



# Pennsylvania Fresh Food Financing Initiative

*Providing Healthy Food Choices to Pennsylvania's Communities*

## **PARTNERS**

THE REINVESTMENT FUND  
THE FOOD TRUST  
GREATER PHILADELPHIA URBAN  
AFFAIRS COALITION

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**T**he Pennsylvania Fresh Food Financing Initiative is an innovative new program that will work to increase the number of supermarkets or other grocery stores in underserved communities across the state. The initiative will meet the financing needs of supermarket operators that plan to operate in these underserved communities where infrastructure costs and credit needs cannot be filled solely by conventional financial institutions.

The initiative was created in response to the rising concern over the lack of access to fresh foods in underserved communities. A recent publication, *Food for Every Child: The Need for More Supermarkets in Philadelphia*, reveals that people who live in lower-income areas without access to supermarkets appear to suffer from diet-related deaths at a rate higher than that experienced by the population as a whole. According to the *House Report on Resolution No. 13*, released by the Pennsylvania House Health and Human Services Committee, chaired by Rep. George Kenney and Rep. Frank Oliver, the lack of supermarkets is a problem affecting major cities and towns across the Commonwealth of Pennsylvania.

By improving the food landscape of underserved communities, the initiative will provide families with a wide variety of nutritious food choices. The lower food costs will also enable underserved persons living on fixed budgets to purchase higher quality foods. Supermarkets and other grocery stores will also make valuable contributions to the community by creating jobs and revitalizing neighborhoods.

### **An Innovative Public-Private Partnership**

Together with The Food Trust and the Greater Philadelphia Urban Affairs Coalition (GPUAC), The Reinvestment Fund (TRF) has formed a public-private partnership to support the Pennsylvania Fresh Food Financing Initiative. Under the leadership of State Representative Dwight Evans, who was instrumental in getting the State to prioritize supermarket development in underserved areas, the State has appropriated \$10 million for this initiative. TRF will match this funding with \$30 million to form a \$40 million multi-faceted pool that will be a one-stop-shop for financing fresh food retailers in underserved areas. The matching \$30 million will come from private sources as well as TRF's New Markets Tax Credits allocation. The first supermarket to be funded under the initiative, ShopRite of Island Avenue, in Philadelphia, opened its doors on September 20, 2004. The new 57,000 square foot supermarket created 258 good-paying jobs. Fifty-four percent of these employees live in the neighborhood where the store is located.



The initiative’s financing program, managed by TRF with an Advisory Committee, spans the full spectrum from pre-development grants and loans, to land acquisition financing, equipment financing, capital grants for project funding gaps, through to construction and permanent finance. TRF also provides technical assistance and workforce services to its borrowers and grantees through this initiative. The Food Trust is working with supermarket developers, and communities throughout Pennsylvania to determine how they can best utilize the financial and technical resources available through this initiative. The Food Trust also markets and promotes the initiative statewide and conducts analysis to identify untapped

markets. GPUAC enhances contracting opportunities for disadvantaged, minority and women-owned businesses interested in becoming supermarket developers or subcontractors under the initiative. GPUAC also works with developers to increase permanent employment opportunities for minorities, women and disabled persons.

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**About the Partners:**



**The Reinvestment Fund**

The Reinvestment Fund (TRF) is a \$210 million development finance corporation with a wealth-building agenda for low- and moderate-income people and places through the strategic use of capital, knowledge and innovation. TRF has a wide array of programs including affordable housing lending, community service lending, small business lending, private equity investments, workforce services, public policy and research, and sustainable energy financing.

With a primary service area that covers the 21 counties centered in the Philadelphia metropolitan area of Pennsylvania, New Jersey and Delaware, some TRF programs extend throughout Pennsylvania, New Jersey, Washington, D.C., Maryland and northern Virginia. For more information, visit the TRF web site at [www.trfund.com](http://www.trfund.com).



**The Food Trust**

The Food Trust is a nationally-recognized nonprofit working to ensure that every child has access to affordable nutritious food. The Food Trust manages urban farmers markets, conducts nutrition education classes in public schools, and works to improve the connection between local farms and urban communities. The Food Trust convenes the Food Marketing Task Force, an advisory group of leaders from the supermarket industry, city government, and the nonprofit sector, who developed ten policy recommendations for supporting new food retail in a report called *Stimulating Supermarket Development: A New Day in Pennsylvania*. For more information, visit the The Food Trust web site at [www.thefoodtrust.org](http://www.thefoodtrust.org).



**Greater Philadelphia Urban Affairs Coalition**

The Greater Philadelphia Urban Affairs Coalition (GPUAC) works with supermarket developers, operators and other clients to enhance contracting opportunities for disadvantaged, minority and women-owned businesses. GPUAC also helps our clients successfully employ females, minorities and community residents. GPUAC's overall mission is to bring together business and community leaders to solve urban problems, operate programs, and support an array of government and private sector-sponsored initiatives to help the disadvantaged and working poor of the Metropolitan Philadelphia region. For more information, visit the GPUAC web site at [www.gpuac.org](http://www.gpuac.org).

