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Speeches & Op-eds	FOR IMMEDIATE RELEASE Friday, February 19, 2010
Testimony	Contact: Treasury Public Affairs, USDA Office of Communications, HHS/ACF Press Office (202) 622-2960, (202) 720-4623, (202) 401-9215
Reports	Obama Administration Details Healthy Food Financing Initiative
Freedom of Information Act (FOIA)	Philadelphia — The Obama Administration today released details of an over \$400 million Healthy Food Financing Initiative, which will bring grocery stores and other healthy food retailers to underserved urban and rural communities across America. The initiative was announced today in Philadelphia by Treasury Secretary Tim Geithner and Agriculture Secretary Tom Vilsack. The two cabinet members appeared with First Lady Michelle Obama, who recently launched the <i>Let's Move!</i> campaign to solve the epidemic of childhood obesity within a generation. The initiative is a partnership between the Departments of Treasury, Agriculture, and Health and Human Services.
Photo/Image Gallery	<ul style="list-style-type: none"> • The Healthy Food Financing Initiative will promote a range of interventions that expand access to nutritious foods, including developing and equipping grocery stores and other small businesses and retailers selling healthy food in communities that currently lack these options. Residents of these communities, which are sometimes called "food deserts" and are often found in economically distressed areas, are typically served by fast food restaurants and convenience stores that offer little or no fresh produce. Lack of healthy, affordable food options can lead to higher levels of obesity and other diet-related diseases, such as diabetes, heart disease, and cancer. • Through this new multi-year Healthy Food Financing Initiative and by engaging with the private sector, the Obama Administration will work to eliminate food deserts across the country within seven years. With the first year of funding, the Administration's initiative will leverage enough investments to begin expanding healthy foods options into as many as one-fifth of the nation's food deserts and create thousands of jobs in urban and rural communities across the nation.
E-mail Updates/RSS Feeds	To help community leaders identify the food deserts in their area, USDA recently launched a Food Environment Atlas (www.ers.usda.gov/FoodAtlas/). This new online tool allows for the identification of counties where, for example, more than 40 percent of the residents have low incomes and live more than one mile from a grocery store. Nationwide, USDA estimates that 23.5 million people, including 6.5 million children, live in low-income areas that are more than a mile from a supermarket. Of the 23.5 million, 11.5 million are low-income individuals in households with incomes at or below 200 percent of the poverty line. Of the 2.3 million people living in low-income rural areas that are more than 10 miles from a supermarket, 1.1 million are low-income.
Contacts	"Our effort to improve access to healthy and affordable food is a critically important step toward First Lady Michelle Obama's goal to solve the challenge of childhood obesity within a generation, said Agriculture Secretary Vilsack. "The Healthy Food Financing Initiative will enhance access to healthy and affordable choices in struggling urban and rural communities, create jobs and economic development, and establish market opportunities for farmers and ranchers."

Effective local programs, such as those in Pennsylvania, have shown that well-targeted financial and technical assistance can create viable businesses that provide healthier options in communities that lack access to healthy foods. These investments not only improve food options, but also create jobs, help revitalize distressed communities, and, importantly, open up new markets for farmers to sell their products, which can provide an economic boost to rural America. By better connecting producers and consumers, we can build a stronger connection between cities and rural parts of the country and help create new opportunities for farmers and ranchers. This initiative is part of a broader Obama Administration commitment to promoting economic recovery, including support for small businesses and job creation. It is also part of the Administration's efforts to revitalize neighborhoods and communities by employing place-based approaches—strategies that target the prosperity, equity, sustainability and livability of places.

"It's been a tough year for America, but for our middle class and distressed communities it's been a tough decade," said Secretary Geithner. "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."

Through the joint initiative, which was included in the President's Budget for 2011, Treasury, USDA, and HHS would make available more than \$400 million in financial and technical assistance to community development financial institutions, other nonprofits, and businesses with sound strategies for addressing the healthy food needs of communities. The initiative will make available a mix of federal tax credits, below-market rate loans, loan guarantees, and grants to attract private sector capital that will more than double the total investment. Federal funds will support projects ranging from the construction or expansion of a grocery store to smaller-scale interventions such as placing refrigerated units stocked with fresh produce in convenience stores.

"Encouraging people to choose fresh, nutritious food is important," said Health and Human Services Secretary Kathleen Sebelius. "But to achieve that goal that kind of food must be available, and in far too many parts of our country—both urban and rural communities--that's not the case. This collaborative initiative is a creative way to help solve that problem, while at the same time working to strengthen the economy of low-income communities through business development and job creation."

Each of the three agencies brings a particular expertise and set of resources to the Healthy Food Financing Initiative. Specifically:

- **The Treasury Department will support private sector financing of healthy foods options in distressed urban and rural communities.** Through the New Markets Tax Credit (NMTC) and financial assistance to Treasury-certified community development financial institutions (CDFIs), Treasury has a proven track record in expanding access to nutritious foods by catalyzing private sector investment. The Healthy Foods Financing Initiative builds on that track record, with \$250 million in authority for the NMTC and \$25 million for financial assistance to CDFIs devoted to helping

finance healthy food options. Treasury's CDFI Fund has a long history of supporting these kinds of investments, including: providing funding for the landmark Pennsylvania Fresh Food Financing Initiative that has brought 68 grocery stores to underserved communities; the Roberts Fresh Market, a full-service supermarket in an underserved area of New Orleans that was devastated by Hurricane Katrina; and a new Super Giant in Washington, D.C., the only grocery store in the Anacostia neighborhood and now one of Giant's most successful stores.

- **The Department of Agriculture specializes in improving access to healthy foods through nutrition assistance programs, creating business opportunities for America's farmers, and promoting economic development in rural areas.** USDA's proposed funding level of \$50 million will support more than \$150 million in public and private investments in the form of loans, grants, promotion, and other programs that can provide financial and technical assistance to enhance access to healthy foods in under-served communities, expand demand and retail outlets for farm products, and increase the availability of locally and regionally produced foods. USDA has a solid track record of supporting successful farmers markets, and has also invested in grocery stores and creating agricultural supply chains for them, such as in the People's Grocery project in Oakland, CA.
- **The Department of Health and Human Services (HHS) specializes in community-based efforts to improve the economic and physical health of people in distressed areas.** HHS will dedicate up to \$20 million in Community Economic Development program funds to the Healthy Food Financing Initiative. Through the CED program, HHS will award competitive grants to Community Development Corporations to support projects that finance grocery stores, farmers markets, and other sources of fresh nutritious food. These projects will serve the dual purposes of facilitating access to healthy food options while creating job and business development opportunities in low-income communities, particularly since grocery stores often serve as anchor institutions in commercial centers. HHS has supported fresh food projects in the past, such as the Plaza del Valle in Panorama City, CA.

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