



Issue Brief – April 2020

COVID-19 and Our Food System

Immediate Impacts & Priority Recommendations for Policymakers & Funders



The current public health crisis caused by COVID-19 is dramatically impacting our food system, exposing inequalities, and the need for greater resilience.

The most immediate impacts are felt by those who work on the front lines every day to produce, prepare, deliver, and serve our food. They are our most essential workers, the backbone of our food system, and yet our most undervalued and underpaid workforce.

As a result of the COVID-19 pandemic and California's necessary shelter in place order, these same workers are now struggling to keep their jobs and homes, protect their health and safety, and access food and basic needs.

Farmers, fishermen, and food business owners are struggling to adapt as they try to retain their workforce, remain viable, and sustain their livelihoods.

Food insecurity and unemployment rates continue to rise to unprecedented levels, stretching the capacity for local farmers, food businesses, schools, hunger relief organizations, and social service agencies to ensure that all are fed and cared for during this crisis.

As with all crises, women, low-income communities, and communities of color are disproportionately affected. They make up a significant percentage of front line food and farm workers, are the least able to work from home, and have been most impacted by coronavirus across the country. The current pandemic is highlighting centuries of discrimination and inequality throughout our food system and our broader society.

We need to take immediate action. Support is needed for the following:

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Food & Farm Workers

212,000 people

number of people working in San Diego County as farmers, fishermen, grocery clerks, bakers, servers, chefs, delivery drivers, and more

\$28k

average annual wages of these workers—one of the lowest of any sector in San Diego County. Many food & farm workers are people of color, undocumented, and/or temporary workers



Farmworkers, mostly undocumented, have become 'essential' during the pandemic. Staying on the job, however, makes it more likely that the virus will spread quickly from one worker to the next

What's happening on the ground?

- Since March 2020, national, state, and local unemployment rates have skyrocketed.
- Nationally, jobs at food service and drinking establishments account for the largest number of job losses.
- Mass layoffs in combination with weak labor rights, limited safety nets, and low wages, have pushed food and farm workers into precarious states and into poverty.

Priority Recommendations for Supporting Food & Farm Workers

PROVIDE FINANCIAL RELIEF



Increase relief fund efforts to supplement loss of income and support for basic living expenses, particularly for those that government programs are not reaching: farmers, fishermen, temporary, and undocumented workers.

PROTECT HEALTH, SAFETY, & RIGHTS TO ORGANIZE



Ensure that all food and farm workers have proper health and safety measures, universal paid sick leave, COVID-19 testing and healthcare, child and family care support, and rights to organize, regardless of immigration status

ESTABLISH MORATORIUMS



Establish moratoriums on work permit restrictions, repatriations, deportation, evictions, foreclosures, and delinquency penalties on debt

Food Businesses

13,300 businesses

number of retail food businesses—restaurants, caterers, supermarkets, grocery stores, specialty food stores, convenience stores, bars & drinking establishments, etc.—in San Diego County

190,000 people

number of people in San Diego County employed by food businesses

\$17.2 billion

sales generated annually by retail food businesses in San Diego County

Food Businesses, continued

What's happening on the ground?

- Since March 2020, these retail food businesses, along with wholesale distributors, have suffered significant income losses and have been forced to lay off countless workers.
- According to the California Restaurant Association, 60% of San Diego County's 3,000+ restaurants have closed operations during the pandemic. Those that remain open have transformed their operations overnight to increase safety measures and provide takeout and delivery options.
- Significant losses in sales and new requirements for sanitation and safety, coupled with razor-thin margins, are pushing many food businesses, particularly smaller, independently-owned food businesses, out of business.

Priority Recommendations for Supporting Food Businesses



PROVIDE FINANCIAL RELIEF

Increase relief fund efforts to supplement loss of income, particularly for small, independently owned businesses and businesses owned by women, immigrants, and people of color



ASSIST BUSINESSES WITH PROVIDING EMPLOYEE BENEFITS

Incentivize and/or create a program to assist small businesses in providing paid leave, payroll protections, and healthcare coverage to furloughed, ill, or other impacted employees



ESTABLISH MORATORIUMS

Establish moratoriums on evictions, foreclosures, tax payments, business fees, and delinquency penalties on personal and business loans or other debt



Hoài Huế Eatery, when it first opened in 1993 in the Little Saigon District of City Heights

"The relief that many restaurants need now is not coming from the federal government, even though they have the resources. Whereas chain restaurants are giving back \$10-20 million they received from the Small Business Administration's Paycheck Protection Program, my business hasn't been approved for weeks. Nobody has even reached out to talk about my application. I'm hopeful that on the local level, the government will recognize our importance and help small businesses survive this."

—Hiep Diep, Owner & Manager, Hoài Huế Eatery, City Heights



The Rose hopes to celebrate ten years in South Park this October

"When The Rose closed to the public on March 15th, we did so because, as a bar, we were mandated to, but also because we genuinely thought it was the safest option for our community and employees. We were worried about our employees so we set up a fund to support them. We helped them access UI benefits and continue to cover health insurance. Based on the information we had at the time, we trusted the business had help on the way and that we could afford this. Now, for various and equally frustrating reasons, none of that help has panned out and our bills keep adding up."

—Chelsea Coleman, Owner & Manager, The Rose Wine Bar, South Park

Farms & Fisheries

5,000 farms

number of farms in San Diego County—the largest number of any county in California

22,000 people

people employed by San Diego County farms

\$1.7 billion

generated annually by San Diego County farms

\$561 million

sales contributed by food production sector (one-third of farms in San Diego County)

330 people

people employed by San Diego County's commercial fishing industry

2.8 million pounds

amount of seafood caught annually by San Diego County's commercial fishing industry

\$11 million

generated annually by San Diego County's commercial fishing industry



"I've redirected all my time to making sure that the market continues to thrive through COVID-19. This past weekend, we launched a preorder and pickup option. I spent the last few weeks redoing our website and getting an online store up and running. I am a third-generation fisherman and have been fishing with my dad since I was young. Every Saturday, from 8am to 1pm, rain or shine, we continue to show up on the pier to provide the public with the freshest seafood possible."

—Jordyn Kastlunger, Fisherman,
Tuna Harbor Dockside Market

What's happening on the ground?

- With export and traditional markets, such as restaurants, institutions, and many farmers markets no longer available, farms and fisheries are scrambling to find new markets and adapt their business models to provide online sales and delivery options. Unfortunately, there are limited resources available for providing one-on-one technical assistance support for farmers' and fishermen in San Diego County.
- Farms growing a wide variety of crops and selling through direct-to-consumer markets such as CSAs and farm stands are experiencing a significant increase in demand while farms primarily selling through wholesale channels such as restaurants and distributors are experiencing a reduction in sales as they struggle to move their product.
- Fishermen have experienced significant losses in sales as they primarily sell directly to restaurants or through export markets. Many are now looking to stay afloat by selling online and through farmers' markets.
- Despite limited capacity and razor-thin margins, farms, fisheries, and farmers markets are all incurring additional costs as they are forced to develop and maintain new and emerging safety protocols.
- Farmers and fishermen have limited infrastructure for processing, aggregation, and distribution, making it challenging to connect with other producers and pool resources to keep food moving through the supply chain.
- The majority of agricultural stimulus funds have not been focused on small to midsize producers. Additionally, there is uncertainty around eligibility and accessibility of funds.

Farms & Fisheries, continued

Priority Recommendations for Supporting Farms & Fisheries



PROVIDE FINANCIAL RELIEF

Expand and support flexible emergency relief funds, no- to low-cost or forgivable loans, and financing support services for farmers, ranchers, and fishermen. Provide funding for additional expenses farmers markets incur to adapt operations in accordance with safety protocols



INCREASE TECHNICAL SUPPORT

Ensure technical assistance support for food producers to safely adapt to changing market conditions and ensure financial viability



INVEST IN LOCAL FOOD INFRASTRUCTURE

Invest in local food processing, aggregation, and distribution infrastructure and support capacity for food producers to expand operations



"In addition to selling to more than 400 of our regular customers through our on-site farm stand, we have aggregated product from fourteen farms, delivered to 101 families in Pauma Valley, doubled our distribution in central San Diego, and provided home delivery to 60 neighboring high-risk households. We have requests to serve 400 additional families.

"Clearly, we do not have sufficient staff, packing, storage, and delivery capacity to respond to this quickly escalating demand. More importantly, we do not have the capacity to sustain this emergency response while simultaneously getting new seeds in the ground to ensure adequate food supply for the next season. If we increase our capacity and plant more now, there is no guarantee the demand will be there at harvest time."

—Ellee Igoe, Farmer, Solidarity Farm

Food Security

443,000 people (1 in 7)

number of San Diegans who were already food insecure, pre-pandemic

What's happening on the ground?

- As a result of the economic fallout from COVID-19, demand for food assistance, especially among those working in food and beverage sectors, low-income communities, and communities of color, has increased dramatically.
- School closures are having a devastating impact on our region's ability to address food insecurity. Schools are typically one of our biggest sources of food assistance, providing free and reduced-price meals for 250,000 children and youth in San Diego County. San Diego Hunger Coalition estimates a 75% drop in the number of meals being provided through schools.
- There are record numbers of people needing food assistance who have never faced food insecurity before.
- Demand for CalFresh programs—which are currently providing recipients with the maximum available amount—has doubled, while local food banks and pantries are seeing significant increases in demand. The San Diego Food Bank has experienced a 65% increase in food distribution efforts.

Food Security, continued

- Hunger relief organizations are rapidly adjusting their operations as they onboard new staff and volunteers; increase food purchases, gleaning efforts, and distribution infrastructure; and provide no-touch, pop-up, and food delivery programs. Given that the traditional volunteer base tends to be seniors and/or at-risk individuals, hunger relief organizations are experiencing a significant loss in volunteer capacity.
- As food banks across San Diego County continue to expand their operations to meet the increased demand, others, including gleaning organizations, commercial kitchens, restaurants, caterers, farmers markets, and volunteer efforts, are also stepping up their efforts to get food to those in need.
- Food insecurity rates will continue to rise in parallel with layoffs and unemployment rates, pushing the limits of hunger-relief organizations and food supply chains.



"In the first two weeks alone after the State of Emergency was announced, we conducted 175 food distributions and distributed nearly 600,000 more pounds of nutritious food to seniors, children, families and many people who have never faced food insecurity in their life."

—Jim Floros, President & CEO,
Jacobs & Cushman San Diego
Food Bank

Priority Recommendations for Relieving Food Insecurity

INCREASE FUNDING FOR HUNGER RELIEF



Expand funding and capacity support for food banks, partner agencies, feeding kitchens, and food recovery organizations for food, meal preparation, transportation, equipment, staffing, and supplies

PROVIDE FUNDING FOR LOCAL FOOD PROCUREMENT



Expand funding for hunger relief organizations to purchase food from local farmers

SUPPORT SCHOOLS



Provide financial support and technical assistance to ensure that school districts can continue to provide meals, offset demand fluctuation, offer delivery, create centralized communications, and adapt supply chains

EXPAND AND IMPROVE SNAP AND OTHER PUBLIC BENEFITS



Expand public benefits programs, encourage state and federal agencies to remove access restrictions, and ensure local agencies have sufficient capacity

Moving Forward

The ripple effect and immediate impacts of this pandemic have amplified deep inequities and have significantly disrupted supply chains, highlighting the fragile nature of our current food system. It is clear that it will take many years to recover from this current economic crisis. It is also clear that our future is uncertain.

In the coming months and years, we have a unique opportunity. An opportunity to rebuild and transition to a more sustainable and equitable food system, one that honors food and farm workers, elevates local farms, fisheries, and food businesses, and nourishes everyone, including our most vulnerable communities and communities of color.

As we move forward, the Alliance is committed to supporting the successful recovery of San Diego County's food system and leading the process, through Food Vision 2030, to imagine a stronger, more resilient and more equitable food system—one that will better prepare us for the future. Please join us in reimagining our food system by visiting sdfoodvision2030.org.