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## MassDevelopment loans \$4m to City Fresh Foods for a new production facility

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ROXBURY, MA MassDevelopment has issued \$4 million in loan financing on behalf of City Fresh Foods, the only minority- and employee-owned, minority-led food service company in the Commonwealth. City Fresh Foods will use proceeds to buy and renovate an 18,000 s/f building located at 94 Shirley St. The new facility will allow City Fresh Foods to expand operational capacity from 20,000 meals per day to up to 40,000 meals per day. The organization expects to create an additional 85 full-time jobs over the next five years.

In addition to MassDevelopment's financing, City Fresh Foods worked with the Commonwealth of Massachusetts, City of Boston, South Shore Bank, Massachusetts Housing Investment Corporation,

JP Morgan Chase, The Community Builders, National Development Council, Boston Medical Center, Boston Children's Hospital, and the Lynch Foundation to raise the needed capital to buy, renovate, and build out the new facility at 94 Shirley St. The project funding included equity, debt, New Market Tax Credits, grants, and forgivable patient capital loans.

"City Fresh Foods is a significant local employer in Roxbury whose customers include an impressive network of local nonprofits and community partners," said housing and economic development secretary Mike Kennealy, who serves as chair of MassDevelopment's board of directors. "It is terrific to see MassDevelopment support this company with the financing it needs to establish a larger facility, where it can continue to create jobs and impact for greater Boston."

Founded in 1994, City Fresh Foods has been striving to alleviate food insecurity and improve food equality. The company prepares and delivers meals for institutional customers such as schools, elder-care organizations, and other health-related clients throughout Eastern Massachusetts. The company has a successful employee stock purchase program and hires from within the community to cultivate talent while building sustainable and meaningful careers for their employees, many of whom live in economically challenged neighborhoods.

"This new facility will honor the work and impact that City Fresh Foods' workers and clients have on Roxbury, Boston, and across the Commonwealth," said MassDevelopment president and CEO Dan Rivera. "MassDevelopment is proud to help the City Fresh team fulfill its mission of tackling food insecurity and building wealth in underserved neighborhoods with diverse owners and a diverse workforce."

"City Fresh Foods is a treasured business that ensures Boston's communities have access to healthy food," said Boston mayor Michelle Wu. "This new facility is a great example of what is possible when we use every tool as a City and partner across sectors to help businesses take more ownership of their spaces. I'm grateful to all of our partners for ensuring that a local, Roxbury-based, Black-owned business can continue to deliver for our communities and contribute to Boston's economy."

"Community feeding takes a village," said City Fresh Foods co-founder and CEO Sheldon Lloyd. "These patient capital partnerships with measurable community benefits are sustainable for lenders, the community, the city and the state. The meals and the money stay here. The MassDevelopment partnership provides City Fresh with the capital for infrastructure allowing a local company like us to grow and compete for local contracts against international conglomerates. This investment is truly a positive for all – growing local health and wealth in communities of color."

MassDevelopment, the state's development finance agency and land bank, works with businesses, nonprofits, banks, and communities to stimulate economic growth across the Commonwealth. During FY2022, MassDevelopment financed or managed 356 projects generating investment of more than \$1.69 billion in the Massachusetts economy. These projects are estimated to create or support 11,080 jobs and build or preserve 1,778 housing units.