



Ohio Healthy Food Financing Task Force

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Task Force Announces Statewide Plans to Prioritize Healthy Food Access in Ohio

Columbus, OHIO -- Despite Ohio's internationally recognized agricultural and food processing activity, the state is home to many communities with too few places to purchase healthy, affordable food. This food access crisis has put over 2 million residents, including more than 500,000 children, at risk for chronic disease and diet-related death.

A new policy statement from the Ohio Healthy Food Financing Task Force states that local and state policymakers can take steps to remove barriers that are keeping healthy food retailers from operating in places where they are needed most. One of the key recommendations is establishing a statewide Healthy Food Financing Fund to overcome the most significant barrier to healthy food retail development in low-income areas: access to flexible financing.

The full policy statement including analysis and success stories is published at www.financefund.org.

Barriers to healthy food retailers

While it has been demonstrated that there is demand for high-quality, nutritious and affordable foods in underserved communities, significant barriers prevent grocers from entering these areas. The Task Force found that these barriers include lack of access to sufficient capital, costly site assembly, higher development costs, more expensive workforce training, and security needs.

The lack of grocery stores in many lower-income communities can be addressed through one-time grant and loan funding to help offset the higher costs of locating in these places. "There is evidence in other states that when retailers have assistance with these initial start-up costs, they will locate in underserved communities and run successful businesses," said Nate Filler, President and CEO of the Ohio Grocers Association.

State and local support needed

"We call upon Ohio's local and state government leaders to create a culture of support for healthy food retail development in underserved communities by providing seed funding for a statewide healthy food financing fund similar to the successful Pennsylvania model," said James R. Klein, CEO of Finance Fund Capital Corporation, a statewide nonprofit Community Development Financial Institution (CDFI).

The first healthy food financing program in the country, the Pennsylvania Fresh Food Financing Initiative (FFFI) approved funding for close to 90 projects across the state. Projects approved for financing were expected to bring more than 5,000 jobs and 1.67 million square feet of commercial space. The

program's success is due in part to the way it was structured as a public-private partnership: The government provided seed funding to a CDFI, which leveraged private foundation and bank dollars; the CDFI administered the program, partnering with a food access organization for program implementation.

An Ohio Healthy Food Financing Fund (HFFF) would provide one-time financing to help overcome the barriers associated with developing healthy food retail in underserved communities, such as the need for capital, real estate, and a wide range of related expenses. The program would enable vendors to open, renovate, or expand retail outlets that sell fresh fruits and vegetables. "An Ohio Healthy Food Financing Fund will provide traditionally underserved communities in Ohio with better access to fresh foods, quality employment opportunities, and opportunities for revitalization," Klein said.

Improved food access improves health

"Research shows that providing access to healthy foods and promoting healthy eating habits can help residents maintain a healthy weight and reduce diet-related diseases," said Cresha Auck Foley, Director of Government Relations for the American Heart Association in Ohio. According to the Centers for Disease Control and Prevention, 30 percent of Ohio adults are overweight or obese. These numbers contribute to the fact that chronic disease costs the state of Ohio billions of dollars each year, and increasing access to fresh food retail is a key component of the Ohio Department of Health's 2014-2018 "Plan to Prevent and Reduce Chronic Disease."

In terms of infant mortality, studies show that inadequate intake of nutrients, protein, vitamin D, calcium, iron, folate and phosphorus; and higher intake of fats and sodium, predisposes women to various adverse birth outcomes including preterm birth. Ohio's infant mortality rate is nearly 30 percent higher than the national average in 2011, according to the Office of Health Transformation. The Ohio Infant Mortality Task Force identified access to healthy foods as a social determinant of health and recommends improving food security for high-risk populations and neighborhoods.

Grocery retail drives economic development

Grocery stores play an important role in communities by providing fresh, healthy food to their customers as well as good, stable full and part-time jobs. They can help anchor and stabilize the community. "This is good for the health of residents and for the health of our economy," Filler said.

Eligible projects will be located in all types of communities (urban, rural, small, and large) that are underserved in terms of food access. "To qualify as eligible, projects must commit to providing fresh fruits and vegetables and serving primarily low-to-moderate income communities," said Caroline Harries, Associate Director with The Food Trust, a national food access advocate. In addition, determining store eligibility includes assessing the availability of fresh food retail nearby, and other factors such as: job creation, acceptance of federal nutrition assistance benefits, population density, and community support.

About the Healthy Food Financing Task Force

Made up of a cross-section of nearly 50 leaders from the health, business, civic, government, grocery, philanthropic and other nonprofit sectors, the Ohio Healthy Food Financing Task Force worked for a year alongside The Food Trust to identify policy recommendations to support healthy food retail development and expansion in areas in greatest need. The 2014 report, "Food for Every Child: The Need for Healthy Food Financing in Ohio" identified urban and rural areas across Ohio where healthy food retail development is needed most. Study findings are published at www.financefund.org/news-resources