

Obama's Budget Funds National Healthy Food Financing Initiative

Requests more than \$400 million to finance supermarkets and other fresh food retail in underserved communities

Philadelphia, PA – January 27, 2010 – In his FY2011 budget proposal, President Barack Obama addressed the urgent need for bringing healthy food options to underserved communities by calling for more than \$400 million in investments in new and expanded supermarkets, farmers markets and other food stores.

The public-private grant and loan program would dramatically reduce the roughly 23 million Americans who have limited access to full-service supermarkets and create tens of thousands of retail and construction jobs in low-income communities. The \$400 million investment, split among the U.S. Department of Agriculture, U.S. Department of Health and Human Service and U.S. Department of the Treasury, includes \$250 million in New Market Tax Credit allocations to spur private investment in underserved communities.

For more than a year, PolicyLink, The Food Trust and The Reinvestment Fund have been working with the White House, the Senate, and the House to create a national-scale version of the successful Pennsylvania Fresh Food Financing Initiative. The budget proposal marks an important step in bringing healthy food options to all Americans.

“It’s hard to make healthy food choices until you have nearby healthy food options,” said Judith Bell, President of PolicyLink, a national research and action institute that helped lift up the Pennsylvania model to national scale. “It is not merely coincidence that low-income communities of color with poor access to healthy foods are also getting hit worst by the obesity and diabetes crises. The president’s budget signals a strong commitment to bringing healthy food – and good, long-term jobs – to communities that have been without either for far too long.”

(For more information on the Pennsylvania and national efforts, please visit:
<http://www.trfund.com/financing/realestate/NFFFI.html>)

Since the PA program began in 2004, the state has invested \$30 million which has supported \$165 million in total project investment. These 78 projects have provided more than 400,000 Pennsylvanians with healthier food choices in their communities and have created or preserved 4,860 jobs and 1.5 million square feet of food retail space.

The Pennsylvania Fresh Food Financing Initiative, championed by State Rep. Dwight Evans, became a highly successful public-private partnership between the Commonwealth and private partners. Widely recognized for its innovative design and purpose, the program has served as a model for similar efforts developing in other states, including New York, New Jersey, Illinois, Louisiana and Colorado.

“Grocers and market owners across Pennsylvania deserve credit for making the PA program a success and a model, not just in the state’s urban centers, but in rural communities as well,” Rep. Evans said.

Rep. Allyson Schwartz (D-PA), who introduced an effort to create such a program with a bipartisan resolution in the House last year, has been spearheading the effort in the House along with Rep. Earl Blumenauer (D-Ore) and Rep. Nydia M. Velázquez (D-NY).

“I support President Obama’s call to create a Healthy Food Financing Initiative so we can move towards addressing this critical issue on a national level,” Schwartz said. “Every day millions of Americans walk out their

front doors and see nothing but fast food and convenience stores selling high-fat, high-sugar, processed foods. This lack of retail outlets that sell healthy food options results in higher rates of obesity, diabetes and other health-related issues. The success of the Pennsylvania initiative should be used as the model for a national plan to improve children's health, create jobs and spur economic development nationwide."

Sen. Kirsten Gillibrand (NY) is spearheading the effort in the Senate along with Majority Leader Harry Reid (NV).

"President Obama and leaders in Congress understand that access to healthy, affordable food is essential to healthy children and healthy communities. The president's proposal is an important step in reversing the nation's obesity epidemic, and we're thrilled that First Lady Michelle Obama will be leading a national effort to combat childhood obesity," says Yael Lehmann, Executive Director of The Food Trust, which conducted outreach to engage communities and store operators in the program.

"We are convinced that we can attract the private capital to match public investment in healthy food choices in our communities," stated Jeremy Nowak, President and CEO of The Reinvestment Fund, which managed the program and raised the private capital match for the PA program. "These markets provide economic anchors for communities across PA, attracting jobs to the community. These investments can drive the health and economic vitality of these communities, particularly during difficult economic times."