these principles results in positive externalities at the socioeconomic level through productive activities and participation in community development.⁵⁶

Food cooperatives also benefit communities by helping individuals create and retain wealth. There are currently 5,000 food cooperatives in the United States.⁵⁷ The economic impact of food cooperatives in terms of job and wealth creation and retention in the locality is impressive. Deller et al. (2009) examined 100 co-ops and their collective 500,000 members and demonstrated the significant economic impact of food cooperatives.⁵⁸ The study showed that the 100 food cooperatives collectively employ 14,000 people and have over \$170 million in wages and benefits.⁵⁹ They possessed over \$323 million in assets and had \$865 million in sales.⁶⁰ They have an economic multiplier of 1.78, where 78 cents were reinvested back into the local economy for every dollar of income generation.⁶¹ In other words, the local impact of each dollar of income generated at food cooperatives was felt as a \$1.78.⁶² By creating, and then retaining, wealth within the locality, food cooperatives not only stimulate the flow of capital in the community but also increase local economic opportunities.

Background

BINGHAMTON, NEW YORK, AND THE NORTH SIDE NEIGHBORHOOD

Binghamton is the county seat of Broome County, New York, and is its largest urban center. Binghamton is the urban core of an area known as the Triple Cities, and has population of 45, 672.⁶³ The city is predominantly white, with 75 percent of the population Caucasian.⁶⁴ However, there is a significant and growing population of immigrants, foreign exchange students, and minority communities.⁶⁵ According to census data, Binghamton's white population decreased by 11 percent between 2000-2015, while Black, Asian, and Latino populations grew by 61 percent, 43 percent, and 75 percent, respectively.⁶⁶ Between 2011-2015, households earning less than \$25,000 a year made up 44 percent of the population, with a median household income of \$29,824, compared

⁶⁶ Ibid



⁵³ Rhonda Phillips, "Food Cooperatives as Community-Level Self-Help and Development," *International Journal of Self Help and Self Care* 6, no. 2 (January 1, 2012): 190.

⁵⁴Zueli et al., "Cooperatives as a Community Development Strategy," 48.

⁵⁵ Ibid 49

⁵⁶ Ibid 49

⁵⁷ Phillips, "Food Cooperatives as Community-Level Self-Help and Development," 193.

⁵⁸ Deller et al., "Research on the Economic Impact of Cooperatives," 21.

⁵⁹ Ibid 21

⁶⁰ Ibid 21

⁶¹Phillips, "Food Cooperatives as Community-Level Self-Help and Development," 193

⁶² Ibid 193

⁶³ "QuickFacts Binghamton City, New York," United States Census Bureau, accessed November 12, 2017,

 $[\]underline{\text{https://www.census.gov/quickfacts/fact/table/binghamtoncitynewyork.}}$

⁶⁴ "City of Binghamton Racial Characteristics 2000-2015," United States Census Bureau, prepared by PolicyMap, accessed November 5, 2017, http://binghamton.policymap.com.proxy.binghamton.edu/reports?type=b&area=predefined&pid=166102&cx=-

^{75.9032275215536&}amp;cy=42.10195749985982&cs=288000§ions=1,1,1,1,1,1,1,1,1,1,1,1,1,1 formattedDate=2017-09-13&lqid=287582.

⁶⁵ Ibid

to the state average of \$59,229.⁶⁷ As of September 2017, the unemployment rate stands at 5.6 percent, with 18,424 people in the labor force and 1,023 people unemployed.⁶⁸ The economic reality in Binghamton is grim, with a relatively large portion of the population struggling to make ends meet.

Like other Rust Belt cities, Binghamton has struggled to cope with the changing dynamics of a globalized economy and the decline of the manufacturing industry. During the 20th century, the greater Binghamton area was known as the "Valley of Opportunity," and its extensive network of manufacturers—from IBM to defense contractors, such as BAE systems—employed tens of thousands. However, the closing decades of the 20th century saw an exodus of defense contractors and the beginning of a hemorrhaging manufacturing industry. A declining economy, a shrinking population, and a decrease in income at the turn of the 21st century left the city in a precarious fiscal situation. And with deteriorating economic conditions came rising poverty rates. Census data shows that the poverty rate has increased by nearly 10 percent in the last 15 years, rising from 23.67 percent in 2000 to 33.9 percent by 2015, while the average poverty rate for the State of New York during the same time period has only risen by 1 percent, from 14.6 percent to 15.6 percent. At 47.2 percent in 2017, the child poverty rate in Binghamton is staggering—nearly doubling the state average of 21 percent.

Binghamton University plays a significant role in the local economy. As the growing student population drove student housing into downtown Binghamton, the city experienced a wave of economic fortunes in the early 2000s, including a rebound in the local tech industry and growth in the education sector.⁷⁴ The increase in the student demographic is important, as students have brought more purchasing power to the municipality and in turn spurred the growth of new businesses. As an anchor institution—meaning that it has a significant role in maintaining the local economy—Binghamton University is responsible for 12 percent of Broome County GDP and employs nearing 6,000 people directly or indirectly. 75 As a research institution, the university attracts not only state money and bright minds, but it also acts as a center for innovation. To expand its institutional reputation and utilize its role in the local economy, Binghamton University has undertaken efforts to spur economic growth and improve the quality of life through the development of satellite campuses. The university also offers financial aid to the community in forms of grants and assistance with community programing.76 Economic decline in Binghamton, New York, has been coupled with an exodus of grocery stores and therefore an increase in food insecurity.⁷⁷ The loss of grocery stores in Binghamton has resulted in two USDA-recognized food deserts—the First Ward and the North Side neighborhoods—and the expansion of emergency food networks.⁷⁸ Food insecurity and poverty correlate. Food insecurity in the North Side and wider Binghamton area is a common challenge for residents, and current initiatives designed to mitigate the issue are temporary and do not provide a long-term solution.⁷⁹ In a local community needs assessment, for example, 56 percent of

⁷⁹ Margeson, "Factors Important to the Implementation of a Cooperative Grocery Store in Binghamton's Center City Food Desert."



⁶⁷ "City of Binghamton Incomes 2011-2015," United States Census Bureau, prepared by PolicyMap, accessed November 5, 2017, http://binghamton.policymap.com.proxy.binghamton.edu/reports?type=b&area=predefined&pid=166102&cx=-

⁶⁸ "City of Binghamton Employment," United States Census Bureau, prepared by PolicyMap, accessed November 5, 2017, http://binghamton.policymap.com.proxy.binghamton.edu/reports?type=b&area=predefined&pid=166102&cx=-

^{75.9032275215536&}amp;cy=42.10195749985982&cs=288000§ions=1,1,1,1,1,1,1,1,1,1,1,1,1,1 formattedDate=2017-09-13&lqid=287582.

⁶⁹ "Binghamton, NY – A Brief History," City of Binghamton, accessed November 12, 2017, http://www.binghamton-ny.gov/history.

⁷⁰ Ihid

⁷¹ City of Binghamton, "Binghamton, NY – A Brief History."

⁷² "City of Binghamton Poverty Rates 2000-2015," United States Census Bureau, prepared by PolicyMap, accessed November 5, 2017, http://binghamton.policymap.com.proxy.binghamton.edu/reports?type=b&area=predefined&pid=166102&cx=-

⁷³ "New York State Annual Poverty Report 2017," New York State Community Action Association, accessed November 16, 2017, http://nyscommunityaction.org/PovReport/2016/Poverty%20Report_2017_Master%20Doc.pdf.

⁷⁴ "Binghamton and Regional Economy," City of Binghamton Department of Economic Development, accessed October 24, 2017, http://www.binghamton-ny.gov/binghamton-regional-economy.

⁷⁵ Ibid

⁷⁶ "Binghamton University - Community Outreach: Community Partnerships," Binghamton University, accessed September 20, 2017, https://www.binghamton.edu/community/community-partnerships.html.

⁷⁷Mary Margeson, "Factors Important to the Implementation of a Cooperative Grocery Store in Binghamton's Center City Food Desert," dissertation, Binghamton University, 2011, 1, http://eternity.binghamton.edu:1801/delivery/DeliveryManagerServlet?dps_pid=IE28343.

⁷⁸ Steve Howe, "Food Deserts Presents Challenges Beyond Groceries" *Press Connects*, August 18, 2014.

families in Binghamton reported that they relied on school meals to feed their families.⁸⁰ As food insecurity spreads in LMI communities, poverty can become more entrenched, jeopardizing individual and collective well-being, such as physical health, quality of life, and economic opportunity within communities.⁸¹

As food security has become a critical issue in Binghamton, non-profit organizations—such as the Community Hunger Outreach Warehouse (CHOW), which coordinates the distribution of emergency food supplies—have stepped in to fill the gap. CHOW distributes over 2 million pounds of food in Broome County each year, serving many food pantries and other emergency assistance programs in the county. In partnership with the City of Binghamton, CHOW has undertaken several initiatives to address food insecurity in the North Side and greater Binghamton area. Working with the City, it has established a bus service from the North Side to grocery stores, as well as a mobile food pantry called the "CHOW bus" that sets up shop in the community three days a week. Community meals, community-supported agriculture (CSA), and farm share programs, along with the adoption of urban farming through Volunteers Improving Neighborhood Environments (VINES), are other steps taken by private organizations with public support to address food insecurity. While such programs have a positive impact in the community, they are temporary initiatives, reliant on public funding that must be approved on annual basis, and therefore susceptible to budget cuts. Most importantly, they do not negate the ramifications of lacking access to a supermarket.

A scarcity of grocery stores in a community negatively impacts residents, especially low-income and minority groups. In Binghamton, local newspaper articles have, for decades, highlighted communal anguish at the lack of a grocery store in North Side, and the issue has garnered widespread political attention. For LMI individuals and households, the barriers to nutritious food amplify the effects of a constrained budget—i.e., the absence of a grocery store represents not only a loss of jobs in the community, but also the loss of access to the safety net, including access to supplemental nutrition programs like Women, Infants, and Children (WIC) and food stamps. The connection between poverty and food insecurity in the area has been highlighted by reports like the Binghamton Neighborhoods Needs Assessment, a joint project between Binghamton University's Evolutionary Studies (EVoS) department and the United Way of Broome County. The findings show that food insecurity is the defining factor between income groups. The largest factors contributing to food insecurity for respondents were budgetary constraints and accessibility.

Despite a strong community interest in a neighborhood grocery store and the support of the municipal government, corporate concerns regarding profit have stalled the fruition of any project in the North Side.⁸⁸ The prioritization of profits leads corporate grocers to neglect communities and thus facilitate the creation of food deserts. Over the last two decades, Binghamton has witnessed the exodus of several grocery stores such as GIANT, Great American, and Weiss, which serviced the North Side and surrounding communities.⁸⁹ The North Side—the city's most prominent food desert—lost its last grocery store in 1997.⁹⁰ Since then, large-scale efforts to bring back a chain supermarket have failed. Companies cite population and income levels as a disadvantage to moving their operations to the North Side,⁹¹ and the high sunk costs and slim profit margins in the grocery industry have deterred supermarkets from moving back in.⁹² The consolidation of the grocery retail market has

⁹² Ibid



⁸⁰ Richard A Kauffman et al., "Empire State Poverty Reduction Initiative," United Way of Broome County, accessed September 17, 2017, https://xnv0v18srbz1z5p421otxrt1-wpengine.netdna-ssl.com/wp-content/uploads/ESPRI-Needs-Assesment_Binghamton-Neighborhood-Project.pdf. BI lbid

^{82 &}quot;CHOW: Home," Broome Council of Churches, accessed September 15, 2017, http://broomecouncil.net/chow/.

^{83 &}quot;CHOW: Bus," Broome Council of Churches, accessed September 15, 2017, http://broomecouncil.net/chow/.

⁸⁴ Jeff Platsky, "Attention, Shoppers: Kmart Closing in Binghamton," Press-Sun Connects, September 17, 2016.

⁸⁵ Margeson, "Factors Important to the Implementation of a Cooperative Grocery Store in Binghamton's Center City Food Desert."

⁸⁶ Kauffman et al., "Empire State Poverty Reduction Initiative," 93.

⁸⁷ Ibid 93

⁸⁸ Margeson, "Factors Important to the Implementation of a Cooperative Grocery Store in Binghamton's Center City Food Desert."

⁸⁹ Ibid 1

⁹⁰ Ibid 1

⁹¹ Marshal McMurray, conversation with the author, December 3, 2018.

played a role in turning the North Side into a food desert. In the North Side and the First Ward—the city's other food desert—for example, the two chains that previously served the communities were regional chains that were either bought out and shut down, or relocated to wealthier areas.⁹³ This suggests that the absence of a grocery store in the North Side is largely driven by corporate prioritization of profits over community health and economic well-being.

Current Strategies to Confront Food Deserts and Food Insecurity

THE LIMITATIONS OF EMERGENCY FOOD NETWORKS

In approaching food insecurity, municipalities and states have embraced the utilization of emergency food networks. However, emergency food networks, while providing valuable relief, have proven to be no more than a stop-gap measure that is ultimately unable to meet demands. The shortcomings of emergency food networks are illuminated in urban areas across the country, where demand continues to overwhelm available resources⁹⁴. In "Falling Through the Safety Net: Poverty, Food Assistance, and Shopping Constraints in an American City," Curtis et al. (1995) exemplify the limitations of emergency relief in tackling food insecurity. Through a case study, the authors analyze food insecurity and emergency food networks in Wilmington, Delaware, and seek to explain the rise in food relief. The report logs a steep decline in access to supermarkets for LMI urban residents between the 1960s and 1990s. Curtis et al. suggest that the reduced accessibility to supermarkets and the reduction of welfare benefits in the 1980s led to an unsustainable increase in the utilization of emergency food networks in Wilmington. The exodus of supermarkets from inner city communities drove the use of emergency food networks in Wilmington. Between 1981 and 1991, the emergency food network saw a 130 percent increase in the number of residents served and a 250 percent increase in food pantry locations. However, participation outstripped the network's capacity to meet the rising demand.95 Despite the growth in size of the emergency food network in Wilmington and an increase in allocated resources, food insecure individuals in the community struggled to find consistent and adequate nutrition.96

The 2016 Conference of Mayors' Report on Hunger and Homelessness report highlights the difficulty municipalities' face when addressing food insecurity through emergency relief. The report analyzed food insecurity in 34 cities across 24 states. The report found that 94 percent of the cities surveyed increased the amount of food distributed by 5 percent, and 59 percent of the cities surveyed increased their budgets for emergency food relief.⁹⁷ Despite the increases in resources, the cities surveyed reported being unable to meet rising demands; 47 percent reported that facilities had to turn people away due to insufficient resources, while an additional 47 percent reported that food pantries had to reduce quantities given to individuals. Of the 34 cities surveyed, 5 reported an average of 13.8 percent for those whose need for food relief went unmet.⁹⁸

How we approach crises can shape the resulting consequences and the duration of their impact. As a crisis that threatens the most vulnerable communities, food deserts require a comprehensive solution that takes aim at the systematic root causes. Conventional efforts to rectify food deserts in low-income urban communities have focused on either the provision of goods through emergency food networks or the expansion of public transit to existing stores. ⁹⁹ A shift in the status quo of government responsibility, from the federal to the state and local

⁹⁹ Curtis et al., "Falling through the Safety Net: Poverty, Food Assistance And Shopping Constraints In An American City."



⁹³ Ibid 1

⁹⁴ "The U.S. Conference of Mayors' Report on Hunger and Homelessness," Atavist, accessed February 06, 2018, https://endhomelessness.atavist.com/mayorsreport2016.

⁹⁵Curtis et al., "Falling through the Safety Net: Poverty, Food Assistance And Shopping Constraints In An American City."

⁹⁶ Ibid 129

⁹⁷ Atavist, "The U.S. Conference of Mayors' Report on Hunger and Homelessness."

⁹⁸ Ibid

level—which began under the Reagan administration—has encouraged policymakers to address food insecurity by providing temporary aid. Instead of implementing long-term solutions like the reestablishment of grocery stores, relief efforts have been, more short-sighted, including the introduction of food banks and special bus routes. 100 Lacking federal resources, states and municipalities have embraced this strategy as a stopgap for private and market-based solutions. 101 However, initiatives like these do not address the intersectional nature of food insecurity; they ignore systematic factors and do not address associated socioeconomic externalities. A reliance on the free market also does not work, as goals of profit maximization run contradictory to community-centered development goals like food access. Therefore, an effective solution must deliver a sustainable mechanism—one that goes beyond stopgap measures, focuses on targeting causes rather than symptoms, and provides a means to socioeconomic empowerment for communities.

ADOPTING A NEW APPROACH: FOOD COOPERATIVES

To tackle food insecurity and poverty in Binghamton, New York, in a meaningful and sustainable manner, the City must adopt an approach that goes beyond emergency food networks. A holistic solution requires an approach that supports grassroots community initiatives aimed at strengthening local economic systems and meeting communal needs. Such a solution must not only restore permanent access to nutritious foods, but it must also act to empower individuals on a socioeconomic and interpersonal level. As a community-based initiative, food cooperatives offer such an approach, and there is widespread community support for such an initiative. Therefore, the City should support ongoing efforts to establish the Many Hands Food Cooperative in the North Side.

Establishing a food cooperative in the North Side food desert is a holistic solution because it would not only restore accessibility to a full-service grocery store, but would also grant the community control of an indispensable asset. In doing so, the community can bypass the hurdle of incentivizing a chain store to establish a presence and also gain the benefits of the member-centric cooperative model. By enhancing residents' quality of life and empowering members, a food co-op is a comprehensive solution that will address food insecurity and develop social capital. This spurs loyalty and interest among both members and consumers at large, bolstering the likelihood of success.¹⁰³

Current efforts to bring a cooperative grocery store to Binghamton's North Side date back to 2011. Mary Margeson studied the feasibility of a food cooperative in the area, and the factors important to its implementation, highlighting variables that suggest that a food cooperative is a viable permanent strategy to restore community access to affordable and nutritious food options. Margeson examined residents and their interest in a new grocery store by reviewing shopping habits and the challenges they faced in accessing food. She found that location and accessibility was crucial, the latter being the main factor in respondents' choice of store, and that the lack of or restriction to transportation was a common challenge. Residents were generally familiar with food cooperatives, with 70 percent reporting an awareness of what they were. A large number of respondents indicated an interest in employment opportunities at the co-op (68 percent) and participation in the development process (52 percent). A 4 97 percent, nearly all respondents indicated patronage of the cooperative. Location and low prices, however, were imperative thresholds for determining patronage; the more accessible and the less expansive goods were, the more likely respondents would shop there the more accessible and the less expansive goods were, the more likely respondents would shop there the more accessible and the less expansive goods were, the more likely respondents would shop there the more accessible and the food cooperative model and that the community would be interested stakeholders in such a

¹⁰⁷ Margeson "Factors Important to the Implementation of a Cooperative Grocery Store in Binghamton's Center City Food Desert," 15.



¹⁰⁰ Ibid 126

¹⁰¹ Ibid 128

¹⁰² Margeson, "Factors Important to the Implementation of a Cooperative Grocery Store in Binghamton's Center City Food Desert."

¹⁰³ Zeuli et al., "Cooperatives as a Community Development Strategy: Linking Theory and Practice," 45-47.

¹⁰⁴ Margeson, "Factors Important to the Implementation of a Cooperative Grocery Store in Binghamton's Center City Food Desert," 14.

¹⁰⁵ Ibid 13

¹⁰⁶ Ibid 14

CITY MARKET COOPERATIVE: EVIDENCE OF THE SUCCESS OF FOOD COOPERATIVES

The case of the City Market Cooperative in Burlington, Vermont, demonstrates the efficacy of food cooperatives as a sustainable and holistic solution to food insecurity. In response to rising food insecurity in an urban-mixed community in Burlington, the City Market Cooperative was established through a partnership between the City and the Onion River Cooperative.¹⁰⁹ Following the national trend, food insecurity became an issue in Burlington during the '90s as corporate grocery chains pushed out regional competitors.¹¹⁰ To combat food insecurity, the Community and Economic Development office worked to alleviate barriers to food by partnering with community organizations to set up programs.¹¹¹ These programs included an additional specialized bus route and food delivery programs, as well as traditional strategies, such as food banks and pantries.¹¹² Over a 17-year period, the issue of bringing back a grocery store to the community became highly politicized as opposing sides advocated for community-owned grocery store versus a conventional one.¹¹³ Support for the community-owned store prevailed, and a local food cooperative, the Onion River Cooperative, moved downtown. With the help of federal, state, and private funding, it became the City Market Cooperative.¹¹⁴ The business has not only proven to be a success, but it has also shown that food cooperatives are capable of acting as catalysts of community development, spurring reinvestment, trade, and tourist attention. For example, City Market is listed as a top attraction in the city's visitor guides, and is frequently visited by tourists.¹¹⁵

The City Market Cooperative illustrates the key role food cooperatives play in facilitating neighborhood renewal, retaining wealth locally, and strengthening local economic systems. City Market is a model of economic self-help because of its socially minded approach and successful business techniques, as seen through its central principles of to increase access to local, healthy foods, make progressive social choices, enhance residents' quality of life, and build community pride. City Market not only acts as a full-service grocery store, but it also serves as a space for community empowerment through distribution programs to those in need and educational initiatives, such as healthy living and financial literacy classes. Employing 175 employees, of which 75 percent are full-time and 65 percent live in the local community, the store is a vital source of local employment. The store plays a significant role in the well-being of the local economy; 60 cents of every dollar spent at the store stays within the locality, and impressive dividends are returned to members, with \$466,000 disbursed in 2010 alone. With the installation of a solar energy generation station on its roof, City Market has also taken a lead on environmental business initiatives. The introduction of a \$0.05 environmental fund for those using a canvass bag, as opposed to a plastic bag, generated \$14,000 in refunds to customers in 2010 alone.

The Many Hands Food Cooperative

¹²¹ Phillips, "Food Cooperatives as Community-Level Self-Help and Development," 201.



¹⁰⁸ Ibid 20

¹⁰⁹ Phillips, "Food Cooperatives as Community-Level Self-Help and Development," 196.

¹¹⁰ Ibid 197

¹¹¹ Ibid 197

¹¹²Phillips, "Food Cooperatives as Community-Level Self-Help and Development," 197.

¹¹³ Ibid 197

¹¹⁴ Ibid 199

 $^{^{115}}$ Phillips, "Food Cooperatives as Community-Level Self-Help and Development," 196.

¹¹⁶ Ibid 195

¹¹⁷ Ibid 196

¹¹⁸ Phillips, "Food Cooperatives as Community-Level Self-Help and Development," 200.

¹¹⁹ Ibid 200

¹²⁰ Ibid 200

MHFC: A SHORT HISTORY

The Many Hands Food Cooperative (MHFC) is a grassroots organization that seeks to address vital community needs, especially food insecurity, through the establishment of a community-owned grocery store. To reach fruition, however, the MHFC needs the support of local institutions, such as the City government and Binghamton University, to garner funding and administrative support. In response to corporate interests that did not service their needs, a group of concerned citizens founded the MHFC in 2011 as a community initiative to create their own grocery store. The co-op was founded and incorporated under New York State Cooperative Corporation Law, Section 11, and is currently incubated by the Binghamton Regional Sustainability Coalition (BRSCS), an economic development agency and registered nonprofit. The MHFC is directed by a steering committee and is fiscally sponsored by the BRSC. The MHFC's goal is to restore equitable access to affordable and nutritious foods and also foster sustainable community development and individual empowerment.

As a community-owned grocery store structured on the cooperative business model, it will be open to the public and governed by a member-elected board. To ensure an inclusive membership base, the cost of membership will be \$25, far below the national average of \$200. In addition to restoring access to affordable and nutritious foods, the co-op will seek to address other key community needs, including job creation and residential property values. It also aims to revitalize the North Side by generating business traffic, spurring reinvestment in the community, and giving residents ownership of a financial asset.

MHFC LOCATION

The cooperative intends to be situated near the center of the North Side, close to the communities' economic center and accessible by foot for resident of nearby neighborhoods. Currently, The former Big Lots plaza, located at 435 State Street is slated as the preferred location. There are two possibilities for this location. First, Binghamton is currently developing a mixed-use housing project in the Big Lots Plaza for low- and middle-income residents. The first floor of the building will be dedicated to retail space, and the developer is looking for an anchor tenant. Second, the City is offering a \$150,000 grant to support the development of a grocery store within the plaza. If the MHFC applies and is accepted, they could build from the ground up at the shovel-ready location at the former Big Lots plaza.

MHFC FUNDING

The MHFC's funding will come from grants, donations, and financing. Grants exist at the federal and state level for the development of food retailers in food deserts, along with other community development grants. The USDA Healthy Food Financing Initiative (HFFI) is such a grant that awards up to \$750,000 for projects similar to the MHFC initiative. Additionally, private grants that support cooperative development are available through national nonprofit organizations, private philanthropies, and local foundations. Large sums of state grant money have also been allocated to the region through the Southern Tier Regional Economic Development Council, the Binghamton Fund, and the Binghamton-Broome Anti-Poverty Initiative. By working with community leaders and elected officials, access to funding from these respective sources is feasible. Local foundations and endowments, such as the Community Foundation of South Central New York, the United Way of Broome County, and the Klee Foundation are also potential sources of funding.

BUILDING COMMUNITY

¹²⁵ "Broome County's Anti-Poverty Task Force Receives \$1.5 Million Grant," FOX40, May 26, 2016, http://www.wicz.com/story/32075677/broome-countys-anti-poverty-task-force-receives-15-million-grant.



¹²² "Healthy Foods Financing Initiative," Department of Health and Human Services, Office of Community Services, accessed October 21stt 2017, https://www.acf.hhs.gov/ocs/programs/community-economic-development/healthy-food-financing.

¹²³ "Southern Tier Wins \$500M Prize for Economic Development," WBNG-TV, December 10, 2015.

¹²⁴ Hannah Schwarz, "Cuomo Says Southern Tier Will Get \$20 Million Fund for Economic Growth," *Pressconnects*, August 2, 2017, https://www.pressconnects.com/story/news/local/2017/08/02/southern-tier-20-million-fund-economy/532323001/.

As a community-owned asset, the Many Hands Food Cooperative is more than just a store—it is also a catalyst. Its mission—to meet the needs of the community and improve social, financial, and environmental outcomes—encompasses a comprehensive and equitable means of advancing community health and wealth. The MHFC seeks to build a healthier community by empowering individuals through a variety of ways. First and foremost, the cooperative will put an end to the North Side's decades-long status as a food desert and fulfill a crucial community need. It will mitigate food insecurity through low price points and increased accessibility. Thus, by reducing costs for financially constrained consumers, the co-op hopes to increase the consumption of fresh produce and other healthy food. To support this goal, the MHFC will host healthy living and cooking classes in a designated community space within the store. These classes will be taught in partnership will community partners, such as the Healthy Lifestyle Coalition, and be offered to members at no additional cost. In addition to classes, the community space will build social cohesion by expanding individual opportunities through networking and community events.

Outside of ending the North Side food desert, the MHFC will also empower a disadvantaged community by offering low-cost memberships and crucial job opportunities. Because it is intended to serve the low-middle income (LMI) community, membership fees will be set at a low, one-time cost. This will make ownership more inclusive, expanding the scope of membership access and therefore the reach of membership benefits. As noted in previous sections, membership benefits will include special pricing, access to programing by partner community organizations, and the disbursement of profits through patronage dividends. Through memberships, residents also are able to have a stake in the co-op, thus gaining access to an asset for which individuals and the community can grow from. Since the store will be owned and largely operated by community members, money spent at the co-op will stay within local hands. With food cooperatives reinvesting 78 cents per dollar back into the local economy, ¹²⁶ the MHFC will bolster the means of the community to act in its own self-interest by influencing further community development. The cooperative business model allows the MHFC to financially support members directly through the potential disbursement of patronage dividends to members. The cooperative will also act as a local employer, creating approximately 40 to 50 jobs for residents and participating in workforce development programs. ¹²⁷ Wages will be set 10 percent above the regional average and include health, dental, and retirement benefits.

The MHFC also aims to build relationships with local producers and gradually strengthen their market share in the area. As the co-op grows, it will add more local goods to its stock, attaining such items through regional distributors and local suppliers. Initially, the cooperative will source its goods through regional distributors, such as Manes, utilizing their local foods distributional network to acquire local goods. In the interim, the co-op will build relationships with local farmers and producers, and harvest surpluses will be integrated into the supply chain. With co-op members facilitating the acquisition and transportation of local goods, thus cutting out the middleman, the MHFC will be able to further reduce prices due to cost savings. In addition to working with local producers, the cooperative seeks to improve the areas overall economic vitality by bringing an increase in consumer foot traffic. An increase in business traffic will subsequently spur additional investments in the community, growing the market for new business. The flow of capital within the locality will translate into local investments that improve quality of life, property values, and economic opportunities for all.

The shared economic benefits of cooperatives translate into positive implications for individual empowerment. Food co-ops are models of economic self-help as they are collective efforts to expand access to healthy and affordable food. The combination of local control and member ownership contributes to the development of social capital, such as administrative skills and on-the-job experiences. By engaging in business activities, members learn valuable skills—e.g., management, communication, and problem-solving strategies—that are

¹²⁹ Phillips, "Food Cooperatives as Community-Level Self-Help and Development," 201.



16

¹²⁶ Phillips, "Food Cooperatives as Community-Level Self-Help and Development."

¹²⁷ David Currie, Many Hands Food Co-op, Inc., Business Plan, (Binghamton, NY: Binghamton Regional Sustainability Coalition, 2017), 5.

¹²⁸ Ibid 5

transferable to future job opportunities.¹³⁰ The proliferation of such expertise will benefit the greater Binghamton area, as a more skilled workforce will be more productive and therefore more likely to attain economic and social mobility.

The grassroots nature of the project is attractive, already building social cohesion between seemingly disparate demographics. The Many Hands Against Hunger coalition—a new initiative to build a collaborative relationship between students at Binghamton University and community members around food insecurity embodies the type of cooperation and collaboration that the MHFC seeks to establish. The coalition is comprised of the MHFC steering committee, North Side community members, and student groups. A relatively new development in the project, the coalition has been a vital force for leveraging the support of institutional agents—including Binghamton University and the City government—attracting co-op members, and facilitating community outreach.

Recommendations for the City

With an interest in spurring small business growth, the City has an opportunity to publicly support a unique project that aligns individual and community interests by helping the Many Hands Food Co-op acquire a lease and grants. Both the City and the North Side are seeking economic opportunities, and the MHFC would be a holistic solution for achieving greater prosperity. In order to successfully develop, food cooperatives requires the support of both the community and institutional agents. With strong community support and growing mobilization efforts between community members in the North Side and the greater Binghamton area, one of the two criteria necessary in successful cooperative development has been met. Support from the City will bring about the second necessary condition, institutional support.

Binghamton University must also act to support the development of the cooperative—and can do so through the provision of professional expertise and financial assistance. As an anchor institution seeking to increase its contribution to the well-being of its surrounding community, Binghamton University has the capacity to help make a lasting impact in the fight against food insecurity by supporting the MHFC. A healthy and economically self-sufficient Binghamton is good for Binghamton University, as it will make the university more attractive to potential students and staff. And the first and most crucial step to reinvigorate the city is securing access to affordable and nutritious food for its residents, which include Binghamton University students. The university can support the MHFC through the newly created Town and Gown Advisory Board, established between the City and Binghamton University. The board has access to an unspecified amount of funding dedicated to projects with joint student-community interest. Because food insecurity is an intersectional issue faced by both students and community members, and the MHFC project aims to alleviate not only hunger but also improve socioeconomic realities, the Town and Gown Advisory Board would be an appropriate avenue for attaining financial support.

Therefore, the City of Binghamton and the University should support the establishment of the Many Hands Food Cooperative. The incentive to do so is huge. The support of such a project is in the interest of both parties, as it will not only bring about a long-term and holistic solution to food insecurity, but it will also do so in a bottom-up approach that empowers citizens at the individual and community level.

¹³¹ Orla McCaffrey, "Town-Gown Advisory Board to Meet for First Time in October," *Pipe Dream*, September 18, 2017, https://www.bupipedream.com/news/85375/town-gown-advisory-board-to-meet-for-first-time-in-october/.



¹³⁰ Ibid 201

Conclusion

Food insecurity is an intersectional problem that jeopardizes individual, community, and economic well-being. Therefore, tackling food deserts, which lack adequate access to healthy food—a basic human need, and thus a public good—requires an innovative approach. Food cooperatives offer a holistic and community-centric solution to tackling food insecurity and ending urban food deserts. When modeled through a community development framework, co-ops can act as agents of economic justice; facilitating social mobility and community development in disadvantaged communities. Using this model, they are especially well-suited to empower low-income communities and restore socioeconomic vitality. The bottom-up structure and member-focused business model of a co-op makes it an excellent tool for targeting poverty through job creation, asset-ownership, and community building. As a community owned and focused enterprise, co-ops are well suited to act as core community institutions, promulgating opportunities, disseminating community news, and investing in the locality. From the retention of local wealth to the strengthening of local food systems, the economic implications of a food co-op are huge. Democratic and open administrative practices allow active participation by stakeholders in the cooperative's operations. This not only provides individuals with transferable skill sets, but this system also enables stakeholders to influence the cooperative's trajectory. This increases food co-op's responsiveness to community needs, thus expanding consumer interest and building brand loyalty.

The Many Hands Food Cooperative is an on-going community initiative that seeks to establish a full-service food co-op in Binghamton, New York's North Side food desert. Following the cooperative business model, the MHFC is designed to be a catalyst for the community's revitalization, promoting economic and social growth for individuals and the community at large. The co-op, structured along community development principles, seeks to alleviate economic and environmental injustices. Since previous efforts to entice supermarkets to return to the area have failed, the MHFC, as a community-owned grocery store, offers the best solution to restoring access to a core public good. As a community-owned asset, the store will act in the interest of the community, restoring public control to access to a public good. In doing so, the co-op is promoting self-help principles in the community, and providing education, employment, and affordable nutrition as a means to build a more sustainable and prosperous community.

The City of Binghamton, along with institutions like Binghamton University, must support the Many Hands Food Cooperative as it moves through the start-up phase. Rejuvenating Binghamton requires not only access to basic needs for residents, but also the tools and resources necessary to maximize social and economic mobility. For the North Side, which has gone 20-plus years without a full-service grocery store, the Many Hands Food Cooperative offers the most innovative approach to eradicating the community's food desert through ownership and empowerment. With the MHFC, the North Side will gain access to healthy and affordable foods that is equitable across all income levels. And through the control of a vital community institution, residents, as members and stakeholders, will be empowered to influence future community investments. With a full-service grocery store, the North Side will be self-financed and self-sufficient. This change will help bring back business traffic, attract new residents, and promote new business opportunities. The success of the Many Hands Food Cooperative, however, will need more than the support and participation of Binghamton residents; this initiative also requires the guidance and support of elected officials, local foundations, and state institutions. By collaborating together, the Many Hands Food Cooperative can be a platform for economic justice, socioeconomic mobility, and sustainable community development.

