

CAPITAL CAMPAIGN CASE STATEMENT

Facing impossible choices.

Heartland families have weathered constant hardships since the government shutdown in December of 2018. The historic floods that following March displaced thousands, many of whom continue to rebuild. Then, the onset of the pandemic resulted in a dramatic 89% increase in the number of meals we distributed. People who lost jobs began using up their savings and amassing debt.

Now, many of those returning to work or on a fixed income still find it challenging to make ends meet. Inflation and the lingering effects of pandemic continue to make hunger a daily reality throughout our communities. With skyrocketing food prices, too many of our neighbors are forced to make impossible choices among items needed to survive and thrive—such as paying for food, medicine, utilities, or childcare.

These rising costs, combined with the sunsetting of many pandemic-era government assistance programs, have created a disruption unlike anything we've seen in our 42-year history. In 2022, it cost families 10% more to buy groceries than the previous year, with many items such as meat and eggs seeing a nearly 14% increase. Low-income families are disproportionately affected by these cost increases, spending nearly one-third of their budget on food. From May to June of 2022, we served 40% more households in need.

Food Bank for the Heartland is not immune to these rising prices. Every aspect of our operation is seeing significant cost spikes—from sourcing, purchasing, storing, and distributing food. These cost increases put an additional strain on our staff, our facilities, and those we serve.

Hunger exists in every county in Nebraska and western lowa, but not every individual experiences it in the same way. 1 in 8 people,—including one in 5 children, 1 in 4 Hispanic individuals and 1 in 3 Black individuals—lack consistent access to enough food. As the needs of our communities have evolved, so have we.

A Food Bank FOR the Heartland.

Since 1981, we've been connecting our neighbors in need—across a 78,000-square-mile area—with food, support, and hope. Through a dedicated team and 555 network partners, we're woven into the fabric of the communities we serve. We have grown alongside our neighbors, shared their challenges, and joined in their celebrations.

Food Bank for the Heartland is best positioned to respond to this crisis. Our unique expertise and passion—when aligned with the infrastructure to make it flourish—will change lives and can make a profound positive impact in every community in every county we serve.

When our neighbors are filled with hope and healthy food, they can focus on their families, their farms, their job search, their job performance, their classes, and their futures. When our neighbors thrive, the Heartland thrives.



A new era in food insecurity.

In 2020, Food Bank for the Heartland adopted a new three-year strategic plan and a new mission statement. These support a dramatic shift in our business model that better aligns with the evolving needs of the communities we serve.

- Old Mission Statement: To provide emergency and supplemental food to families in need in Nebraska and western lowa.
- **New Mission Statement:** To eliminate hunger in the Heartland by ensuring consistent access to healthy foods through community partnerships.

This new mission statement shifts the focus away from simply the number of pounds and meals distributed, and instead focuses on consistent access, healthy food, and community partnerships—with an emphasis on providing "Foods to Encourage," which include produce, protein, and dairy. These Foods to Encourage are fundamental to healthy, thriving individuals and families, and they require different processes and infrastructure for them to be safely sourced, stored, packaged, and distributed.

A growing need. An outgrown facility.

The extraordinary levels of food distribution, which dramatically rose in 2020 and continue today, are only made possible through equally extraordinary measures. Work areas have been rearranged and condensed, entire departments have moved to different areas of the building, refrigerated trailers have been leased to store food in our parking lot, and we have secured additional off-site storage. And while these steps were taken to respond to the growing need, they are short-term, limited solutions to problems that are far more deeply rooted.

The size of our warehouse, especially our cold storage areas, greatly limit our ability to safely source, store and distribute food, particularly Foods to Encourage.

Another fundamental—and dangerous—limitation of our current facility is its parking lot. There is a single, difficult-to-navigate thoroughfare that is shared by visitors, food donors, volunteers, and truck drivers. A supporter dropping of a small box of canned goods must compete with an 18-wheeler backing up to a loading dock to pick up pallets of food. This hazard often extends beyond our parking lot, with multiple trucks lined up on the public street as they wait for room to enter. We have leased spaces from our neighboring property for staff parking, which has provided short-term relief, but is insufficient for our growing team and diverts funds from our core mission.

One highlight of our pandemic response was the development of a small USDA-certified "Protein Repack Room," which allows us to accept and process bulk donations of nutrient-rich protein. While the program has been successful, it was built by taking space away from our Volunteer Center, further limiting our volunteers' ability to safely support our mission. And although there is additional product availability and need, our current facility cannot accommodate a Protein Repack Room expansion.

A recent visit from the director of one of our supporting foundations—and someone who has toured other food banks—was shocked at the discrepancy between our facility and our output. He put it best by noting that we "make magic happen with 'nothing."

These issues greatly undermine our ability to distribute healthy food to those who need it most.

Building for our potential.

Recognizing our responsibility to align our infrastructure with our team's expertise, we established that any renovations to our existing building, including an entire rebuild, would not be sufficient. There is simply not enough acreage on our current site to respond to the need over the next 10–15 years.

In late 2020, Food Bank for the Heartland was at an important crossroads. Projections indicated that we had far exceeded the maximum sustainable levels of output within our current facility. To move forward and honor our new mission statement and our commitment to our neighbors in need, it was clear that it was time to embark on a capital campaign.

Over the last three years, the Food Bank—along with our dedicated Board of Directors and community partners—has done an extraordinary amount of research on the site selection for our new space. This due diligence included touring other food banks and similar facilities—and seeking counsel from our partners and Feeding America—to ensure our mission was taken into consideration with each decision. It has been an arduous journey, but we are excited to move forward with our new facility at 84th & L, resulting in a healthier Heartland for years to come. Our new facility will feature:

- Increased storage capacity, especially for cold and frozen food items, allowing us to provide healthier food
 items at a greater capacity.
- A larger Protein Repack Room, allowing us to source and process more much-needed protein that may
 otherwise go to waste, providing greater nourishment for our neighbors in need.
- Increased volunteer space to maximize our community's generosity, allowing for greater output.
- Separate areas for loading and unloading operations and parking for staff, volunteers, and visitors.
- A larger space for our staff, including improved ergonomics and more meeting space to foster collaboration and innovation.
- Easy access to main roads and interstates, allowing for convenient delivery of food across our service area.
- Locating a facility within the core of Omaha, providing convenient access to volunteers, staff, and visitors.

Investing in our mission.

We have a philanthropic goal of \$27 million—and the total scope of the project is \$37 million. Community advocacy and support will be critical in this endeavor.

Project Timeline.

We expect to move into our new building in early 2026. We look forward to working with our generous community to fund this impactful project for Heartland neighbors in need.

Better Together.

We are proud to undertake this endeavor with the power of strong community partnerships. We're working with Project Advocates for owner representation and project management, HDR for architectural design, Darland for construction, Pinnacle Bank for financial expertise, Riekes Equipment for warehouse racking and flow, Colliers for real estate services, and Cline Williams for legal representation. We're also leveraging the expertise of our board member, staff, and a dedicated team of volunteer community leaders.

Together, we will build upon Food Bank for the Heartland's 42-year legacy of steadfast stewardship—and do so in step with the communities we serve.

Join Us!

Be a part of the next chapter of fighting hunger. Together, we are building a healthier Heartland.

