

THE Healthy Food Financing Handbook

FROM ADVOCACY TO IMPLEMENTATION



ACKNOWLEDGMENTS

This report was written by Brian Lang, Caroline Harries, Miriam Manon, Jordan Tucker, Eugene Kim and Sara Ansell of The Food Trust and Pat Smith of The Reinvestment Fund. Support for this document was provided by the Robert Wood Johnson Foundation, based in Princeton, New Jersey. Cover photo by Ryan Donnell.

Suggested citation: Lang B, Harries C, Manon M, Tucker J, Kim E, Ansell S and Smith P. (2013). *Healthy Food Financing Handbook*. Philadelphia, PA: The Food Trust.

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Dear friends,

In 1968, civil rights leader Reverend Leon Sullivan and the community of North Philadelphia built Progress Plaza, now the nation's oldest African-American-owned shopping center. When Progress Plaza opened it was the pride of the community. The plaza included a haberdashery, a dry cleaner, a pharmacy, a hardware store and, anchoring the whole development, a supermarket.

That supermarket was a vital part of North Philly for three decades before shutting its doors abruptly in 1998.

After the supermarket closed, Progress Plaza fell into disrepair. Local residents had to either rely on convenience and corner stores for their food purchases or take multiple buses to reach the nearest supermarket. At the same time, rates of obesity were on the rise.

But the community did not give up. A decade later, with support from the Commonwealth of Pennsylvania and an innovative program called the Fresh Food Financing Initiative (FFFI), Progress Plaza launched a major redevelopment effort.

Co-managed by The Food Trust, The Reinvestment Fund and the Urban Affairs Coalition and championed by State Representative Dwight Evans, the Fresh Food Financing Initiative encouraged supermarket development in underserved neighborhoods like North Philly. The Fresh Food Financing Initiative provided \$1 million in grant funding for predevelopment costs for a new supermarket in Progress Plaza as well as \$1.8 million in loans for equipment financing and \$13.7 million in New Markets Tax Credit financing.

In December 2009, a new 46,000-square-foot Fresh Grocer opened, the first full-service supermarket in the neighborhood in 10 years. In addition to fresh foods, the store brought 225 full-time jobs to the neighborhood with 80 percent of the store's employees living within a two-mile radius of the store.

This revitalization can, and should, happen in communities beyond North Philadelphia. According to the United States Department of Agriculture and researchers nationwide, more than 29.7 million Americans live in communities where it is hard to find healthy, affordable foods. Policymakers and advocates are looking for ways to bring supermarkets and other retail stores selling healthy foods to these underserved communities. Leading public health agencies and experts, including the Centers for Disease Control and Prevention and the Institute of Medicine, support the development of supermarkets in underserved areas as part of a comprehensive strategy to address the childhood obesity epidemic. Other policymakers recognize the potential for supermarket investment to stimulate economic revitalization.

Pennsylvanians have seen firsthand that by working together government, businesses and communities can reduce the disparities related to food access, often known as the grocery gap. Since Pennsylvania's Fresh Food Financing Initiative began in 2004, great strides have been made across the country to encourage the development of supermarkets in the places where

**“We used to have to take
two buses to go shopping.
It was a struggle before...
Now I can run over to
the market and get fresh
things every day to make
from scratch.”**

- Lucinda Hudson, Philadelphia resident

they are needed most. In Pennsylvania, the Fresh Food Financing Initiative has made healthy foods available to more than 400,000 state residents. The 88 projects approved for funding through the initiative also represent more than 5,000 jobs created or retained and much-needed investment in underserved communities.

This handbook lays out a step-by-step approach to developing state and local policies that encourage the development of supermarkets and other healthy food stores in underserved communities.

This approach is based on a successful campaign that was first launched in Pennsylvania and led to the development of the Fresh Food Financing Initiative. As policymakers and community leaders have sought to develop similar programs across the country, Pennsylvania's Fresh Food Financing Initiative has served as a model for how their goals can be accomplished.

National momentum to address this issue is growing. Many cities and states have developed programs investing in new and expanded healthy food retail. The Obama administration, supported by the First Lady Michelle Obama's signature Let's Move! campaign, launched the Healthy Food Financing Initiative at the federal level to promote healthy food access.

This document is intended to be a resource for advocates at public health and community and economic development organizations working to increase the availability of nutritious foods and revitalize their neighborhoods. This handbook is informed by more than 20 years of experience working to support healthier food in communities and is the result of more than 10 years of advocacy work focused on promoting state and local policy change that encourages food retail in underserved regions. It provides a roadmap of the advocacy and implementation processes. Throughout this report, case studies underscore the importance of committed leadership from diverse sectors and highlight what communities can achieve when there is a shared goal of making healthy, affordable food available to people who really need it.

We hope that these strategies to support policy changes and the lessons we've learned provide a useful resource to make fresh and healthy foods available wherever you live.

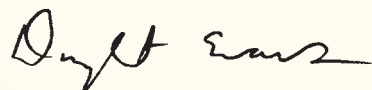
With warm regards,



Yael Lehmann
Executive Director, The Food Trust



Donald Hinkle-Brown
CEO, The Reinvestment Fund



Dwight Evans
Pennsylvania State Representative, 203rd District

Making the Case for Supermarkets:

HEALTHIER COMMUNITIES AND STRONGER ECONOMIES

Research provides clear evidence that our diets and our health are influenced by the foods available in our neighborhoods. According to the United States Department of Agriculture and researchers nationwide, more than 29.7 million Americans live in communities where it is hard to find healthy, affordable foods. This problem impacts residents of urban and rural areas alike—especially those living in lower-income and minority communities. When compared with higher-income areas, lower-income communities have fewer supermarkets and other retail outlets that provide a wide selection of affordable, nutritious foods. Instead, they are typically dominated by convenience stores and fast food restaurants. Stores in these communities are less likely to stock healthy foods than those in higher-income communities.

Research also demonstrates the economy of lower-income communities is positively influenced by the development or presence of a grocery store, which can create jobs, stimulate investment in the neighborhood and anchor complementary retail. Highlighting the dual health and economic impacts of stores in communities has been key to achieving policy responses to the issue across the country and at the federal level.



Photo by Ryan Donnell.

Healthier Communities

In partnership with PolicyLink, a research and advocacy organization, The Food Trust published *The Grocery Gap: Who Has Access to Healthy Food and Why It Matters*, a comprehensive review of more than 120 studies that examine the availability of healthy food and its relationship to diet, health outcomes and economic revitalization. This review found that studies overwhelmingly indicate that people who live farther away from a supermarket suffer from disproportionately high rates of obesity, diabetes and other diet-related health issues. In contrast, when people live closer to a supermarket, they eat more fruits and vegetables and are more likely to maintain a healthy weight.

“We have a health crisis in this country, in terms of obesity, diabetes, heart disease and high blood pressure, that is disproportionately impacting lower-income people and communities of color,” said Angela Glover Blackwell, founder and CEO of PolicyLink. “Nationally, only 8 percent of African Americans currently live in a census tract with a supermarket, and far too many Blacks and Latinos reside in areas underserved by a grocery store.”

Leading health experts, including both the Institute of Medicine and the Centers for Disease Control and Prevention, have independently recommended that increasing the number of supermarkets in underserved areas would reduce the rate of childhood obesity in the United States. They also suggest that state and local governments should create incentive programs to attract supermarkets to these neglected neighborhoods.

SUPERMARKETS: HEALTH IMPACTS

- *Supermarkets close to adolescents' and children's homes are associated with lower rates of being overweight.*
- *Communities without a supermarket have higher rates of diabetes and other diet-related deaths.*
- *Residents living in neighborhoods with at least one supermarket have been found to consume up to 32 percent more fruit and vegetables than those living in neighborhoods without a supermarket.*

(THE GROCERY GAP, 2010)

Stronger Economies

In addition to increasing access to healthy foods, new and improved supermarkets and grocery stores can help revitalize lower-income neighborhoods because they generate foot traffic and attract complementary services and stores, such as banks, pharmacies and restaurants. A 2008 study by The Reinvestment Fund found that employees at urban supermarkets in distressed areas tended to live nearby. By employing local residents, supermarkets create jobs for those who need them most and help create a virtuous cycle, which enables local residents to increase economic activity within their community.

SUPERMARKETS: ECONOMIC IMPACTS

- *New supermarkets can generate more than 250 jobs per store, plus additional construction jobs.*
- *Supermarkets have been shown to increase housing values in the surrounding neighborhoods and generate substantial tax revenues.*
- *For development projects, supermarkets can serve as a vital commercial anchor to attract other retailers to a specific location.*

(THE GROCERY GAP, 2010)

Engaging Local and State Stakeholders in Policy Change

This section discusses how advocacy efforts lead to policy changes on the local and state level to support healthy food retail. (To learn more about how federal programs are assisting retailers to improve access to healthy foods in underserved communities, see “Scaling Up to the National Level,” page 32.)

Although every community is different, this four-phase approach to developing state and local policies that encourage the development of supermarkets and other healthy food stores in underserved communities has succeeded in regions across the country. These phases include 1) conducting mapping research to develop a base of knowledge on the subject and highlight areas in need; 2) engaging a targeted group of leaders to work on the problem; 3) developing a series of recommendations for changes to public policies; and 4) stimulating change by advancing these policy recommendations.

Phase 1: Prepare and Inform

In the first phase you compile quantitative evidence, create maps and work with community members to demonstrate the need for more supermarkets in underserved areas. These materials will later prepare and inform key stakeholders. Conducting background research lays the groundwork for a successful campaign.

Phase 2: Engage and Empower Stakeholders

In the second phase you recruit a diverse group of local leaders from multiple sectors, including nonprofit, business, public health, financial and economic development professionals.

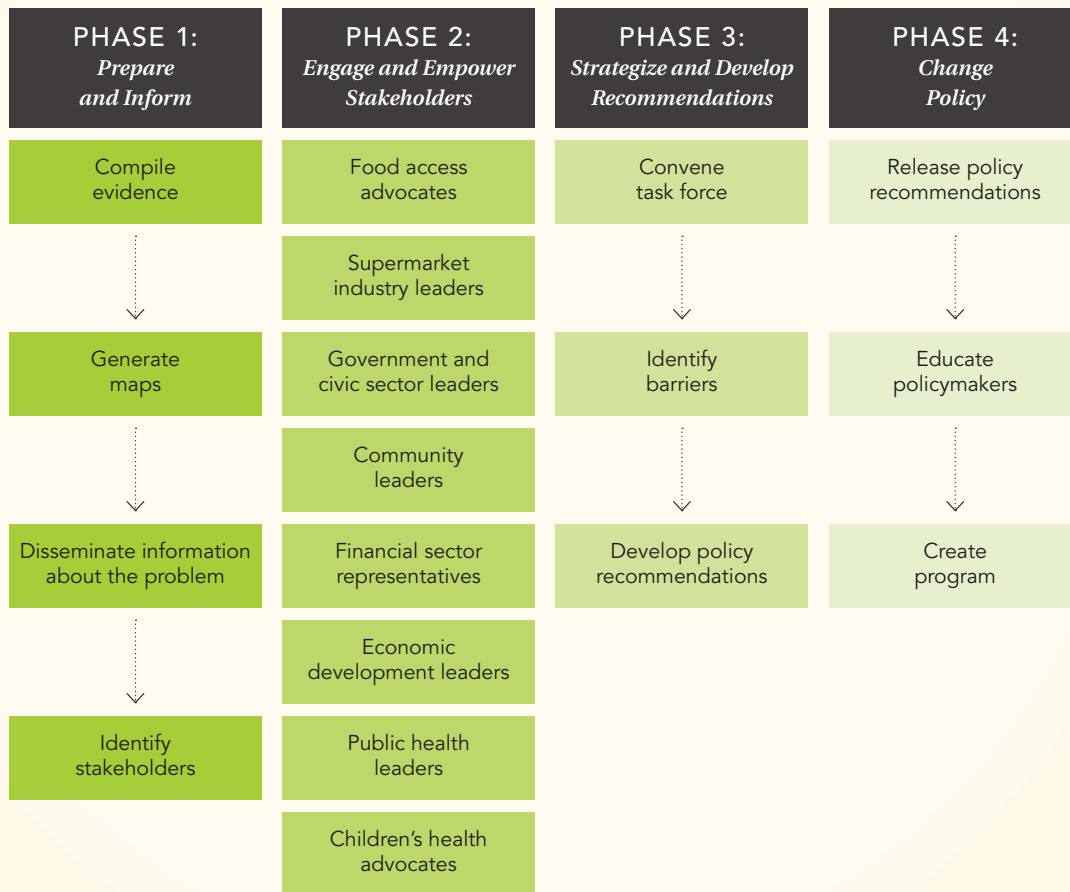
Phase 3: Strategize and Develop Recommendations

In the third phase you convene a multi-sector task force to examine the barriers to grocery development in underserved areas. Task force members strategize and design a specific set of policy recommendations to promote food retail development in their area.

Phase 4: Change Policy

In the fourth phase you release policy recommendations in a final report issued by the task force that educates policymakers about methods to address the grocery gap at the city and state levels.

OUTLINING THE PROCESS



Phase 1: Prepare and Inform

Conducting background research is essential to improving food access in underserved communities. This phase lays the groundwork for a successful campaign by compiling an evidence base, creating maps and working with community advocates to identify areas that are lower income, lack healthy food retail and have particularly high rates of diet-related diseases.

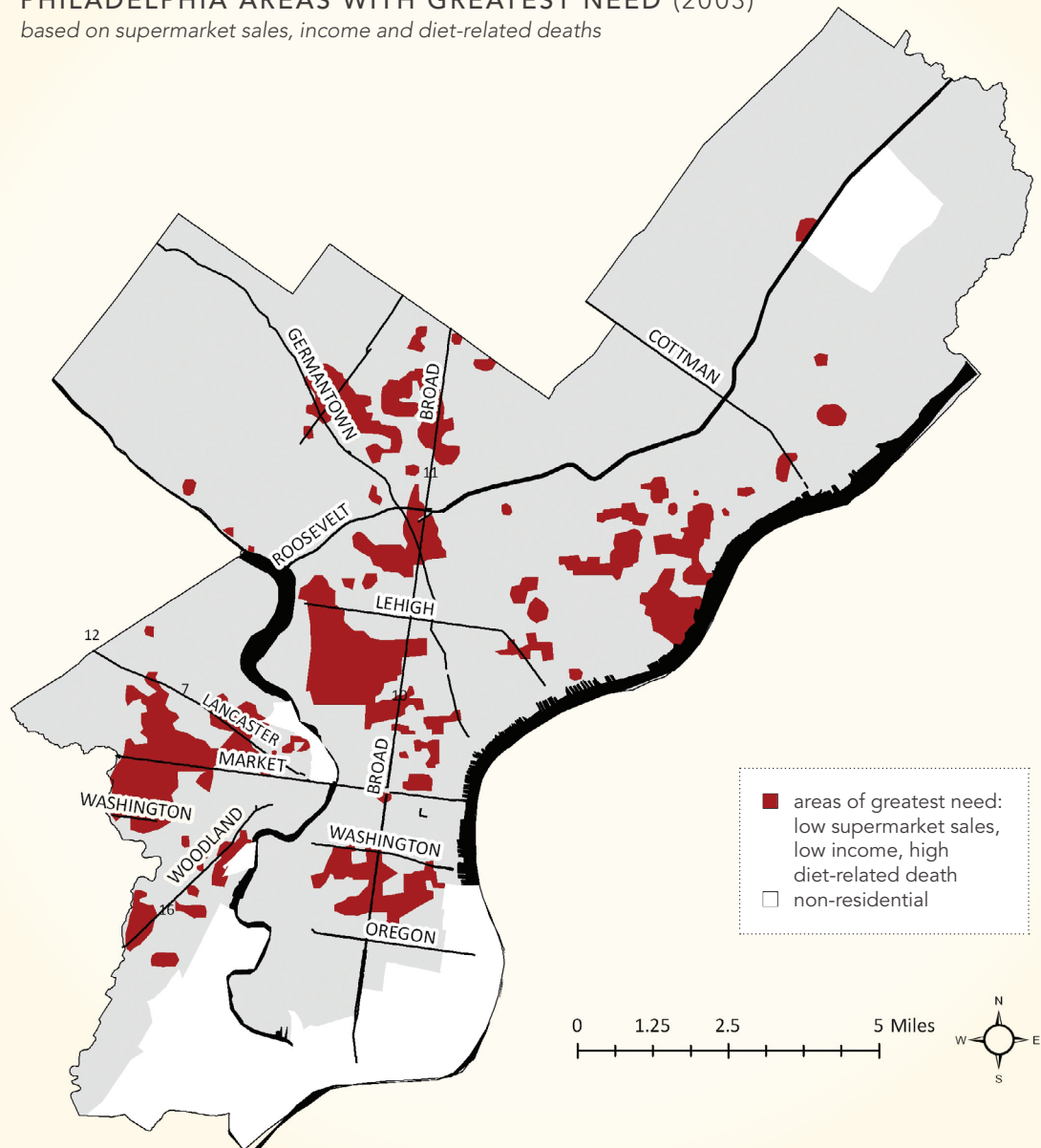
RESEARCH AND DOCUMENT THE PROBLEM

While there are many compelling issues related to food access and nutrition, developing a common understanding of the problem makes it easier to work towards a solution. Research on the availability of supermarkets, including sales density, square footage and number of per capita supermarkets in a specified area, can lead to the creation of maps that lay the groundwork for an evidence-based advocacy campaign.

Mapping software, such as Geographic Information Systems (GIS), can present multiple layers of information, such as food store location, sales density, health statistics and demographic data, in

PHILADELPHIA AREAS WITH GREATEST NEED (2003)

based on supermarket sales, income and diet-related deaths



an easy-to-understand, visual format that resonates with a variety of leaders. It can be helpful to partner with mapping experts. Researchers, urban planners and GIS professionals at local academic institutions can create maps that show the relationship between income, supermarket sales and diet-related deaths. These maps provide a clear and compelling visual representation of a complex problem by demonstrating that many lower-income communities suffer from high rates of diet-related deaths and lack access to grocery stores.

In Philadelphia, maps helped build the case that the need for supermarkets was urgent. They helped rally economic development professionals, planners, government officials, health advocates and other stakeholders who had not previously thought of supermarkets as a public health issue.

DISSEMINATE INFORMATION ABOUT THE PROBLEM

Compiling maps and research in a report and broadly disseminating it to government officials and other public and private sector leaders helps to inform others about of the problem and serves as a catalyst for change. By providing readers with an overview of the issue, these materials make the case that the public sector can—and must—address the lack of access to healthy food in underserved communities. The release of a report provides an opportunity for community members to testify at public hearings. Local leaders can also present the issue to local legislatures to highlight the need for more supermarkets and address shortages through policy change. Public hearings show policymakers that local community members are concerned about the problem and that there is broad community support for finding solutions.

Some keys to success for this phase include:

Find Reliable Data Sources

Finding reliable data sources can be difficult and time consuming. You can reach out to local researchers and partners in the academic community who can help facilitate this process. Public and proprietary health data (including morbidity and mortality statistics) and supermarket and demographic data can be collected or purchased from a variety of sources, including city and state health departments, the Centers for Disease Control and Prevention, the United States Department of Agriculture Food Atlas, the U.S. Census and national retail databases compiled by market research and demographics firms, such as Nielsen Trade Dimensions.

Create Clear Maps

Mapping a community's fresh food picture alongside health and economic data paints a visual portrait of need. It is important to ensure that maps are clear and easy to understand. GIS maps can capture, store, analyze, manage and present data with reference to geographic location. You can partner with a GIS mapper to add credibility and enhance the quality of the maps created. The ideal partner is someone who creates maps professionally, such as in a mapping center or urban planning department at a nearby university.

Foodtown

Mount Vernon, New York



In Mount Vernon, New York, the state's Healthy Foods & Healthy Communities (HFHC) Fund is helping to bring healthy foods to the city's downtown district, a densely populated, lower-income area where the majority of schoolchildren qualify for free or reduced price school meals. Foodtown is a full-service supermarket located in this community and with financing from the HFHC Fund, the store's owner, Esmail Mobarak, will soon complete a full renovation of the store to increase access to fresh foods in the neighborhood. The renovation will include the installation of energy-efficient lighting and equipment and the expansion of Foodtown's perishable departments by 3,000 square feet to accommodate a greater variety of produce, fish and meat. These changes to the physical layout of Foodtown will expand Mobarak's capacity to serve his clientele and improve food access for children and families in the neighborhood.

IMPACT

- 18,000 square feet of improved/expanded healthy food retail space
- 6,000 people served
- 50 jobs created or retained

HFHC PARTNERS

- Empire State Development Corporation
- Goldman Sachs Group, Inc.
- New York State Department of Agriculture and Markets
- New York State Health Foundation
- The Reinvestment Fund
- Low Income Investment Fund
- The Food Trust

From <http://www.lifund.org/projects/healthy-food-markets/foodtown/>

Develop a Compelling Story

Maps and data are most effective when they are used to build a clear and compelling story about the local food environment. However, it is also important that your story has a human component. Integrating the needs of community members is key to ensuring your effort has powerful talking points that describe your maps and the problems they depict.

Phase 2: Engage and Empower Stakeholders

To achieve policy change, it is useful to align yourself with other organizations and individuals with similar goals. The “Engage and Empower Stakeholders” phase involves connecting a diverse set of stakeholders, including supermarket industry executives, public health and economic development officials, children’s advocates, community leaders and civic sector leaders, in order to build consensus about how to improve health and revitalize communities.

Successfully establishing policies to encourage supermarket development requires the leadership, knowledge and support of high-level leaders from the public, private and civic sectors. Convening a task force to address the grocery gap can move these stakeholders to identify public policy solutions. Such a task force is a useful way to engage leaders in different sectors that do not typically interact.

THE IMPORTANCE OF MULTI-SECTOR PARTNERSHIPS

Convening a multi-sector task force to examine the barriers to supermarket development in underserved communities is one strategy that has successfully generated policy change in Pennsylvania, New York, Illinois, New Jersey and Louisiana. The participation of leaders from these key groups is central to this process:

Food Access Advocates

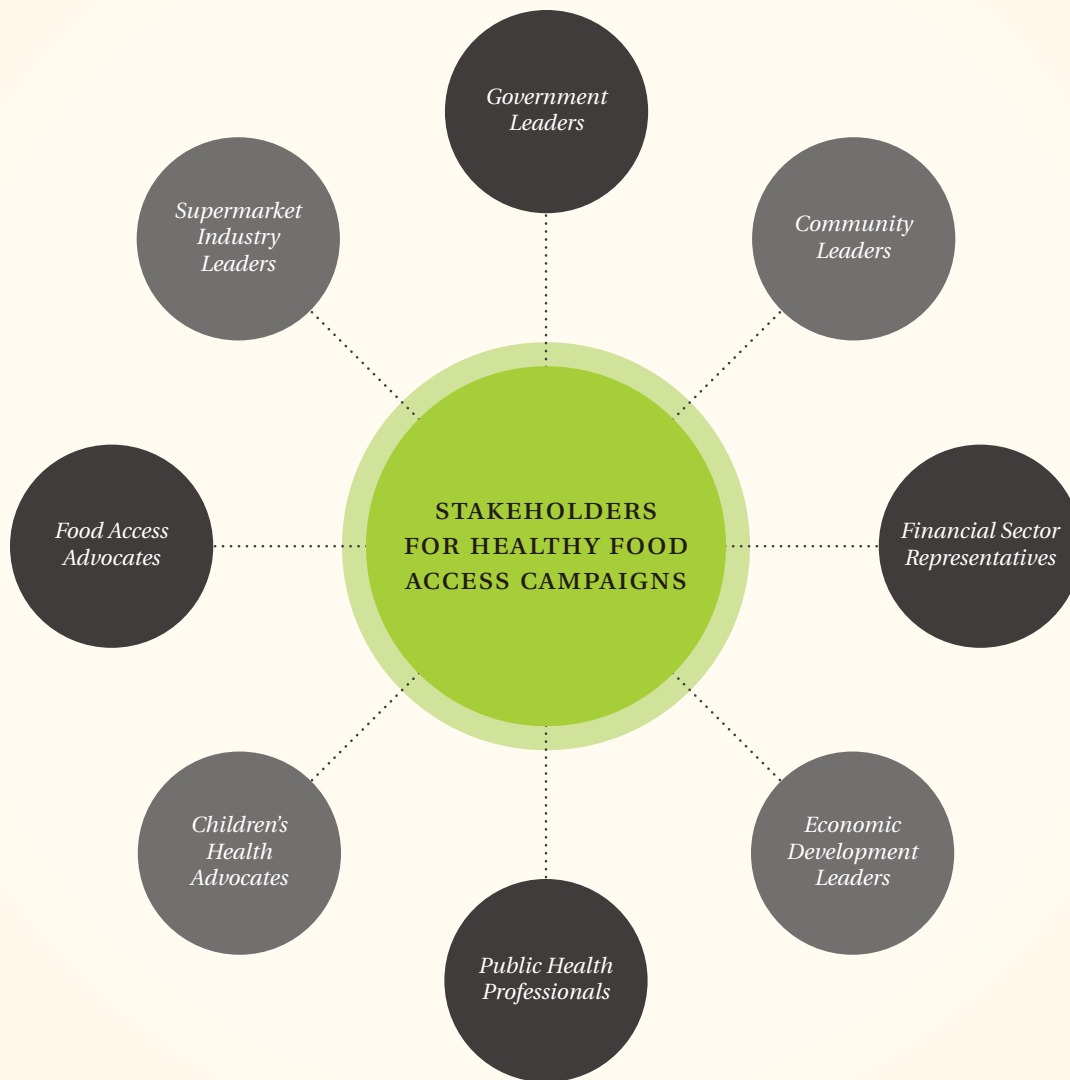
Nonprofit organizations working to improve access to healthy food, also known as food access organizations, have convened state and local task forces focused on the issue of improving access to healthy food retail. These organizations can help ensure that policy recommendations developed by the task force remain on track to impact specified areas of need.

Supermarket Industry Leaders

The participation of supermarket industry leaders is central to the success of this process. Food retailing associations, which advocate on behalf of their members for regulatory and legislative matters, have played key roles convening and leading state and city task forces. For example, representatives from the Food Industry Alliance of New York, the Louisiana Retailers Association, the Illinois Food Retail Association and Illinois Retail Merchants Association played a critical role in the advocacy process in their respective states and helped navigate the local political environment. In addition, including a diverse group of representatives from the grocery industry—both chain and independent retailers as well as wholesalers—brings essential perspectives to the task force.

Government Leaders

Government leaders can play a critical role in efforts to improve food access. For example, in New York City Mayor Michael Bloomberg and City Council President Christine Quinn were committed to addressing the problem of food access, and the city’s Food Policy Coordinator engaged local leaders and co-convened the task force. Leadership from city and state agencies working in public health, economic development and planning are valuable voices at the table. Although educating



ected officials about the group’s effort to improve access to healthy food retail is important, it is not necessary to invite them to sit on the task force itself; this can protect the work from being influenced by political concerns.

Community Leaders

Community leaders and similar advocates working on the ground in regions represented by the task force are vital to the success of the process. These individuals can provide local insight to ensure that policy recommendations and future retail development are best suited for each specific community. These leaders have testified at city and state council hearings about roadblocks residents in their community face when attempting to access healthy and affordable foods.

Financial Sector Representatives

Community Development Financial Institutions (CDFIs) and similar banking institutions play a key role administering local, state and national healthy food financing programs. (See “The Role of the

MyTown Marketplace

Highland Falls, New York



Husband and wife Albert Rodriguez and Lisa Berrios reopened a vacant supermarket in the village of Highland Falls in New York's mid-Hudson region. The area is home to a large population of seniors and families. When the local supermarket closed in 2010, the mayor and town provided residents with weekly bus service to the nearest grocery store, which was 11 miles away. Financing from the New York Healthy Food & Healthy Communities (HFHC) Fund (\$300,000 in grant funding) enabled Rodriguez and Berrios to reopen the store and make improvements needed for an expanded produce department. MyTown Marketplace opened in October 2011 and provides eight full-time and 19 part-time jobs to local residents.

IMPACT

- 16,000 square feet of improved/expanded healthy food retail space
- 5,300 people served
- 27 jobs created or retained

HFHC PARTNERS

- Empire State Development Corporation
- Goldman Sachs Group, Inc.
- New York State Department of Agriculture and Markets
- New York State Health Foundation
- The Reinvestment Fund
- Low Income Investment Fund
- The Food Trust

Community Development Financial Institution,” page 29.) Their participation in the policy development and advocacy process can ensure that policy recommendations developed by the task force are financially feasible for state and local governments and provide viable investment opportunities for private lenders.

Economic Development Leaders

Economic development leaders, including representatives from community development corporations and local chambers of commerce, have proven to be great partners when it comes to advocating for greater access to healthy food retail in underserved communities. These leaders have a stake in local communities and can speak to the needs in specific neighborhoods and key obstacles to improving food access.

Public Health Professionals

Public health professionals, including representatives from government health agencies and nonprofit organizations and practicing physicians, can help frame how the lack of healthy food retail in lower-income neighborhoods is a critical problem that impacts the health and well-being of communities. These individuals have the knowledge and expertise to convey a clear message about the health impacts of nutritious foods and the medical costs tied to obesity and diet-related diseases.

Children's Health Advocates

Local children's advocacy organizations with a strong commitment to the health and well-being of children and experience leading statewide advocacy campaigns can be strong partners in this process. Voices for Illinois Children, for example, partnered with The Food Trust to convene the Illinois Food Marketing Task Force which led to the creation of the Illinois Fresh Food Fund. Voices for Illinois Children helped to frame the issue of poor access to supermarkets in lower-income neighborhoods in the state as a critical problem facing children's health.

Some keys to success for this phase include:

Researching existing efforts

Gain an understanding of past and current efforts in your area around supermarket development and food access, such as food policy groups and councils. Existing efforts may provide useful information about

From <http://www.litfund.org/projects/healthy-food-markets/mytown-marketplace/>

the community's needs, potential barriers, currently employed strategies and potential partners.

Tailoring your language to different stakeholders to achieve a common goal

Throughout the process of building relationships with stakeholders, customize your message to your audience in order to cultivate relationships with individuals from diverse sectors. For example, emphasizing the data on job creation and private sector leverage will interest economic development officials, whereas presenting studies linking supermarket access with increased fruit and vegetable consumption will help to engage health and children's advocates.

Phase 3: Strategize and Develop Recommendations

The third phase involves convening a task force to examine the barriers to grocery development in underserved areas and to strategize and design a specific set of policy recommendations to promote food retail development.

FACILITATING TASK FORCE MEETINGS

Creating change in the food environment requires the input of stakeholders from a variety of sectors. A great way to facilitate these conversations is to convene a series of well-structured meetings. Such gatherings provide a rare opportunity for leaders from diverse backgrounds to meet, share knowledge and develop solutions to common problems in their communities. These individuals do not traditionally work together, so meetings need to be facilitated by talented leaders who can keep the discussion focused.

Choosing the right leaders to guide the conversation is key to effectively facilitating the meetings. Typically, task forces initiated across the country have been jointly chaired by an executive from the supermarket industry and a widely respected leader from a nonprofit civic organization. The industry co-chair provides a grounded connection to the challenge of building and operating markets in underserved areas. The second co-chair ensures that

SAMPLE TASK FORCE PROCESS

Before meetings:

- A series of conference calls is held with partners and co-chairs to review the agenda and establish clear goals for the process.

Between meetings:

- Project staff contact task force members to ensure their perspectives are understood.

Meeting 1:

- Articulates evidence of the problem
- Fosters discussion focused on the need for action and the barriers to supermarket development

Meeting 2:

- Provides an overview of key barriers to supermarket development
- Shifts focus toward solutions

Meeting 3:

- Crafts policy recommendations and includes presentations on strategies for stimulating supermarket development
- Drafts a set of recommendations based on meeting discussion and follow-up conversations

Meeting 4:

- Approves a final set of recommendations and considers next steps in the advocacy process

SUCCESS STORIES: TASK FORCE RECOMMENDATIONS BECOME POLICY

Creating New York's Healthy Food & Healthy Communities Fund

In June 2006, a study conducted by New York City's Department of Health and Mental Hygiene found that 80 percent of the food stores in lower-income communities in New York City were convenience stores, and only 10 percent of them sold leafy green vegetables. As a result, Mayor Michael Bloomberg and City Council Speaker Christine Quinn began a concerted effort to bring more healthy foods to these neighborhoods. These early efforts to improve healthy food access led to an understanding of the need for statewide intervention. With funding from the Friedman Foundation, The Food Trust worked with partners including the New York City's Food Policy Coordinator, the Food Bank of New York City, the New York City Council and the Food Industry Alliance of New York to convene the New York Supermarket Commission. This commission brought together over 40 experts from the private, public and civic sectors to address the need for greater healthy food access in neighborhoods statewide.

The commission developed and championed nine recommendations which were issued in a report to policymakers and the public. In response to the work of the commission, Governor David Paterson created the \$30 million Healthy Food & Healthy Communities Fund, seeded with \$10 million from the State of New York. The fund provides grants and loans to open or expand supermarkets in underserved communities throughout the state. The program is administered as a public-private partnership by the Low Income Investment Fund in partnership with The Reinvestment Fund and The Food Trust. The Paterson administration also tailored several existing incentive programs to better serve the supermarket industry and other fresh food retailers.



Changes also took place on the local level following the release of the commission's policy recommendations. In New York City, the Department of City Planning created the Food Retail Expansion to Support Health (FRESH) initiative, which uses a variety of tax incentives and zoning enhancements, such as real estate tax reductions, density bonuses, sales tax exemptions and as-of-right development in manufacturing districts. These targeted incentives are available to supermarkets investing in lower-income, underserved neighborhoods across the city. Additionally, the State Department of Health provided a grant that enabled New York City to hire a food policy coordinator to attract supermarkets and help grocers navigate the permitting and approval process.

Creating the New Orleans Fresh Food Retailer Initiative

In New Orleans, the flooding and damage caused by Hurricane Katrina in August 2005 resulted in the closure of many supermarkets. While the availability of fresh produce was already limited in many New Orleans neighborhoods prior to Hurricane Katrina, the situation deteriorated after the storm. More than half of the grocery stores in the city closed. A 2007 study conducted by

Tulane University's Prevention Research Center found that nearly 60 percent of lower-income residents reported that they had to drive more than three miles to reach a supermarket, yet only half owned a car. Without convenient access to a nearby supermarket, many residents reported relying on convenience stores that carried little, if any, fresh produce.

To address this issue, advocates including The Food Trust, Tulane University's Prevention Research Center, Second Harvest Food Bank of Greater New Orleans and Acadiana, The Louisiana Public Health Institute, the New Orleans Food and Farm Network, The Renaissance Project, the New Orleans Department of Public Health and others led the way for a public hearing about the problem before the New Orleans City Council in April 2007. In response to the information and recommendations presented by advocates, the New Orleans City Council unanimously approved a resolution to create the New Orleans Food Policy Advisory Committee.

This multi-sector task force, which included representatives from the supermarket industry, public health professionals, banking and financial leaders, local food and child welfare proponents, hunger and poverty advocates, economic development professionals and government officials, studied the food access issue in New Orleans. In turn, they were asked to develop policy recommendations to increase the number of supermarkets and other fresh food retail stores in underserved areas.

Policy recommendations developed by the task force led to the creation of the New Orleans Fresh Food Retailer Initiative, a funding program dedicated to grocery and other fresh food

retail operators interested in creating or expanding stores in lower-income, underserved areas throughout the city. The City of New Orleans contracted with Hope Enterprise Corporation, a CDFI, and The Food Trust to implement and

administer the program. HOPE matched the city's initial seed investment of \$7 million, creating a \$14 million dollar program to support grocers and other healthy food retailers. (See "Healthy Food Financing Programs," page 38.) The program has since supported multiple projects throughout the city, including funding approved for the reopening of the iconic Circle Food Store in the city's 7th Ward, an area greatly impacted by Hurricane Katrina. (See "Success Story: Circle Food Store," page 20.)



“Circle Food served the community for many years, and I look forward to bringing this institution back to the serve the community once again... The city’s support of Circle through the Fresh Food Retailer Initiative and Economic Development Fund will help me do just that.”

- Dwayne Boudreaux, Owner of Circle Food Store in New Orleans

Circle Food Store

New Orleans, Louisiana



In 2012, Mayor Mitch Landrieu announced significant funding from the New Orleans's Fresh Food Retailer Initiative (FFRI) to reopen the iconic Circle Food Store. The Circle Food Store, incorporated in 1938 as the first African-American-owned store in the country, was a historic mainstay in the community for decades before it closed after Hurricane Katrina. FFRI provided a \$1 million loan, including a \$500,000 forgivable portion. The financing bridged a critical funding gap for the store's redevelopment and will create an estimated 75 new jobs for the local neighborhood. "Circle Food served the community for many years, and I look forward to bringing this institution back to serve the community once again," said owner Dwayne Boudreaux, who is a native of New Orleans. "The city's support of Circle through the Fresh Food Retailer Initiative and Economic Development Fund will help me do just that." Circle Food Store is scheduled to reopen in 2013.

PROJECTED IMPACT

- 17,000 square feet of improved/expanded healthy food retail space
- 28,600 people served
- 75 jobs created or retained

FFRI PARTNERS

- City of New Orleans
- Hope Enterprise Corporation
- The Food Trust

task force members hear the community perspective and helps bridge the gap between diverse sectors. Successful civic sector co-chairs have included leaders from organizations such as the United Way who have experience working with both business and community leaders.

Limiting the scope of the meetings and focusing on supermarket shortages in underserved communities helps engage stakeholders, such as supermarket operators, who may not typically be involved in broader discussions about public health, food security or childhood obesity. In many communities there may be existing councils or committees focusing on food policy or food security issues. While engaging stakeholders involved in these efforts is often essential, there are advantages to creating a new task force specifically designed to address the need for more supermarkets in lower-income communities. Focusing on this common goal helps to engage industry leaders and permits task force members to put aside other differences and come together around a shared objective.

Through facilitated discussions and presentations from supermarket leaders, real estate developers, and public health and economic development leaders, task force participants build their understanding of the barriers to supermarket development in underserved communities and possible solutions. The ultimate goal is to achieve consensus around a set of recommended policy changes to help retailers overcome the barriers to entry and get stores into the areas where people need better access to healthy food the most.

Some keys to success for this phase include:

Maintaining focus

Maintaining a clear focus on supermarket development can be a challenge throughout your task force process. Other issues relevant to food and health, such as local food systems, nutrition education and emergency food, can steer the task force away from its stated objective. Though there are many worthy causes related to healthy food availability, focusing on children's health and preventing obesity helps to facilitate consensus about a set of targeted policy recommendations.

BARRIERS AND SOLUTIONS

Overcoming Barriers to Supermarket Investment

Encouraging healthy food retailing in underserved areas requires identifying the barriers to supermarket development and creating appropriate policy solutions. Below is a list of common barriers to development and recommended solutions for overcoming those barriers.

BARRIERS	SOLUTIONS
<p><i>Lack of sufficient capital</i></p> <p>Grocery operators in both urban and rural areas cite lack of access to flexible financing as one of the top barriers hindering the development of stores in underserved areas. This challenge especially impacts independent and regional supermarket operators.</p>	<p><i>Committing financing</i></p> <p>Dedicated funds—in the form of grants and loans—stimulate the development, renovation and expansion of supermarkets, support workforce training and offset development and construction costs.</p>
<p><i>Costly site assembly</i></p> <p>Urban sites typically require a developer to demolish existing buildings or clean environmentally contaminated sites. Assembling a site large enough for food retail outlets often requires pulling together numerous parcels of land, significantly increasing the complexity of development.</p>	<p><i>Prioritizing food retail</i></p> <p>A strategic plan could include such things as centralized project management for food retail projects, customized market information about specific development opportunities and the coordination of retail initiatives with neighborhood needs.</p>
<p><i>Higher development costs</i></p> <p>In many urban areas developers plan for up to 30 percent higher costs than in nearby suburbs. Construction costs are often higher and development process can take longer and cost more because of an often cumbersome approval and permitting process.</p>	<p><i>Reducing regulatory barriers</i></p> <p>Government can show preference to grocery development by expediting approval processes, thereby reducing project costs. Creating a single point for interacting with government would help operators navigate the complex process of developing stores.</p>
<p><i>Workforce development needs</i></p> <p>Full-service grocery stores require highly skilled and trained employees in their specialty departments.</p>	<p><i>Targeting new and existing programs</i></p> <p>New and existing workforce programs should ensure that a quality workforce is available for grocery retailing in a community. Programs can be targeted for grocery retail.</p>

DaFresh Seafood and Produce Store

New Orleans, Louisiana



In New Orleans, DaFresh Seafood and Produce Store was the first recipient of funding assistance from the Fresh Food Retailer Initiative (FFRI). Owner and local resident Douglass Kariker will use the \$117,000 loan (\$11,700 of which is forgivable) for construction, equipment and inventory to open a new market selling fresh and local foods in the Central City neighborhood of New Orleans. Part of the fund also will go toward employee training for DaFresh's eight employees. Managed by a native New Orleanian, DaFresh is the first of many healthy food retail projects that will benefit from FFRI, providing economic and health benefits for New Orleans's residents.

IMPACT

- 500 square feet of improved/expanded healthy food retail space
- 4,800 people served
- 8 jobs created or retained

FFRI PARTNERS

- City of New Orleans
- Hope Enterprise Corporation
- The Food Trust

Cultivating champions

Achieving a robust policy response requires that influential leaders become advocates for the issue. Therefore, you need to empower stakeholders to become champions of solving the problem through the policy recommendations. Leaders from the supermarket industry, public health, economic development and civic sectors are all critical to promoting and achieving meaningful policy change.

Phase 4: Change Policy

The "Change Policy" phase includes releasing policy recommendations in a final report widely disseminated by the task force. In this phase you will also educate policymakers about strategies to address the grocery gap at the city and state levels.

ISSUING POLICY RECOMMENDATIONS

The task force process culminates in the release of a report highlighting a set of policy recommendations that state and local governments can adopt to stimulate supermarket development in underserved areas. While policy recommendations vary in response to local challenges, recommendations frequently include prioritizing food retail in the comprehensive development of communities; targeting existing economic development and workforce training programs to the supermarket industry; reducing regulatory barriers to the development of stores; and committing financing to help overcome the high costs of locating supermarkets in underserved neighborhoods. A final report including the policy recommendations is issued by the task force and distributed to policymakers at the state and local level, the media and the public. Task force members champion the recommendations through media events, meetings with policymakers and other forums for promoting policy change.

WHEN RECOMMENDATIONS BECOME A REALITY

Targeted, multi-sector advocacy campaigns help create successful policy change, and the involvement of key champions can help achieve robust support

for recommendations. As a result of this task force process, Pennsylvania's Fresh Food Financing Initiative (FFFI) was created with a \$30 million state contribution. Following similar task force processes Illinois and New York each invested \$10 million to create statewide healthy food financing programs—the Illinois Fresh Food Fund and New York's Healthy Food & Healthy Communities Fund—modeled on FFFI. In New Jersey, the Robert Wood Johnson Foundation provided a \$12 million investment in the New Jersey Fresh Food Access Initiative, which was an addition to the state's \$3 million investment in the program. At the city level, New Orleans invested \$7 million in federal Disaster Community Development Block Grant funds to create the Fresh Food Retailer Initiative, and New York City created the FRESH initiative to provide targeted financial and zoning incentives, sales, tax exemptions and as-of-right development in manufacturing districts. (See "Healthy Food Financing Programs," page 38.)

These programs, created as a result of task force recommendations in each state, have helped to bring supermarkets and grocery stores to the communities that need them most.

Some keys to success for this phase include:

Remaining attentive to local circumstances

Your community is unique and task force members and leaders should advocate for policy recommendations in a manner that pays attention to your local circumstances. In New York City, for example, zoning challenges were particularly onerous, so the state task force recommendations placed a special emphasis on incorporating zoning incentives into the New York City FRESH initiative, which was another outcome of the New York task force process.

Motivating task force members to take ownership of the recommendations

Creating a new program involves deliberation at various levels of government and it is critical that task force members are actively engaged in this process. Task force members can champion policy change by testifying at public hearings, educating policymakers and elected officials and engaging the media.

Fresh Grocer

New Brunswick, New Jersey



In New Brunswick, the New Jersey Food Access Initiative (NJFAI), a statewide grocery financing program, provided partial funding for Fresh Grocer, the city's first full-service supermarket in two decades. The NJFAI was created in response to the New Jersey Food Marketing Task Force's policy recommendations. The New Jersey Economic Development Authority seeded the program with \$3 million, which was combined with a \$12 million program-related investment from the Robert Wood Johnson Foundation. The new Fresh Grocer will serve as an anchor for Wellness Plaza, a development project designed to increase the health and quality of life for community members and serve as a model for community development. The plaza will also include an aquatic center and the Robert Wood Johnson University Hospital Wellness Center.

PROJECTED IMPACT

- 48,000 square feet of improved/expanded healthy food retail space
- 10,000 people served
- 300 jobs created

NJFAI PARTNERS

- Robert Wood Johnson Foundation
- New Jersey Economic Development Authority
- City of New Brunswick
- The Reinvestment Fund
- The Food Trust

Implementing Change: Managing a Healthy Food Financing Program

Pennsylvania's Fresh Food Financing Initiative was a first-of-its-kind endeavor. Since its creation in 2004, it has informed the development of similar programs in many states, including New York's Healthy Food & Healthy Communities Fund and the New Orleans Fresh Food Retailer Initiative, and the Healthy Food Financing Initiative at the federal level. (See "Healthy Food Financing Programs," page 33.) As awareness grows of the need for more supermarkets in many communities, the successful program will continue to serve as an example for efforts to improve healthy food access.

The FFFI owes its robust outcomes—improved food access for more than 400,000 people—to the advocacy campaign that led to its creation and its innovative structure: a public-private partnership managed by experienced partners. This section provides detailed information about managing a healthy food financing program like FFFI, including how the program can be marketed, how applicants can be evaluated, how additional funds can be leveraged, how different financing tools can be used, how projects can be underwritten and some keys to success learned from Pennsylvania's FFFI.



The Fresh Food Financing Initiative has had measurable impact over a short period of time. From 2006 to 2010 the program approved funding for 88 projects across the state, creating or retaining more than 5,000 jobs and developing 1.67 million square feet of retail space. These projects are estimated to have improved access to healthy food for more than 400,000 Pennsylvania residents. The program structure and its impact have been lauded by Harvard University's Ash Center as one of the Top 15 Innovations in American Government.

Pennsylvania's Fresh Food Financing Initiative: Top 15 Innovations in American Government

- Harvard University,
Kennedy School of Government,
Ash Center for Democratic Governance

Pennsylvania's Fresh Food Financing Initiative has been hailed for its flexibility and ability to serve a diverse constituency. Healthy food retail projects financed through FFFI range in size from large, full-service supermarkets in urban neighborhoods to small grocery stores in rural areas. Included in the 88 fresh food retail projects approved for funding are 10 nontraditional fresh food retailers (e.g., farmers markets, food co-ops, a community-supported agriculture project and a public market), three grants to technical assistance providers and three predevelopment grants for early-stage, conceptual projects.

Approved urban stores typically range from 17,000 to 65,000 square feet, with larger, full-service supermarkets employing 150 to 200 full-time and part-time employees and having weekly sales of \$200,000 to \$300,000. Many urban stores are managed by independent operators who own several stores. Approved stores in rural areas tend to be family-owned businesses ranging in size from 12,000 to 22,000 square feet, with 10 to 84 full-time and part-time employees.

IMPACT OF THE FRESH FOOD FINANCING INITIATIVE IN PENNSYLVANIA

- ***88 fresh food retail projects approved for funding***
- ***More than 5,000 jobs created or retained***
- ***1.67 million square feet of retail space created or retained***
- ***400,000 Pennsylvania residents with increased access to fresh food retail***

The Pennsylvania FFFI was able to have tremendous impact in part because of the way it was structured. The model has been used by several other regions, including California, Illinois, New Jersey, New Orleans and New York, as well as by the federal government for the Healthy Food Financing Initiative. Each program features the public-private partnership model used in Pennsylvania: the programs are seeded with funding from the government and/or a foundation which is then given to a Community Development Financial Institution (CDFI) to administer the program. Often, the CDFI partners with a food access organization to administer the program.

Partner Role Overview

GOVERNMENT AND/OR FOUNDATION

ROLE:

- Provide seed funding
- Oversee program implementation

In Pennsylvania:

Department of Community and Economic Development

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION (CDFI)

ROLE:

- Raise capital and administer funds
- Determine applicant's financial eligibility
- Originate and underwrite projects for grants and loans
- Report program impacts

In Pennsylvania:

The Reinvestment Fund

FOOD ACCESS ORGANIZATION

ROLE:

- Develop program guidelines and materials with CDFI
- Conduct outreach and marketing to food retailers and community leaders
- Determine applicant's eligibility
- Advocate for community needs
- Evaluate program impact

In Pennsylvania:

The Food Trust

Innovative Program Structure: Public-Private Partnership

Pennsylvania's Fresh Food Financing Initiative was created as a public-private partnership including the Pennsylvania Department of Community and Economic Development (DCED); The Reinvestment Fund, a CDFI; and The Food Trust, a food access organization. Each of the partners of the Fresh Food Financing Initiative brought special expertise needed to successfully administer the program. The fund was seeded with \$30 million over three years from DCED. The Reinvestment Fund then leveraged significant private investment to create a robust financing program offering grants and loans to supermarket and grocery store operators locating in underserved communities. The Food Trust partnered with The Reinvestment Fund to market the program throughout the state and evaluate applications to assess eligibility for funding. Another partner, Urban Affairs Coalition, worked to increase opportunities for women and minorities to be involved with the construction, operation and ownership of funded stores. Together, these organizations were able to achieve significant impacts statewide.

The Role of Government and/or Foundations: Seed Funding

This public-private partnership model for healthy food financing programs begins with seed funding from the government and/or foundations. In response to the recommendations of the Philadelphia Food Marketing Task Force, Pennsylvania became the first state in the country to recognize the importance of fresh food access by creating a program dedicated to improving access to grocery stores across the state. Then-governor Edward G. Rendell launched the initiative with support from the state's First Industries Fund, a vital component of his \$2.8 billion economic stimulus package. The state, through DCED, committed \$10 million each year over three years for a total of \$30 million for fresh food financing.

"State investments in this innovative program are having a dramatic impact on communities," Pennsylvania Department of Community and Economic Development Secretary Dennis Yablonsky

CULTIVATING HEALTHY FOOD RETAIL PROJECTS



said of the initiative. “New supermarkets in traditionally underserved areas are opening new job opportunities while providing better access to more nutritious food to our most vulnerable Pennsylvania families.”

In addition to seed funding, the state oversaw the program management and tracked the economic impact of the program, including jobs created, total square feet of fresh food retail space supported and total project costs.

The Role of the Food Access Organization: Outreach, Marketing and Eligibility Assessment

With expertise in food access and health, the food access organization ensures that the healthy food financing programs fulfill its public health objective of increasing access to fresh, nutritious foods in underserved communities. In its role as the food access organization in Pennsylvania’s Fresh Food Financing Initiative, The Food Trust accomplished this in several key ways: through outreach and marketing as well as eligibility assessment.

OUTREACH AND MARKETING TO FRESH FOOD RETAIL OPERATORS

Grocers have many choices of where to open their next store, which is why outreach and marketing is critical to the success of a healthy food financing program. The role of the food access organization is to make sure that all grocers doing business in the state understand the program and the benefits to their businesses. In addition to lacking information about the program, grocers also may be skeptical of government funding and whether it is right for their business. The food access organization builds relationships with potential applicants and helps guide them through the application process.

In Pennsylvania, The Food Trust cultivated relationships with wholesalers, grocers, food industry associations and economic and community development contacts in all 67 Pennsylvania counties to generate applications from supermarket and other fresh food retail operators and determine areas of need. The Food Trust also promoted the initiative through mainstream media outlets and trade publications and through presentations at conferences, meetings and trade shows. In addition, the organization acted as a liaison between underserved communities and the supermarket industry, helping to identify potential sites for investment. As a result of these robust outreach and marketing efforts, the program got off to a strong start and attracted grocery applicants from across the state. The program approved 88 of these applications for funding, representing locations in over half of Pennsylvania’s counties.

“By investing in quality food markets in urban, underserved communities, there will be tangible benefits to lower- and moderate-income residents.”

- Don Hinkle-Brown, President and CEO of The Reinvestment Fund

DETERMINING ELIGIBILITY FOR FRESH FOOD RETAIL FUNDING

Fresh food retailers applying for funding from FFFI went through a two-step process. The first step was an eligibility application to ensure that the location and type of store would meet program guidelines and would, therefore, be eligible to apply for funding. The Food Trust evaluated these eligibility applications and made a recommendation to The Reinvestment Fund regarding whether or not applicants were eligible to move ahead to step two, the financial application.

The eligibility assessment was designed to be an easy process with a quick turnaround time so that grocery operators did not need to spend unnecessary time and effort to determine if they would qualify for funding. The Food Trust would determine program eligibility within 10 business days.

TWO-STEP FRESH FOOD RETAILER APPLICATION PROCESS

1. Eligibility application to determine if site and store meet program eligibility guidelines and applicant is therefore qualified to apply for financing

EVALUATED BY FOOD ACCESS ORGANIZATION

2. Financial application to determine if operator is qualified to receive funding from the program

EVALUATED BY COMMUNITY FINANCIAL DEVELOPMENT INSTITUTION

ELIGIBILITY CRITERIA

Evaluating applications for eligibility was a data-driven process enhanced by on-the-ground information based on research and conversations. The two main criteria that The Food Trust examined to determine if an area was underserved by fresh food retail and eligible for funding included a community's income level and fresh food retail availability. In addition to these two main criteria, The Food Trust also considered a number of other factors to determine if the application was the right fit for the community, including but not limited to acceptance of federal nutrition assistance benefits, population density, job creation, community support, site accessibility/proximity to public transit, local sourcing of products, a project's demonstrable potential positive impact on the community and the applicant's management experience/capacity.

**FRESH FOOD FINANCING INITIATIVE
ELIGIBILITY CRITERIA**

Income: IN A LOW TO MODERATE INCOME (LMI) CENSUS TRACT OR SERVING RESIDENTS OF AN LMI AREA

Underserved: IN A COMMUNITY WITH LIMITED OR NO FRESH FOOD RETAIL

Community Fit: MEETS COMMUNITY NEEDS AND EXPECTATIONS

Income eligibility

Eligible projects must primarily serve a low- to moderate-income (LMI) community by: 1) locating in an LMI census tract or 2) demonstrating that more than half of the customers will come from LMI areas.

Underserved eligibility

The Food Trust conducted an in-depth review of each applicant's trade area to determine if there was access to fresh food retail. Trade areas were determined by consulting with industry partners and varied depending on size of store and density of population. If there were no comparable stores within an applicant's trade area, the area was considered underserved.

Community fit

The Food Trust also conducted an in-depth qualitative assessment of each project to assess project scope and community impact, accessibility of the site location to disadvantaged populations and local support for the proposed project. The Food Trust conducted interviews with applicants, local community leaders, economic development authorities and other key stakeholders and reviewed all available project materials, such as site plan and photographs. The Food Trust also examined the quality and accessibility of local competition, the site geography and the demographic profile of the census tract in which the site was located, utilizing mapping and other forms of market research, including phone calls to local contacts and site visits, as necessary.

The qualitative assessment examined the following characteristics:

- The presence of community support in terms of store quality, affordability and site location
- A demonstrable impact on the economy or well-being of the neighborhood, community or region where the project is located

ShopRite Parkside
Philadelphia, Pennsylvania



The Parkside Shoprite is a full-service supermarket located in historic West Philadelphia. The supermarket was opened in 2008 by owner and operator Jeff Brown, a fourth-generation Philadelphia grocer. Financing from Pennsylvania's Fresh Food Financing Initiative supported development costs and local hiring efforts that led to the creation of 316 union jobs, almost all of which were filled by residents from the surrounding neighborhoods. The supermarket includes a pharmacy and dedicated community gathering room for meetings. Additionally, the supermarket is known for its assortment of ethnic foods, including halal meats and other goods, to match the needs and dietary habits of community members. Brown has opened several other supermarkets in the Philadelphia area with the same degree of community engagement to ensure the stores benefit their neighborhood and fit the needs of their clientele.

IMPACT

- 69,700 square feet of improved/expanded healthy food retail space
- 10,000 people served
- 316 permanent jobs created

FINANCING

- \$1 million extraordinary grant from the Fresh Food Financing Initiative, which was used for start-up costs including local hiring efforts
- \$7.5 million in New Markets Tax Credits financing from The Reinvestment Fund

Kennie's Market

Gettysburg, Pennsylvania



Kennie's Market, a family- and employee-owned supermarket located in the heart of Gettysburg received grant funding to support the construction of a new 32,000-square-foot store.

The grant offset the higher construction and development costs associated with downtown construction and enabled the supermarket to remain in town and continue to provide convenient, walkable access to fresh foods in an expanded and updated facility. Owner P.K. Hoover has noted that produce sales have more than doubled since the expansion in 2007. The store expansion has helped to create 50 new jobs and retain 50 jobs for the Gettysburg community.

IMPACT

- 32,000 square feet of improved/expanded healthy food retail space
- 7,500 people served
- 100 jobs created and retained

FINANCING

- \$250,000 in grant funding from Fresh Food Financing Initiative for a replacement store project in Gettysburg; the grant was used to fund predevelopment costs.

- Demonstrated need for public funding to move forward, to create impact or to be competitive with similar projects in the region
- Adherence to sound land use principles
- Coordination with community plan and other programs promoting community development
- Commitment to sale and promotion of fresh produce and other healthy foods

DATA SOURCES

Up-to-date, accurate information is important to understanding the picture of need in a region. In Pennsylvania, The Food Trust consulted a variety of sources in evaluating grocery applicants to determine if they met FFFI program criteria, including census information from the Federal Financial Institutions Geocoding System which provides income level information for addresses based on the U.S. Census designation. The Community Development Financial Institution Fund website indicates if sites qualify for other sources of funding, such as the federal New Markets Tax Credit program, which can provide additional funding to qualified projects in underserved neighborhoods. Google Maps also provides a free visual of the neighborhood and provides up-to-date information on what other fresh food retail exists in a region.

The Reinvestment Fund's PolicyMap is a new and valuable resource for eligibility assessment. PolicyMap centralizes many useful data sets including, but not limited to, income levels, population density and location of other grocery stores in the region.

Since no data source is completely accurate or reflective of the situation on the ground, The Food Trust also conducted on-the-ground research in consultation with local community stakeholders to verify findings and better understand the food access landscape at the local level.

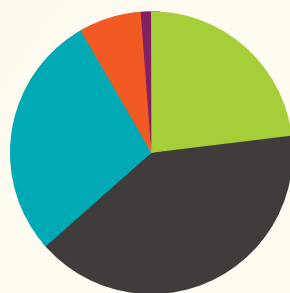
While The Food Trust's role in the implementation of the Fresh Food Financing Initiative formally ended in 2010, the organization conducts ongoing evaluation of the initiative's impact and analysis of funded projects. The Food Trust is particularly interested in the health impacts of the program and, to that end, is involved in collaborative efforts with university partners to study long-term health outcomes and changes in dietary patterns.

The Role of the Community Development Financial Institution (CDFI): Financing Supermarkets and Grocery Stores

A Community Development Financial Institution is a key partner in most healthy food financing initiatives. The CDFI manages the seed funding provided by the government and/or foundation, raising additional capital and underwriting grants and loans for eligible projects. In Pennsylvania, The Reinvestment Fund filled this role, developing the Fresh Food Financing Initiative program guidelines with the Pennsylvania Department of Community Economic Development and raised more than \$117 million in private capital to match the state’s \$30 million grant.

Following The Food Trust’s eligibility review, The Reinvestment Fund worked with eligible applicants to structure financing for a project. Don Hinkle-Brown, president and CEO of The Reinvestment Fund has said, “By investing in quality food markets in urban, underserved communities, there will be tangible benefits to lower- and moderate-income residents. In underserved areas, you typically don’t have nice, big, clean sites that are ready to go. You have brownfields, odd-shaped lots, small lots, historic buildings, all of which can make supermarket development more expensive. If we can take care of those front-end costs, it can be enough to encourage developers and operators to build in these areas.”

The Fresh Food Financing Initiative offered grants and loans to support new fresh food retail developments and the expansion of existing stores. Loans of up to \$5 million and grants of up to



MATCHING FUNDS RAISED FOR THE FRESH FOOD FINANCING INITIATIVE

- *New Markets Tax Credits, \$48.7 million, 42%*
- *Bank Syndicated Loan Fund, \$32.4 million, 28%*
- *Operator/Developer Contributions, \$26.5 million, 16%*
- *Federal, Local and Foundation Grants, \$8.4 million, 7%*
- *The Reinvestment Fund Core Loan Fund and Fees, \$1.4 million, 1%*



USE OF FRESH FOOD FINANCING INITIATIVE SEED FUNDING

- *Bank Loan Fund, \$13.1 million, 44%*
- *Direct Grants, \$12 million, 40%*
- *New Markets Tax Credits, \$3.1 million, 10%*
- *Program Administration, \$1.8 million, 6%*

SAMPLE APPLICATION PROCESS

Prior to application, the food access organization cultivates relationships with grocery operators and communities in need across the state to encourage applications.

Fresh food retailer identifies a potential site and fills out eligibility application.

Food access organization determines if project meets program guidelines.

If site is eligible, fresh food retailer fills out application for financing and submits to CDFI.

CDFI determines financial eligibility and grant/loan amount.

\$250,000 were available per store. Projects that demonstrated both an extraordinary need and high potential for impact were eligible for up to \$1 million in grant funding.

Pennsylvania's Fresh Food Financing Initiative had four financing components:

- Loans from a bank-syndicated supermarket loan fund
- Loans from The Reinvestment Fund's own Core Loan Fund or Energy Funds
- Federal New Markets Tax Credit program (NMTC)
- Grants disbursed directly to operators and/or developers

Each of these products offered unique benefits and flexibility, as the program was designed to provide an appropriate level of support for a variety of needs. Gordon Halteman from Associated Wholesalers, a cooperative food distributor supplying independent grocers throughout Pennsylvania, said, "Supermarkets are highly technical and highly engineered buildings. Older stores need to be rehabbed to stay viable, especially with rising energy costs...without Pennsylvania's Fresh Food Financing Initiative some of [our new] projects would not have been possible." Through the underwriting process, The Reinvestment Fund carefully assessed which funding source and financial package—which often included a combination of grants, loans and New Markets Tax Credits—best matched a particular project's features and needs.

“State investments in this innovative program are having a dramatic impact on communities. New supermarkets in traditionally underserved areas are opening new job opportunities while providing better access to more nutritious food to our most vulnerable Pennsylvania families.”

- Secretary Dennis Yablonsky, Pennsylvania Department of Community and Economic Development

Applicants were assessed for:

- Their mission fit
- Financial strength of the borrower
- Management and development team track record
- Budget integrity, including assessing market data/demand
- Appropriate collateral
- The store's competitive advantage in the marketplace.

It is important to note that specific underwriting criteria was used to assess a proposal's strength and not simply as a tool to screen out projects in order to deny funding. Often where a conventional lender would decline financing, The Reinvestment Fund would use these criteria to refine its own thinking and to create appropriate terms and conditions for the project, as needed. After determining an appropriate financing package, The Reinvestment Fund disbursed funding and monitored borrowers for compliance with program guidelines.

Keys to Success

PUBLIC-PRIVATE PARTNERSHIP

Successful program implementation requires engaging the right players early on. For example, in Pennsylvania, the creation of statewide financing was achieved thanks to the advocacy of the stakeholder task force, which represented key leaders from diverse sectors including economic development, public health and the grocery industry. Each of these partners brought their unique expertise to the development of the Fresh Food Financing Initiative, and without their valuable input, the implementation of that program may not have been successful. The Pennsylvania Department of Community and Economic Development noted that the Fresh Food Financing Initiative was particularly efficient and effective because of its experienced CDFI and food access organization partners.

"Community initiatives that succeed are able to forge strong public-private partnerships and private sector leadership is a key. Any time we can provide support to organizations with their feet on the ground in communities, you're going to have a really efficient delivery system," Scott Dunkelberger, Director of DCED's Center for Business Financing, said.

Glossary

COMMUNITY DEVELOPMENT ENTITY (CDE)

An organization that serves as an intermediary for the provision of loans, investments or financial counseling in low-income communities. CDEs are typically either a Community Development Corporation (CDC) or a Community Development Financial Institution (CDFI).

COMMUNITY DEVELOPMENT FINANCIAL INSTITUTION (CDFI)

Private-sector financial intermediaries with community development as their primary mission. Their experience lending in underserved neighborhoods brings effectiveness and efficiency to a healthy food financing program.

FOOD ACCESS ORGANIZATION

A nonprofit focused on access to healthy food. A food access organization advocates for community need and brings a public health perspective to the table in the administration of a healthy food financing program.

GRANTS

Grant funding is given to an operator or developer to help offset the costs associated with developing a fresh food store in an underserved area. This funding is to be used for the fresh food project but does not need to be repaid.

HEALTHY FOOD FINANCING PROGRAM

A program that provides financing, in the forms of grants, loans and other assistance, to healthy food retail projects (such as supermarkets) in underserved communities. Such programs are often launched with government and/or philanthropic funding and co-managed by community development entities and food access organizations.

LOANS

Loan funding differs from grant funding in that it has to be paid back in a predetermined amount of time. Loan funding for the program is also given to the operator or developer to help offset the costs associated with developing a fresh food store.

NEW MARKETS TAX CREDITS (NMTC)

The New Markets Tax Credit program provides individual or business investors with a credit against federal income taxes for investing in a qualified Community Development Entity. These entities must in turn use these funds for Qualified Low-Income Community Investments.

The Growth of a Network

By Dwight Evans, Pennsylvania State Representative, and John Weidman, The Food Trust Deputy Director

In many ways the Fresh Food Financing Initiative (FFFI) is a network, growing around a common purpose. The lesson which can be learned from the development of the Pennsylvania program and similar initiatives in other states is not simply the replication of a successful model. The lesson is in how innovators can engage with relevant stakeholders and resources in new ways to create a good greater than any individual actor could create on its own.

The creation of FFFI brought together people whose work would otherwise not intersect, from policymakers, business owners and bankers to extensions agents, health department officials and hunger advocates. Bringing these stakeholders together was the first step in developing policy solutions to increasing food access. Importantly, the task force which was the catalyst for FFFI included supermarket operators, who provided necessary real-world perspective on the potential challenges of operating in lower-income neighborhoods and the support necessary to overcome those challenges.

The informal network that developed to create the Fresh Food Financing Initiative did not die with the launch of the program. Instead, the network of stakeholders has grown, addressing other food and nutrition issues throughout the state, from groups offering community supported agriculture opportunities to those hosting cooking classes to reinforce healthy eating habits. Throughout the country, similar networks are bringing together diverse groups who are tackling the often-disparate challenges of health, job creation, regional food systems and community transformation.

The time is right to join the network for fresh food in your community.

FLEXIBLE PROGRAM DESIGN

Another key to the success of a healthy food financing initiative is flexible and responsive program design that addresses barriers to investment in healthy food retailing. Features of Pennsylvania's Fresh Food Financing Initiative program included:

Private sector leverage

The public allocation was matched by private dollars on a 3:1 basis. The basis for the match was flexible and included applicant's equity contribution, debt from financial institutions, grants from philanthropy and federal New Markets Tax Credits.

Focused eligibility criteria

By keeping the eligibility criteria focused on healthy food availability, the program incentivized fresh food retail projects without overly burdensome administrative or eligibility requirements that could deter projects.

Financial product breadth

The program's wide range of financial products, including loans, grants and New Markets Tax Credits, combined with The Reinvestment Fund's lending expertise, allowed maximum capacity to meet the financial requirements of diverse applicants.

Smart subsidy

Public or philanthropic grant support can be used in support of an entrepreneurial venture if it pays for costs that no firm or investor could reasonably incur. Smart subsidy, such as grants, in Pennsylvania paid for costs related to land assembly, public safety, work force preparedness and more.

Scaling Up to the National Level: The Healthy Food Financing Initiative

Pennsylvania's Fresh Food Financing Initiative model is being replicated in states across the country and at the national level. First Lady Michelle Obama has recognized the success of Pennsylvania's Fresh Food Financing Initiative model as a key pillar of her Let's Move! campaign to prevent childhood obesity. The Obama administration has confirmed its commitment to making nutritious food available for all with the creation of the Healthy Food Financing Initiative (HFFI), a national grants and loans program for projects that increase access to healthy foods in underserved communities.

"We're here to make sure that in America, where a child grows up doesn't determine whether they have access to a better—healthier—future. By introducing powerful incentives for private investors to take a chance on projects—like a new, healthier grocery store—we can make that difference for America's children, while creating new jobs and services in their communities," U.S. Treasury Secretary Timothy Geithner said when the project was announced.

The HFFI is a partnership between the U.S. Departments of Treasury, Agriculture and Health and Human Services to provide financing for developing and equipping grocery stores, small retailers, corner stores and farmers' markets selling healthy food in underserved areas. These one-time resources help fresh food retailers overcome the higher initial barriers to entry into underserved, lower-income urban, suburban and rural communities and also support renovation and expansion of existing stores so they can provide the healthy foods that communities want and need.

Since 2010 HFFI funds have been given to 47 CDFIs and community development corporations across the country to disseminate to fresh food retail projects in their regions. The Healthy Food Financing Program is anticipated to grow and support an increasing number of projects across the country.

"We're here to make sure that in America, where a child grows up doesn't determine whether they have access to a better—healthier—future. By introducing powerful incentives for private investors to take a chance on projects—like a new, healthier grocery store—we can make that difference for America's children, while creating new jobs and services in their communities."

- Former U.S. Treasury Secretary Timothy Geithner

Conclusion

For millions of Americans, particularly those living in lower-income neighborhoods, communities of color and rural areas, accessing healthy foods is a challenge. Studies have overwhelmingly found that people who live in these underserved communities suffer from disproportionately high rates of obesity, diabetes and other diet-related health issues. Through advocacy efforts and healthy food financing programs, communities can gain better access to supermarkets and other fresh food outlets that improve the health and well-being of residents, spur economic growth and create jobs in areas that need them most.

With roots in farmers' markets and nutrition education programming, The Food Trust started working on supermarket access after hearing directly from community members who were unable to purchase healthy food and fresh produce in their neighborhoods year round. In response to this need, The Food Trust convened a task force and began working with local leaders to advocate for policies that support supermarket investment in underserved communities. This effort resulted in the creation of Pennsylvania's Fresh Food Financing Initiative which became the model for similar state, local and federal public private partnerships including the including the national Healthy Food Financing Initiative. Collectively, these efforts are helping to bring more supermarkets and healthy food to underserved communities across the country.

The advocacy process begins with background research that produces maps to visually document the problem of food access. Next, community leaders and key stakeholders work together to develop solutions by convening a multi-sector task force. This group examines the barriers preventing the development of new and improved supermarkets and builds consensus around a series of policy recommendations to encourage investment in areas of need. Task force members then champion the group's recommendations and educate policymakers and the public on opportunities to address the grocery gap at the city and state level.

Across the country this process has led to the implementation of successful healthy food financing programs that provide incentives to supermarkets and other healthy food stores investing in underserved communities. Operating as public-private partnerships, these programs are typically seeded with state, federal or philanthropic funds and co-managed by Community Development Financial Institutions and food access organizations, each of which bring their particular expertise to the partnership. Community Development Financial Institutions review business plans, leverage additional investment and assemble a grant and loan package, while food access organizations conduct eligibility reviews for applicants and promote and market the program to both the grocery industry and community stakeholders.

In Pennsylvania, the Fresh Food Financing Initiative approved 88 projects for funding, representing 1.67 million square feet of retail space and 5,000 jobs created or retained, making healthy food more available to an estimated 400,000 of the state's underserved residents. Nearly all of the stores developed through the program continue to thrive; these successes confirm that after an initial infusion of funds, profitable supermarkets and grocery stores can operate in lower-income urban and rural areas.

Through this approach to advocacy, collaboration and program implementation, numerous cities and states—including Illinois, New Jersey, New York and New Orleans—have followed Pennsylvania's lead in developing public private partnerships to address the need for more grocery stores in underserved communities. The federal government also took note of Pennsylvania's successes, modeling the Healthy Food Financing Initiative on Pennsylvania's Fresh Food Financing Initiative.

This handbook serves as a resource to support and advance efforts of groups across the country seeking to improve health and create jobs. In addition to this handbook, a wealth of resources is now available through the Healthy Food Access Portal at healthyfoodaccess.org. While significant progress has been made, there are still millions of Americans in need of better access to healthy food. By working together, we can help ensure that all families have access to healthy and affordable foods, end the epidemic of diet-related disease that is afflicting our nation and spur greater economic development.

Resources

Selected Bibliography

CDFI Fund

The CDFI Fund, a division of the U.S. Department of Treasury, was created for the purpose of promoting economic revitalization and community development through investment in and assistance to Community Development Financial Institutions (CDFIs). The CDFI Fund achieves its purpose by promoting access to capital and local economic growth. <http://www.cdfifund.gov>

CDFI Fund, Capacity Building Initiative for Financing Healthy Food Options, Financial Resources Catalogue

Training curriculum for CDFIs that outlines 76 potential funding sources (both public and private) for healthy food projects. http://www.cdfifund.gov/what_we_do/FinancingHealthyFoodOptionsResourceBank.asp

Centers for Disease Control and Prevention, Recommended Community Strategies and Measurements to Prevent Obesity in the United States: Implementation and Measurement Guide

A manual that describes 24 recommended strategies by the Centers for Disease Control and Prevention to encourage and support healthy eating and active living and provides a single measure for each strategy to help communities track their progress over time. http://www.cdc.gov/obesity/downloads/community_strategies_guide.pdf

Federal Financial Institutions Geocoding System

The Federal Financial Institutions provides income-level information for addresses based on the U.S. Census designation. <http://www.ffiec.gov/Geocode>

Food Marketing Institute, Access to Healthier Foods: Opportunities and Challenges for Food Retailers in Underserved Areas

A report that looks at barriers to grocery store development in low access areas and ways to encourage store development and provide healthier food access in those areas.

http://www.fmi.org/docs/health-wellness/Access_To_Healthier_Foods.pdf

Google Maps

Google Maps provides a free visual of a neighborhood and any geographic boundaries as well as up-to-date information on existing fresh food retail locations in a region. <http://maps.google.com>

Health Affairs, "Policy Solutions to the 'Grocery Gap'"

Authors: Allison Karpyn, Miriam Manon, Sarah Treuhaft, Tracey Giang, Caroline Harries and Kate McCoubrey

An article presenting The Food Trust's five-step process to establish policies supporting increased access to fresh, healthy food in various states. <http://www.ruwf.org/pr/product.jsp?id=55729>

Initiative for a Competitive Inner City, The Changing Models of Inner City Grocery Retailing

A report that outlines the unique challenges and opportunities of inner-city markets and provides the experience of four grocery retailers serving inner-city communities.

http://www.icic.org/ee_uploads/publications/TheChangingModels-02-July.pdf

Institute of Medicine, Local Government Actions to Prevent Childhood Obesity

A report that presents recommended action steps to increase healthy eating and physical activity for local government officials to consider in their efforts to prevent childhood obesity in their community.

<http://www.iom.edu/Reports/2009/Local-Government-Actions-to-Prevent-Childhood-Obesity.aspx>

Nielsen Trade Dimensions

Nielsen Trade Dimensions database is a fee-based resource that provides location, size and sales data on grocery retail throughout the country. <http://www.nielsen.com/us>

PolicyLink and The Food Trust, The Grocery Gap: Who Has Access to Healthy Food and Why It Matters

Authors: Sarah Treuhaft and Allison Karpyn

A summary of current knowledge about food deserts and their impacts on communities (including the most comprehensive bibliography to date of studies conducted in the United States over the past 20 years) intended to inform policymaking.

<http://www.thefoodtrust.org/pdf/GroceryGap.pdf>

PolicyLink, Grocery Store Attraction Strategies: A Resource Guide for Community Activists and Local Governments

A report that provides nuts and bolts resources to help communities organize a coordinated strategy for grocery store attraction to underserved communities.

<http://www.policylink.org/site/apps/nlnet/content2.aspx?c=lkLXlbMNjRE&b=5136581&ct=6994695>

PolicyLink, Healthy Food, Healthy Communities

A report presenting four strategies for developing solutions to close the healthy food access gap in underserved communities, including the development of new grocery stores, the improvement of small existing stores, starting and sustaining farmers markets and improving linkages between farmers and consumers.

<http://www.policylink.org/site/apps/nlnet/content2.aspx?c=IkIXLbMNjRE&b=5136581&ct=10958405>

Public Health Law Policy, Getting to Grocery: Tools for Attracting Healthy Food Retail to Underserved Neighborhoods

A guide designed to help advocates and public health agencies coordinate and leverage the tools available through local government and other organizations to bring grocery stores into lower-income communities.

<http://www.phlpnet.org/healthy-planning/products/getting-to-grocery>

Rural Sociological Society, Rural Realities, “Starved for Access: Life in Rural America’s Food Deserts”

Authors: Lois Wright Morton and Troy Blanchard

A briefing examining the distribution of food deserts across the United States and the major socioeconomic attributes associated with them, including a case study on Iowa to highlight the economic and health consequences for rural residents living in food deserts.

<http://www.healthycommunitiesbydesign.org/docs.php?oid=1000000105&ogid=1000000011>

The Reinvestment Fund, Capitalizing Healthy Food Retail Initiatives

Training curriculum for CDFIs that outlines sources of capital (such as Program Related Investments and Mission Related Investments, state and local tax programs, and loan guarantee programs, among others) to finance healthy food retailers.

http://www.cdfifund.gov/what_we_do/FinancingHealthyFoodOptionsResourceBank.asp

The Reinvestment Fund, Healthy Food Retail Financing at Work: Pennsylvania Fresh Food Financing Initiative

Training curriculum for CDFIs that: (1) describes the essential elements of a healthy food financing program, Pennsylvania’s FFFI, including types of incentives used, outcomes and illustrative case studies; (2) defines the drivers of a successful healthy food financing program; and (3) summarizes key studies and other research that The Reinvestment Fund conducted on FFFI.

http://www.cdfifund.gov/what_we_do/FinancingHealthyFoodOptionsResourceBank.asp

The Reinvestment Fund, Identifying Optimal Areas for Supermarket Development

Training curriculum for CDFIs providing an overview of The Reinvestment Fund’s Limited Supermarket Access analysis, a tool which helps identify and analyze communities with limited access to healthy foods.

http://www.cdfifund.gov/what_we_do/FinancingHealthyFoodOptionsResourceBank.asp

The Reinvestment Fund, New Markets Tax Credits (NMTC) and Urban Supermarkets

Training curriculum for CDFIs explaining the mechanics of financing urban supermarkets with New Markets Tax Credits, along with case studies from projects developed in Philadelphia.

http://www.cdfifund.gov/what_we_do/FinancingHealthyFoodOptionsResourceBank.asp

The Reinvestment Fund, PolicyMap

A national web-based data warehouse and mapping tool that provides users with simple, online access to customizable data related to demographics, real estate, city crime rates, health, schools, housing affordability, employment, energy and public investments and customizable tables, charts, reports and maps using such data. <http://www.policymap.com>

The Reinvestment Fund, Underwriting Supermarkets and Grocery Stores

Training curriculum for CDFIs that defines how to underwrite potential supermarket and other grocery retail borrowers and projects for financing and provides diverse case studies and lessons learned from The Reinvestment Fund’s experience.

http://www.cdfifund.gov/what_we_do/FinancingHealthyFoodOptionsResourceBank.asp

United States Department of Agriculture, Food Atlas

A tool that assembles statistics on three broad categories of food environment factors: (1) food choices, (2) health and well-being and (3) community characteristics and provides a spatial overview of a community’s ability to access healthy food and its success in doing so. <http://www.ers.usda.gov/foodatlas>

U.S. Census

The U.S. Census provides data about income and socioeconomic status of communities, as well as information on many other data appoints such as racial make-up, car ownership rates and housing characteristics. <http://www.census.gov>

White House Task Force on Childhood Obesity, Solving the Problem of Childhood Obesity Within a Generation

The White House Task Force on Childhood Obesity’s action plan for solving the problem of childhood obesity in a generation, which focuses on the four pillars of the First Lady’s Let’s Move! campaign: (1) empowering parents and caregivers, (2) providing healthy food in schools, (3) improving access to healthy, affordable foods and (4) increasing physical activity.

<http://www.letsmove.gov/white-house-task-force-childhood-obesity-report-president>

Healthy Food Financing Programs

LOCATION	NAME OF PROGRAM	PROGRAM ADMINISTRATORS
PA	Pennsylvania Fresh Food Financing Initiative www.trfund.com/financing/Healthy_food/FreshFoodFinancing.html	PA Department of Community and Economic Development, The Food Trust, The Reinvestment Fund and the Urban Affairs Coalition
NY	New York Healthy Food & Healthy Communities Fund www.liifund.org/nyhealthyfood	NY Empire State Development Corporation, Low Income Investment Fund (LIIF), The Reinvestment Fund and The Food Trust
LA	New Orleans Fresh Food Retailer Initiative www.hope-ec.org/index.php/new-orleans-fresh-food-retailer-initiative	City of New Orleans, Hope Enterprise Corporation and The Food Trust
NJ	New Jersey Food Access Initiative www.trfund.com/financing/Healthy_food/NJ_HealthyFoodRetailInitiative.pdf	NJ Economic Development Authority (NJEDA) and The Reinvestment Fund
CA	California FreshWorks Fund www.cafreshworks.com	The California Endowment, NCB Capital Impact, Emerging Markets
IL	Illinois Fresh Food Fund www.iff.org/illinois-food	IL Department of Commerce and Economic Opportunity and IFF
National	Healthy Food Financing Initiative www.acf.hhs.gov/programs/ocs/programs/community-economic-development/healthy-food-financing	U.S. Departments of Treasury, Agriculture and Health and Human Services

FUNDING SOURCES

State commitment: \$30 million.
Seeded with \$30 million from the state's Department of Community and Economic Development.
Matched with \$146 million in additional public and private investment.

State commitment: \$10 million.
Seeded with \$10 million from the state's Empire State Development Corporation. Matched with a \$20 million commitment from The Goldman Sachs Group, Inc. LIIF also received a \$3 million national Healthy Food Financing Initiative award in 2011.

Federal and private funding.
Seeded with \$7 million in Disaster Community Development Block Grant funds. Matched 1:1 with HOPE investment.

State commitment: \$4 million.
To date, financial partners include: NJ Economic Development Authority (\$4 million), Living Cities (\$2 million credit), and the Robert Wood Johnson Foundation (\$10 million program-related investment). TRF also received a \$3 million national Healthy Food Financing Initiative award in 2011.

Foundation and other private funding: To date, approximately \$264 million raised from a variety of investors, including: The California Endowment, NCB Capital Impact, JPMorgan Chase, Morgan Stanley, US Bank, Calvert Foundation, Dignity Health, Kaiser Permanente, Bank of America, Citibank, Charles Schwab, Met Life and Opportunity Finance Network.

State commitment: \$10 million.
Seeded with a \$10 million grant from the IL Department of Commerce and Economic Opportunity. IFF has committed to matching the state dollars 3:1. Additionally, \$3 million in funding has been secured by IFF through the national Healthy Food Financing Initiative.

Federal funding: To date, the U.S. Department of Treasury (CDFI Fund) has allocated \$47 million and the U.S. Department of Health and Human Services (Office of Community Services) has allocated \$20 million.

TYPES OF FINANCING

Loans: Maximum loan amount subject to TRF's current lending exposure policies.

Grants: Up to \$250,000 per store and \$750,000 in total for one operator. Extraordinary grants of up to \$1 million were made available for projects with high potential for serving areas of extreme need.

Loans: Range in size from \$250,000 to \$5 million or larger for New Markets Tax Credit transactions.

Grants: Range in size from \$5,000 to \$500,000 for capital grants and \$5,000 to \$200,000 for predevelopment grants.

Loans: Not to exceed \$1 million.

Forgivable Loans: Up to \$500,000 or 20% of total financing needs.

Loans: Range in size from \$200,000 to \$4.5 million or larger for New Markets Tax Credit transactions.

Grants: In some cases, loans may be paired with a predevelopment or capital grant, which range in size from \$5,000 to \$125,000.

Recoverable Grants: Early-stage financing with no-interest loans, typically repaid by construction financing.

Loans: Up to \$8 million.

Grants: Up to \$50,000.

Loans: Typical loans range from \$250,000 to \$1 million.

Grants: Grants are only available to those who are also applying for a loan. The grant amount can be up to 10% of the loan amount, not to exceed \$100,000.

Financing packages vary. HFFI dollars are given to Community Development Financial Institutions (CDFIs) and Community Development Corporations (CDCs) to disseminate to projects in their regions.

The Food Trust: Ensuring That Everyone Has Access To Affordable, Nutritious Food

The Food Trust, a nationally recognized nonprofit founded in Philadelphia in 1992, strives to make healthy food available to all. Research has shown that lack of access to healthy food has a profound impact on food choices and, therefore, a profound impact on health.

For 20 years, The Food Trust has worked with neighborhoods, schools, grocers, farmers and policymakers to develop a comprehensive approach to improving the health of America's children. The Food Trust's innovative initiatives integrate nutrition education with increased availability of affordable, healthy foods.

This approach has been shown to reduce the incidence of childhood overweight; a study in the journal *Pediatrics* found that the agency's School Nutrition Policy Initiative resulted in a 50 percent reduction in the incidence of overweight among Philadelphia school children.

The Food Trust is recognized as a regional and national leader in the prevention of childhood obesity and other diet-related diseases for this and other notable initiatives to increase healthy food access in underserved neighborhoods, including the Healthy Corner Store Initiative and Pennsylvania's Fresh Food Financing Initiative, a public-private partnership which has approved funding for nearly 90 fresh-food retail projects across Pennsylvania.

The Centers for Disease Control and Prevention honored the Fresh Food Financing Initiative in its Showcase of Innovative Policy and Environmental Strategies for Obesity Prevention and Control, and the program was named one of the Top 15 Innovations in American Government by Harvard University. For more information or to order additional copies of this report, visit thefoodtrust.org.



The Food Trust
THEFOODTRUST.ORG

The Reinvestment Fund: Building Healthy Communities

The Reinvestment Fund (TRF) is a national leader in the financing of neighborhood revitalization. A Community Development Financial Institution, TRF finances housing, community facilities, supermarkets, commercial real estate and energy efficiency projects. Since its founding in 1985, TRF has invested over \$1.1 billion in Mid-Atlantic communities.

Beginning with Pennsylvania's Fresh Food Financing Initiative, created in partnership with The Food Trust, TRF has developed a comprehensive approach to improving the food landscape in lower-income, underserved communities. The approach includes flexible financing as well as rigorous quantitative and qualitative analysis to inform financing and assess impact. TRF-financed food projects range from a produce distribution warehouse to large full-service supermarkets in lower-income communities and smaller rural grocery stores. For operators and developers, our financing has been key to overcoming barriers to opening or maintaining stores in lower-income communities. For the communities we serve, TRF-financed stores have increased access to affordable, healthy foods as well as brought quality jobs and amenities.

Beyond its financing efforts, TRF's emphasis on research and analysis has been crucial to our success at bringing fresh food retail to targeted communities. Our research includes a nationwide Limited Supermarket Access analysis, identifying communities across the nation with unmet demand for healthy food retail options. TRF's analysis is available freely on PolicyMap, our online data and mapping tool.

TRF's expertise in developing supermarket financing programs and identifying low food access areas has positioned us as the leading national resource for policymakers and peers seeking to establish similar programs in other markets. Pennsylvania's Fresh Food Financing Initiative has served as the model for replications in other states as well as for the Obama administration's national Healthy Food Financing Initiative. For more information, visit trfund.com.



THE REINVESTMENT FUND
Capital at the point of impact.



The Food Trust

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