



**Sophie Hahn**  
**Councilmember, District 5**  
**City of Berkeley**  
**2180 Milvia Street**  
**Berkeley, CA, 94704**  
**(510) 891-7150 | [shahn@berkeleyca.gov](mailto:shahn@berkeleyca.gov)**

CONSENT CALENDAR

May 7, 2024

To: Honorable Mayor and Members of the City Council

From: Councilmember Sophie Hahn (Author); Councilmembers Humbert, Taplin, and Bartlett (Co-Sponsors)

Subject: Budget Referral to Continue Market Match Program for Low-Income Berkeley Residents in the Event of Statewide Program Cuts

RECOMMENDATION

Refer to the FY2025-26 Budget Process up to \$360,000 (up to \$180,000 per year) to safeguard the Market Match program for two fiscal years, supporting over 10,000 low-income Berkeley residents in accessing fresh local produce from Berkeley Farmers’ Markets.

SUMMARY STATEMENT

[Market Match](#) is California’s healthy food incentive program, which matches customers’ federal nutrition assistance benefits at farmers’ markets and other farm-direct sites. Market Match is a public-private partnership to reduce diet-related illnesses among California’s low-income shoppers and stabilize farming communities in some of the nation’s most economically vulnerable farming regions.

Market Match is distributed by over 60 community-based organizations and farmers’ market operators at over 275 sites across the state. Berkeley’s Ecology Center, which helped develop and pioneered the program, manages Market Match statewide.

Market Match has been proposed to be cut from the 2024-2025 State Budget. While advocates at the state level are working hard to restore funding, Berkeley must ensure that local funds are available for low-income Berkeley residents to continue accessing fresh and healthy food in the event the State program is reduced or cut.

10,000 low-income residents in Berkeley access fresh local produce at Berkeley’s Farmers’ Markets through Market Match. If funds are cut, not only will low-income residents lose a critically important benefit, but local vendors and farmers will lose important revenues.

This item refers up to \$360,000 over two years to allow for the continuation of the Market Match program in Berkeley, should the statewide program be eliminated from the State budget. Should the statewide program be reduced but not eliminated, a portion of these funds will be made available to ensure Berkeley residents can still access the full benefits. Should the program be fully retained by the State, no funds will be needed from the City of Berkeley. In all cases, the program would be administered for the City of Berkeley through the Ecology Center.

BACKGROUND

In 2003, the Supplemental Food Assistance Program moved its currency from paper “food stamps” to Electronic Benefits Transfer (EBT) cards. As the new electronic system required a point-of-sale device that had electricity and a phone line, which are not typically available at farmers’ markets, this left farmers across the state unable to accept EBT from low-income shoppers, excluding them from the benefit of purchasing directly from California’s leading farming families. It also cut off important sale opportunities for struggling small and mid-sized farmers, many of whom have been innovators and leaders in sustainability, climate resilience, fair treatment of workers, biodiversity, organic certification, and other movements.

The Ecology Center engaged county, state, and federal officials to develop a system in which a single battery-powered cellular point-of-sale device operated by the market management would create an opportunity for CalFresh shoppers to spend their benefits directly with California farmers once again. The Ecology Center provided technical assistance to other markets statewide and advanced state legislation such that today 2/3 of all farmers’ markets in California have this service available to their customers and farmers.

When shoppers use their federal nutrition benefits at farmers’ markets and other farm-direct outlets, Market Match provides matching funds so customers can buy even more fruits and vegetables. For example, a customer who spends \$15 of CalFresh benefits at the farmers’ market receives an additional \$15 to spend on fresh produce, for a total of \$30 to spend at the market. It is a triple-win program addressing health equity, food insecurity, and economic development.

Joining forces with national leaders, the Ecology Center managed to secure federal funding in the Farm Bill through a program called the Gus Schumacher Nutrition Incentive Program (GusNIP), and received matching funds from the federal government to administer this program. After receiving this funding, the Ecology Center began offering the program in Berkeley directly and subcontracting with other market operators across the state to provide this program under one name, Market Match. During these years, charitable donations and private grant money supplied dollar-for-dollar matching to bring in federal funds and the program grew from a dozen farmers’ markets to nearly 100 statewide.

In 2015, working with Assemblymember Phil Ting, the Ecology Center, and other key partners helped create the California Nutrition Incentive Program (CNIP) in the newly formed Office of Farm to Fork in the State Department of Food and Agriculture (CDFA). In subsequent efforts, the Ecology Center and its partners successfully advocated for state funding to match and draw down federal funding.

In 2016, \$5 million was allocated by the State; in 2018, \$10 million and in 2021, \$20 million. During the pandemic, an additional \$6 million was made available by the federal government to meet the growing demand.

By 2023, the program provided \$19.4 million or 38.8 million servings of fresh fruit and vegetables to over 574,000 shoppers at 294 markets. And it has only grown in popularity – last year, 9% of shoppers who took advantage of the program were first-timers.<sup>1</sup>

However, without committed state funds in the next fiscal year, the program will not be able to continue past 2024. The GusNIP competitive grant program application period will be in FY23-24, and it requires a committed, 100% match of state, local, or private funding.

If the City of Berkeley doesn't ensure funds are available to subsidize this program at the same level of funding in 2024, 10,000 Berkeley residents who depend on Market Match will have these benefits come to an abrupt end. Not only will this negatively impact low-income residents' access to fresh fruits and vegetables, it will also harm local California farmers who rely on revenue generated from Farmers' Markets.

For these reasons, the City of Berkeley must act to protect Market Match for its residents.

#### REVIEW OF EXISTING PLANS, PROGRAMS, POLICIES, AND LAWS

[CalFresh](#), known federally as the Supplemental Nutrition Assistance Program or SNAP, provides monthly food benefits to individuals and families with low-income and provides economic benefits to communities. It is the largest farm direct food assistance program in California and provides an essential hunger safety net.

#### ACTIONS/ALTERNATIVES CONSIDERED

If the City of Berkeley chooses not to safeguard the Market Match program, some 10,000 Berkeley residents may struggle to access fresh fruits and vegetables at their local farmers' markets, leading to potentially worse health outcomes for already vulnerable communities.

#### CONSULTATION/OUTREACH OVERVIEW AND RESULTS

Councilmember Hahn has consulted with the Ecology Center, which has expressed strong support for the continuation of the program.

#### RATIONALE FOR RECOMMENDATION

In California, CalFresh offers up to \$291 per month to residents earning up to \$18,921. This is nowhere near enough to support low-income shoppers in purchasing fresh, healthy foods in alignment with the City's nutrition and healthy environment goals.

Despite overall good health, Berkeley is not yet a city where all people are living long lives and achieving the highest possible level of health. With a poverty rate of 18%, accessing healthy foods remains an equity issue, with some studies indicating that purchasing healthy foods costs

---

<sup>1</sup> "Market Match is a Food Safety Program that Sustains Local Economy." *2023 Market Match Impact Report*, [https://marketmatch.org/wp-content/uploads/2024/02/2023-Market-Match-Statewide-Impact\\_2024.2.8-3.pdf](https://marketmatch.org/wp-content/uploads/2024/02/2023-Market-Match-Statewide-Impact_2024.2.8-3.pdf). Accessed 20 Mar. 2024.

twice as much as purchasing unhealthy foods.<sup>23</sup> A 2013 Harvard study found that on average, a healthy diet costs \$1.50 more a day or \$550 a year than an unhealthy diet, creating barriers for low-income households.<sup>4</sup>

This is where programs like Market Match can make a difference and fill the gaps between what families need and what our federal and state social safety nets provide.

#### IMPLEMENTATION, ADMINISTRATION, AND ENFORCEMENT

The Ecology Center will continue to administer the program as it has in the past. Funding would be provided to the Ecology Center to continue the program in Berkeley only. Should the Market Match program be eliminated entirely by the State, the City would provide \$180,000 per year for two years, with most funds being disbursed directly to low-income farmers' market customers and the remainder covering the Ecology Center's staffing and administrative costs. Should the State reduce but not eliminate funding for Market Match, the City would backfill direct subsidies to community members.

#### ENVIRONMENTAL SUSTAINABILITY

Market Match encourages the purchase of fresh, sustainable foods directly from local farmers and food artisans. Many of these vendors are organic, regenerative, and most importantly local. Buying locally not only generates jobs and supports the local economy, but reduces the unnecessary transport of goods thereby reducing greenhouse gas emissions.

#### FISCAL IMPACTS

Up to \$360,000 from the City's General Fund over the next two years (up to \$180,000 per year); only if there are reductions to the program at the State level, or the program is eliminated.

#### OUTCOMES AND EVALUATION

Consider whether Berkeley residents are taking advantage of the program, the impact to farmers' market vendors, and the positive impacts on nutrition, health, and wellbeing of low-income community members. If the Ecology Center is successfully administering the program, and residents and farmers continue to benefit, the City should – upon conclusion of this two-year period and if the State does not restore funding – consider expanding the program for another two-year period.

#### CONTACT

Sophie Hahn, District 5, (510) 981-7150

---

<sup>2</sup> "City of Berkeley Community Action Plan 2023, Community Needs Assessment." *The City of Berkeley*, [berkeleyca.gov/sites/default/files/legislative-body-meeting-attachments/DRAFT\\_2024\\_2025\\_Community%20Needs%20Assessment.pdf](https://berkeleyca.gov/sites/default/files/legislative-body-meeting-attachments/DRAFT_2024_2025_Community%20Needs%20Assessment.pdf). Accessed 20 Mar. 2024.

<sup>3</sup> Karsit, Idil. "Healthy Foods Are Often More Expensive. Here's Why." *CNBC*, 27 Dec. 2023, [www.cnbc.com/2023/12/27/healthy-foods-are-often-more-expensive-heres-why.html](https://www.cnbc.com/2023/12/27/healthy-foods-are-often-more-expensive-heres-why.html).

<sup>4</sup> "Eating Healthy vs. Unhealthy Diet Costs about \$1.50 More per Day." *Harvard T.H. Chan School of Public Health*, 13 Jan. 2014, [www.hsph.harvard.edu/news/press-releases/healthy-vs-unhealthy-diet-costs-1-50-more/](https://www.hsph.harvard.edu/news/press-releases/healthy-vs-unhealthy-diet-costs-1-50-more/).

Attachments:

1. Market Match 2023 Impact Report

# Market Match is a Food Safety Net Program that Sustains Local Economy

## About the Statewide Market Match Program

Market Match is a 15 year-old program funded by federal, state and private funds that incentivizes CalFresh (known as SNAP on a federal level) recipients to spend their benefits with California farmers on fresh fruits and vegetables. The program provides a dollar-for-dollar match on CalFresh purchases, up to a daily maximum, at hundreds of locations across 38 California counties.

Since the beginning of the pandemic, CalFresh enrollment has grown significantly, with Californians struggling to afford food for their families. As a result, spending on fresh produce through the Market Match program has nearly tripled from 2019-2022.

Between 2019 and 2022, the statewide Market Match program grew nearly 300%. In 2022, the Program led to \$19.5 million in spending of Market Match and CalFresh on fresh produce at 270 participating locations.

## Impact in Berkeley, CA (2023)

Consumers spent \$311,553 of their CalFresh and Market Match incentives at 3 sites in this district. This spending represented a 255% increase in total dollars spent and 174% increase in customers served compared to 2019, showing us that Market Match is a safety net program meeting the growing needs of low income Californians during and post-pandemic. In this district, we estimate that this program led to the purchase of about 623,000 servings of fresh fruits and vegetables.<sup>2</sup>

### Economic Impact

State funding for Market Match is part of a federal matching program that brought \$30 million into California between 2017 and 2023. If funded, Market Match is expected to bring more than \$13 million into California next year.

Researchers estimate that for every \$1 of Market Match spent, an additional \$3 is generated in the California economy.<sup>1</sup>



**\$311,553**

CalFresh & Market Match  
Spent with Local Farmers



**3**

Participating  
Sites



**623,000**

Estimated Servings  
of Fruits & Vegetables

(1) "The Economic Contributions of Healthy Food Incentives" Dawn Thilmany, Allison Bauman, Erin Love, Becca B. R. Jablonski. Colorado State University. 2021 [https://marketmatch.org/wp-content/uploads/2021/02/Economic\\_Contributions\\_Incentives.pdf](https://marketmatch.org/wp-content/uploads/2021/02/Economic_Contributions_Incentives.pdf)

(2) According to the USDA ERS, one serving of fruits and vegetables costs \$0.50: <https://www.ers.usda.gov/data-products/fruit-and-vegetable-prices/>

## 2024-25 State Budget Funds Needed to Meet Low-Income Californians' Fresh Food Access and to Support Economic Recovery

Market Match is currently funded through the CDFA California Nutrition Incentive Program (CNIP) and the USDA Gus Schumacher Nutrition Incentive Program. The Market Match program reinvests state and federal dollars into small and mid-sized farms and the rural California communities where they are located and increases the spending power of low-income Californians, which is needed now more than ever.

However without committed state funds in the next fiscal year, the program will not be able to continue past 2024. The GusNIP competitive grant program application period will be in FY23-24, and it requires a committed, 100% match of state, local or private funding.

**An investment of \$35 million of state funds into CNIP could bring significant federal dollars into the state and will lead to tremendous economic impact for the state since every \$1 invested in Market Match results in an additional \$3 to the local economy.**



”

I'm eating better because I can afford to get fresh food, fresh vegetables and fruit that I wouldn't get otherwise.

- Market Match Customer

### Market Match locations in Berkeley CA:

#### Downtown Berkeley Farmers' Market

Saturdays 10am - 3pm year round

Center Street and MLK Jr Way

Berkeley, CA

#### South Berkeley Farmers' Market

Tuesdays 2pm - 6:30pm year round

Adeline St and 63rd St Berkeley, CA

#### North Berkeley Farmers' Market

Thursdays 3pm - 7pm year round

Shattuck Ave and Vine St.

Berkeley, CA

The Ecology Center is lead contractor under the CDFA Office to Farm to Fork's California Nutrition Incentive Program responsible for implementing the Market Match program statewide. The Ecology Center subcontracts with 50+ local partners to implement Market Match. For more information visit [www.MarketMatch.org](http://www.MarketMatch.org).





”  
Helped my partner and I eat fresh and healthy food we otherwise wouldn't have much access too.

- Market Match Customer

”

At 78 years old, I am still working as a self-employed person. I hope to be able to work until 85. If not, it is going to be very difficult for me to pay my rent, let alone buy food. The Market Match is essential for me

-Berkeley Market Match customer



”

Market Match helps me to cook with healthy and local ingredients on a limited budget. It has introduced many low-income people and families to the farmers market, making it more accessible to all. I had never been able to afford to shop at the farmers market before Market match and if it gets cut I likely will not be able to continue going there.

-Berkeley Market Match customer







