



SUPPORTING
GROCERY
DEVELOPMENT
IN OHIO

*A report of the
Ohio Healthy Food
Financing Task Force*

ACKNOWLEDGMENTS

This report was prepared by Risa Waldoks and Caroline Harries of The Food Trust. It was released January 2015. Members of the Ohio Healthy Food Financing Task Force, co-chaired by David Ciccone and Jeff Olson, provided valuable input. This report was made possible by generous support from Finance Fund, the United Way of Central Ohio, the United Way of Greater Cleveland and the Ohio Regional Convergence Partnership: Saint Luke's Foundation, Interact for Health, Sisters of Charity Foundation of Cleveland and HealthSpan. Cover photo by Ryan Donnell.





Dear Friends,

The Ohio Healthy Food Financing Task Force offers these policy recommendations as guideposts on the path to a healthier Ohio. It will take commitment and decisive action from legislators, the grocery industry and economic, health, food access and community advocates statewide to bring affordable, healthy food to communities where it is needed most.

Ohio's journey to improve access to healthy and affordable food continues with the creation of a Healthy Food Financing Fund as the lynchpin for the policy recommendations included herein. Finance Fund will actively seek investment and funding support from the public and private sectors to create a fund that offers flexible eligibility and terms for a wide range of healthy food retailers.

Since 1987, our partnerships with banks, corporations, foundations, and state and federal government have enabled us to invest \$296.4 million and leverage more than \$1.2 billion in nearly 3,000 locally originated economic development and community projects including grocery stores, health care centers, schools, affordable housing and child care centers. Through our grant and loan programs, we help borrowers create assets that help build vibrant active neighborhoods full of local flavor and great places to work, play, shop, go to school and raise a family.

Please contact us (info@financefund.org) for more information on Healthy Food Financing in Ohio. Together, we can provide needed goods and services to neighborhoods, generate jobs, and attract other public and private investment to create a better quality of life for the people of Ohio.

Sincerely,

A handwritten signature in black ink, appearing to read "James R. Klein".

James R. Klein
Chief Executive Officer

Ohio Healthy Food Financing Task Force

Dear Neighbors,

As co-chairs of the Ohio Healthy Food Financing Task Force, we are honored to present this report outlining our Task Force's policy recommendations for developing healthy, affordable food retail in underserved communities, both rural and urban, throughout Ohio.

Despite Ohio's sizable population and agricultural activity, Ohio is home to many communities with too few supermarkets and places to purchase healthy, affordable food. Over 2 million Ohio residents, including over half a million children, live in lower-income communities underserved by supermarkets.¹ The state spends an estimated \$50 billion on health care costs and lost productivity associated with chronic diseases every year.² A significant and growing body of research has found that people with convenient access to a grocery store or supermarket eat more fruits and vegetables and are more likely to maintain a healthy weight. While supermarkets are not the only answer for promoting healthy eating, they are the primary food access points for the majority of people, and they provide the greatest variety of healthy, affordable food for our residents while creating jobs and spurring economic development.

Made up of nearly 50 leaders from the health, financial, philanthropic, government, grocery and other healthy food retail sectors, the Task Force met to explore barriers to supermarket and healthy food retail development in neighborhoods that lack access to nutritious foods. As a group, we identified 10 policy recommendations to advocate for change at both the state and local levels. The recommendations are built on extensive work by diverse groups across the state to begin addressing this issue in Ohio. We are thankful for the dedicated energy of this group, which blended a variety of perspectives to create realistic and effective solutions. We also would like to extend our gratitude to Finance Fund, the United Way of Central Ohio, the United Way of Greater Cleveland and the Ohio Regional Convergence Partnership (Saint Luke's Foundation, Interact for Health, Sisters of Charity Foundation of Cleveland and HealthSpan) for their support.

Every community deserves to have convenient access to healthy, affordable food. We look forward to bringing these policies to fruition and supporting the expansion of healthy food retail development across Ohio. Implementing the recommendations outlined in this report will require committed, broad-based leadership to build new as well as renovate and expand existing grocery stores and other fresh food retail in Ohio. We deeply appreciate the hard work and commitment of the Ohio Healthy Food Financing Task Force members and the support from the state of Ohio. Together, we can make healthy, affordable food available for all children and families in Ohio.

Sincerely,



David Ciccone, Co-chair
Senior Impact Director, Health
United Way of Central Ohio



Jeff B. Olson, Co-chair
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Ohio Healthy Food Financing Task Force Members

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Wally Wagner Jr., Owner

INTRODUCTION

Too many Ohio residents lack sufficient access to healthy, affordable food. Despite its sizeable population and agricultural activity, Ohio is home to many communities with too few supermarkets, grocery stores and other retailers of healthy food, such as corner stores and farmers' markets.

Providing Ohioans with greater access to healthy, affordable food will not only improve public health, but also promote equity and stimulate local economies.

The resulting lack of access to healthy, affordable food undermines the health and well-being of children and families. A significant and growing body of research indicates that people who live in communities without a supermarket suffer from disproportionately high rates of diet-related health problems, while those with convenient access to a grocery store eat more fruits and vegetables and are more likely to maintain a healthy weight.³

According to the Ohio Department of Health, the state spends an estimated \$50 billion on health care costs and lost productivity associated with chronic diseases every year.⁴ If Ohioans reduce their BMI by just 5%, by the year 2030

they will have prevented 342,000 cases of diabetes, almost 300,000 cases of heart disease and stroke, and over 23,000 cases of cancer, saving Ohio over \$1 billion.⁵ Providing Ohioans with greater access to healthy, affordable food will not only improve public health, but also promote equity and stimulate local economies. Supermarkets and grocery stores serve as economic anchors to lower-income areas, creating jobs and sparking complementary development and neighborhood revitalization in the areas that need it most.

To address these concerns, The Food Trust, Finance Fund and the Ohio Regional Convergence Partnership issued *Food for Every Child: The Need for Healthy Food Financing in Ohio* in June 2014. By using maps to identify areas of greatest need across the state, *Food for Every Child* illustrates gaps in food availability and highlights the relationship between supermarket access, diet-related diseases and neighborhood income levels.

The research study concluded the following:

- Access to healthy, affordable food is inequitably distributed throughout the state. Many people have to travel excessive distances to buy food at a supermarket.
- Limited access to nutritious food is a statewide issue that affects urban neighborhoods in cities such as Akron, Cleveland, Cincinnati, Columbus, Dayton, Toledo and Youngstown, and many rural communities including Vinton, Jackson, Morgan, Adams and Highland counties in the southern Appalachian region of the state.
- Over 2 million Ohio residents, including over half a million children, live in lower-income communities underserved by supermarkets.

The report led to a special convening of key stakeholders charged with developing recommendations for increasing access to healthy, affordable foods for residents in both urban and rural underserved areas throughout the state. This Ohio Healthy Food Financing Task Force was convened by Finance Fund and The Food Trust and co-chaired by the United Way of Central Ohio and Associated Wholesale Grocers. The group included leaders from the grocery industry, community and economic development, public health and civic sectors. Building upon the work of various Ohio organizations and agencies, the Task Force developed 10 recommendations for state and local public policies that will improve the availability of healthy, affordable food in underserved areas through the development of supermarkets and other healthy food retail options.

Recognizing that there is no one-size-fits-all solution for all communities in Ohio, the Task Force recommends support for a wide range of food retail projects, including new supermarket developments, the expansion or renovation of existing grocery stores, and alternative models such as farmers' markets, healthy corner store projects, co-ops, mobile markets and even food hubs that bolster the local food system and promote the sale of local and Ohio-grown foods.

The Ohio Healthy Food Financing Task Force acknowledges that efforts to increase access to healthy, affordable food should fit with the state's greater economic development agenda. The success of efforts to improve healthy food access will depend on coordinated action from state and local government agencies, community development organizations, charitable foundations, the supermarket industry and others. The recommendations herein are meant to maximize the impact of a public commitment by leveraging it with other cross-sector efforts already under way.

The Ohio Healthy Food Financing Task Force members and The Food Trust are committed to working with state and local governments to implement these 10 policy recommendations for the sake of children and all residents of Ohio who deserve the opportunity to lead healthier lives.



SUMMARY OF RECOMMENDATIONS

We, the Ohio Healthy Food Financing Task Force—a public-private partnership made up of leadership from the grocery industry, community and economic development, public health and civic sectors—call upon Ohio to create a culture of support for healthy food retail development by prioritizing supermarket and other healthy food retail access for underserved families and communities. The following recommendations describe critical steps toward achieving that goal:

- 1 To prioritize supermarkets and other healthy food retail as a key part of comprehensive community development, state and local governments should streamline and facilitate the permitting and development process for new and existing stores; assist with land assembly; and promote accessible store locations and transportation to and from stores selling healthy foods in areas of greatest need.
- 2 Existing state and local economic development programs and relevant public incentives should be made available where economically feasible and actively marketed to the grocery industry for supermarkets and other healthy food retail projects.
- 3 The state of Ohio should invest seed funding in a public-private partnership that provides grants and loans to stimulate the development, renovation and expansion of supermarkets and other outlets selling fresh, healthy and affordable foods in underserved communities. This seed funding should be part of a flexible business financing program that leverages additional public and private capital to build the initiative.
- 4 To support local hiring and ensure that healthy food retailers develop a qualified staff with opportunities for professional development, the grocery industry, regional organizations and state and local government should work together to create new and customize existing workforce training programs for the grocery sector.
- 5 To ensure a safe and secure environment for food retail, the grocery industry, local government, community development leaders and neighborhood associations should partner with existing community efforts, local law enforcement and retail security organizations on security programs and strategies.
- 6 State and local government should promote the sale of foods that are grown, produced or processed locally and/or within the state of Ohio by encouraging store operators to source locally and making it easier for them to do so.
- 7 To make it easier for residents to select and purchase healthy foods, the grocery industry and state and local government should partner with health and community organizations to support best practices for engaging consumers and promoting healthy eating habits.
- 8 The state of Ohio, along with grocery retailers, nonprofit organizations and anti-hunger advocates should work to maximize access to SNAP and WIC through effective partnerships that promote opportunities for enrolling in the programs, redeeming benefits and using incentives, and address retail barriers such as regulations limiting the authorization of WIC vendors.
- 9 Leaders from the grocery industry, government, nonprofit, health and academic sectors should identify and bolster alternative models that improve the distribution of healthy food to retail outlets in high-need areas in which large-format grocery stores may not be an optimal fit.
- 10 The members of the Healthy Food Financing Task Force, together with state and local government, should continue to collaborate on increasing access to healthy food and connect cross-sector efforts with state priorities.

RECOMMENDATION 1:

To prioritize supermarkets and other healthy food retail as a key part of comprehensive community development, state and local governments should streamline and facilitate the permitting and development process for new and existing stores; assist with land assembly; and promote accessible store locations and transportation to and from stores selling healthy foods in areas of greatest need.

Ohio's neighborhoods would benefit from a strategic focus on healthy food retail at all levels of planning. Prioritization of healthy food retail development would make it easier for stores to open on time and up to code. This recommendation could include the following actions:

- Create a single point of contact at the city and state level to help navigate permitting and other regulatory processes and to connect retailers with relevant existing resources.
- Expedite the approval process for healthy food retail projects, especially in areas of greatest need.
- Streamline the land assembly, zoning, assessment and remediation process, and prioritize healthy food retail development among other competing land uses. Make use of existing resources such as land banks, regional commissions and local leaders to identify and market target areas.
- Work with transit agencies, community planners and retailers to promote accessible store locations, transportation to and from stores, and innovative grocery transport models.



Success Stories

Cleveland and Columbus: The Columbus Department of Building and Zoning Services serves as a “one-stop shop,” providing free preliminary reviews of project plans and connecting retailers and developers to all necessary city departments and permitting procedures. Cleveland’s Department of Economic Development provides similar services, supporting retail projects through to completion and attempting to simplify the development process. The city of Cleveland also offers

loans and tax abatements to assist with developing grocery stores. Since the recommendations of the Task Force have been put forth, these departments are already considering ways to tailor these programs to the needs of grocers.

Tennessee: In Nashville, the Metropolitan Planning Organization’s 25-year Regional Transportation Plan included a staff analysis of how roadways in the Nashville area can better connect residents to food retailers. The analysis used maps to identify

lower-income, minority and predominantly elderly neighborhoods that would benefit from public transportation routes that provide better access to food retailers. The Metropolitan Planning Organization used the analysis of food environments and community populations when ranking and funding transportation projects as one part of a comprehensive approach to promote the health and wellness of residents in the Nashville area.

RECOMMENDATION 2:

Existing state and local economic development programs and relevant public incentives should be made available where economically feasible and actively marketed to the grocery industry for supermarkets and other healthy food retail projects.

The food retail industry needs public sector support to overcome high costs of development, particularly in urban areas. Grocers and other healthy food retailers are often unaware of existing programs and how to access them, and these economic development and financing programs are often limited to non-food businesses. Making existing incentives more readily available and accessible to healthy food retailers addresses a number of barriers to business development by reducing the costs associated with developing stores. Incentives can be used to help encourage stores to carry high-quality products and invest in more energy efficient and environmentally friendly equipment. For example, the Ohio Development Services Agency currently offers programs such as the Ohio Brownfield Fund, New Markets Tax Credits, Energy Loan Fund, Local Government Innovation Fund and CDBG Economic Development programs that could be used to support healthy food retail projects. Cities and states across the country have successfully used existing incentive programs to attract supermarkets and other healthy food retailers to underserved communities.



Success Stories

Washington, D.C.: The D.C. Department of Planning and Economic Development used its tax exemption as part of a citywide supermarket attraction and retention effort, which has resulted in several new store openings and expansions in targeted areas throughout the city. In addition to benefiting from the tax exemption, new developments received additional incentives from the

city, including Community Development Block Grant (CDBG) funding.

Kentucky: In Louisville, the city used multiple existing funding sources to bring a grocery store to the DuValle neighborhood, a key priority in the city's redevelopment plan. The \$4.4 million project was supported by CDBG-R (stimulus) funds, city loans and New Markets Tax Credit equity commitments by

local banks. This funding allowed an independently operated grocery store, First Choice Market, to open in 2012, creating more than 150 construction jobs and 40 permanent jobs and bringing fresh fruits and vegetables to a neighborhood that had been without a full-service supermarket for over a decade.

RECOMMENDATION 3:

The state of Ohio should invest seed funding in a public-private partnership that provides grants and loans to stimulate the development, renovation and expansion of supermarkets and other outlets selling fresh, healthy and affordable foods in underserved communities. This seed funding should be part of a flexible business financing program that leverages additional public and private capital to build the initiative.

Existing economic development incentives are unable to fully address the sizable gap between the high costs of development and grocers' ability to serve the areas that need them the most. Across the country, healthy food financing programs, created with public funds and leveraged with additional public and private capital, are supporting and promoting healthy food retail in underserved communities and having a major impact. Typically, Community Development Financial Institutions (CDFIs) administer these funds and attract significant additional investment. A Food Access Organization often partners with the CDFI to help implement the program successfully and ensure that all applicants meet program goals.

The state of Ohio should dedicate funds to a grant and loan program to stimulate the development and revitalization of new and existing supermarkets, neighborhood grocery stores and other healthy food retail. The program should be flexible enough to meet the needs of fresh food retailers small and large, urban and rural. Financing would be used for a range of purposes such as site acquisition and other pre-development costs, construction, equipment purchases, security costs, workforce development and more, addressing numerous barriers faced by healthy food retailers in underserved communities.

Success Stories

Pennsylvania: In 2004, Pennsylvania created the nation's first statewide financing program to address the lack of fresh food availability in its communities: the Pennsylvania Fresh Food Financing Initiative (FFFI). The initiative was started with \$30 million in state funds over three years. A Community Development Financial Institution, The Reinvestment Fund (TRF), used the state's capital to leverage over \$145 million of additional investment. Sources of additional funding included banks, store operators, developers and federal, local and philanthropic resources. The Food Trust, a Food Access Organization, partnered with TRF to co-administer the initiative. The Pennsylvania FFFI approved nearly 90 new and expanded fresh food retail projects across the state for funding, representing the creation or retention of over 5,000 jobs and improving access to healthy food for an estimated 500,000 people. The success of the FFFI in Pennsylvania influenced the design and creation of similar initiatives, such as the New York Healthy Food & Healthy Communities Fund, the California FreshWorks Fund, the New Orleans Fresh Food Retailer Initiative, the New Jersey Food Access Initiative, the Illinois Fresh Food Fund and the federal Healthy Food Financing Initiative.

See appendix for additional metrics on fresh food financing programs around the country.

See Food for Every Child: The Need for Healthy Food Financing in Ohio to learn more about the potential of a healthy food financing program in Ohio.

RECOMMENDATION 4:

To support local hiring and ensure that healthy food retailers develop a qualified staff with opportunities for professional development, the grocery industry, regional organizations and state and local government should work together to create new and customize existing workforce training programs for the grocery sector.

Many healthy food retailers cite the lack of an available workforce as a barrier to healthy food retail development. They often struggle to find employees with adequate job training that are “work ready” or that have needed specialized skills such as produce and meat handling. Existing store owners may also lack the management skills to continue to move up within the industry and grow their businesses, ensuring that their stores do not close and leave a community underserved. With few educational barriers to entry, the grocery industry is uniquely poised to provide jobs that are entryways to career paths. Partnerships between the grocery industry, state and local government and groups such as vocational schools, local workforce investment boards, nonprofit organizations and community colleges could support workforce development programs that are better coordinated and targeted for the food retail sector. New and expanded training programs to educate the public on opportunities for careers in the grocery industry would help to professionalize the field and ensure a stable, quality workforce and skilled management for grocery stores. At the same time, drawing grocery employees from surrounding neighborhoods would strengthen local economies and increase local buying power for healthy, fresh food.



Success Stories

Cleveland: In Cleveland’s University Circle area, University Hospitals partnered with Towards Employment and Neighborhood Connections, with support from The Cleveland Foundation, to create Step Up to University Hospitals, a workforce initiative to equip local residents with the skills, networks and support they need to begin successful careers while supporting local anchor institutions. University Hospitals shared information about their job requirements and hiring process, and Towards Employment used that information to create a customized curriculum to train successful candidates. Neighborhood Connections helped with outreach and recruitment, and to date, the program has led to the hiring of 41 neighborhood residents with average wages of over \$10 per hour and enhanced efficiency for University Hospitals due to a significantly reduced interview-to-hire ratio. With ongoing coaching support provided to new participants for their first six months of employment, the program has resulted in an above-average retention rate of 75%. The program is considering expanding and also replicating its model in other neighborhoods and industries. This type of program could be tailored to the needs of grocers.

Pennsylvania: Through grant and loan assistance from the Pennsylvania Fresh Food Financing Initiative (FFFI), Brown’s ShopRite of Island Avenue was able to open in Philadelphia’s previously underserved Eastwick community. The 57,000-square-foot supermarket has brought healthy food and 258 quality jobs to the area. Funding from the FFFI paid for a local workforce development agency to create a customized training program for the Island Avenue ShopRite and five other stores. This program improves employee retention and helps employees advance in their careers, setting them on the path for long-term success within the grocery industry. Most of the employees are residents of the surrounding community, which is predominantly African-American.

RECOMMENDATION 5:

To ensure a safe and secure environment for food retail, the grocery industry, local government, community development leaders and neighborhood associations should partner with existing community efforts, local law enforcement and retail security organizations on security programs and strategies.

Safety concerns and the additional costs associated with them often deter retailers from locating in certain areas. Store owners find it financially difficult to locate and do business in areas with high rates of theft and crime, and security concerns discourage customers from walking to a neighborhood store and shopping there. Community groups, local government and grocers can partner to create a secure environment for both customers and store personnel, and local law enforcement could be involved early on in the retail planning process. Improving security would control costs associated with crime and ensure store affordability, thus encouraging retailers to consider locations they otherwise wouldn't. As grocery stores are critical community establishments, it is important to prioritize the safety of stores and the neighborhoods surrounding them.



Success Stories

Pennsylvania: Philadelphia's South Street is now an active residential and commercial corridor that was historically perceived as an area plagued by crime and blight. In the early '90s, local merchants, neighborhood associations, state and local government agencies and the then-newly-formed South Street Headhouse District (SSHD) municipal authority came together to bring the South Street Police Detail and "mini-station" to the area. The mini-station is now adjacent to a Whole Foods Market, and the revitalized block of South Street is the result of true public-private partnership between multiple stakeholders. The city of Philadelphia pays the salaries of the officers, the landlord provides the space free of rent as part of the Whole Foods

zoning agreement, and the SSHD pays the utilities and provides some additional supplies. All other services, including the maintenance of the mini-station, are provided through fundraising and donations from the community. Neighborhoods in this district are now patrolled by police vehicle, bike and street officers who work in coordination with town watch/public safety committees. There is also now a nonprofit, Friends of the South Street Police Mini-Station, to coordinate this partnership between residents, local law enforcement and the business community, and continue to promote a sense of security in the neighborhood.

California: The Coalition for Responsible Community Development partnered with the Los Angeles Police

Department to promote neighborhood security, particularly with regard to retail and economic development. The organization hired local youth and young adults to improve public safety and the appearance of streets in South L.A. by abating 80,000 square feet of graffiti per week. This community partnership served to tackle difficult economic and social issues and resulted in an increased perception of neighborhood safety and therefore a better retail business environment. Similar linkages between law enforcement, community members and retail partners can effectively create safer communities that are conducive to grocery store development.

RECOMMENDATION 6:

State and local government should promote the sale of foods that are grown, produced or processed locally and/or within the state of Ohio by encouraging store operators to source locally and making it easier for them to do so.

Selling locally grown, produced and processed products helps to sustain local farms, promotes a vibrant regional economy and makes good business sense. Surveys repeatedly show that U.S. consumers believe fresh and locally grown products are tastier and healthier than their packaged counterparts. In Ohio, this is particularly pertinent, since agriculture is Ohio's number one industry, contributing more than \$93 billion to the state's economy. Ohio is home to more than 1,000 food processing companies and produces more than 200 commercial crops.⁶ The Ohio Department of Agriculture's marketing program, Ohio Proud, was established in 1993, and Ohio producers and retailers can help consumers identify Ohio-made and grown products using the Ohio Proud logo. Facilitating farmer-to-retailer relationships and encouraging operators to carry sustainably grown, nutritious and affordable local food would have numerous economic and health benefits for the state of Ohio.



Success Stories

Appalachian Ohio: The Appalachian Center for Economic Networks (ACEnet)'s mission is to build networks, support innovation and facilitate collaboration with Appalachian Ohio's businesses to create a strong, sustainable regional economy, and it is doing comprehensive work to support retailers with local food promotion. ACEnet's Food We Love (FWL) brand helps value-added food products reach large marketplaces by partnering with several local and regional grocery stores, as well as grocery chains

including Whole Foods, Kroger and Giant Eagle, all of which have devoted commercial shelf space to FWL brand food products. Their 30 Mile Meal branding program also supports retailers and the local food system by promoting food growers and sellers within a 30-mile radius of Athens. ACEnet has worked in partnership with the Athens County Convention and Visitors Bureau and over 125 farmers, local food markets, businesses and nonprofit organizations to make the 30 Mile Meal program a success. These efforts to connect grocers and other healthy food retailers to local produce vendors could be lifted up to the state level.

New York: Like the Ohio Proud program, the Pride of New York retail program has assisted hundreds of supermarkets in sourcing local products and incorporating the "buy local" message into their marketing campaigns. Pride staff work with store and produce managers, distributors and other partners in the food supply chain to develop a variety of customized point-of-sale materials that emphasize participating stores' "buy local" efforts with New York farmers. The New York Healthy Food & Healthy Communities grocery financing program encourages applicants to participate in the Pride of New York program.

RECOMMENDATION 7:

To make it easier for residents to select and purchase healthy foods, the grocery industry and state and local government should partner with health and community organizations to support best practices for engaging consumers and promoting healthy eating habits.

National research has shown that individuals have the desire to provide healthy meals to their families, but don't necessarily have the resources and access to retail outlets to do so in a way that is convenient or affordable.⁷ Hands-on education, particularly at the point of access, can produce lasting solutions to hunger while supporting local grocers and food retail outlets. Physical store environment can play a large role in encouraging shoppers to make healthy choices, and many grocers are already taking steps to promote healthy eating in their stores through product placement, marketing and in-store education. Retailers, community organizations and public health leaders should jointly explore strategies to identify and carry out best practices in this area. Together, these groups can provide relevant research and education models to support these efforts and pilot innovative marketing and nutrition education initiatives with local grocery operators.

Success Stories

Central Ohio: Since 2008, Local Matters has worked in lower-income communities in Central Ohio to increase education and access to fresh, affordable and healthy foods. Through the Cooking Matters at the Store program (sponsored nationally by Share Our Strength) and the Fresh Foods Here healthy corner store program, Local Matters meets adults at risk of hunger at the grocery stores and corner stores where they already shop to teach them how to make the most of their food dollars, while also supporting healthy choices for their families. These activities are reaching over 1,500 individuals per year in Central Ohio with plans for statewide expansion.

New York: The Low Income Investment Fund (LIIF), a Community Development Financial Institution, has worked extensively with its partners Goldman Sachs and The Food Trust to promote healthy food options in supermarkets and grocery stores in New York. Supermarket Strategies to Encourage Healthy Eating is a project designed to help food retailers support the health and well-being of New Yorkers by employing a variety of tools and strategies—including store tours, nutrition education seminars and materials, taste test events and health screenings—to change food environments and incentivize consumers to make healthy choices in their stores. The project's in-store marketing campaign provides consumers with relevant resources and information about healthy food options and makes those options more appealing.



RECOMMENDATION 8:

The state of Ohio, along with grocery retailers, nonprofit organizations and anti-hunger advocates should work to maximize access to SNAP and WIC* through effective partnerships that promote opportunities for enrolling in the programs, redeeming benefits and using incentives, and address retail barriers such as regulations limiting the authorization of WIC vendors.

SNAP and WIC enrollment is an important part of the buying power of economically distressed communities, thereby increasing the projected long-term success of grocery stores entering these neighborhoods. According to the United States Department of Agriculture, every \$5 in new SNAP benefits generates \$9 in total community spending, and the use of SNAP benefits directly increases the economic activity of producers, wholesalers, retailers and all those contributing to the food system.⁸ SNAP incentive programs, which offer extra dollars for the purchase of fruits and vegetables, are one way to maximize benefits. Nationwide, there is currently great momentum for such programs, which can be a very effective strategy for encouraging healthy choices at access points once stores enter communities. Several groups in Ohio are working together to offer similar fruit and vegetable purchasing incentives at a statewide and regional level.

Leaders in Ohio, including the Ohio Association of Foodbanks, are working to address issues related to SNAP and WIC in the state. Key stakeholders involved with SNAP and WIC should work with existing efforts to improve program accessibility and delivery to better serve both residents and the grocery industry.

**Supplemental Nutrition Assistance Program (SNAP) and Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)*

Success Stories

Michigan: Fair Food Network is a national nonprofit headquartered in Michigan that has been a pioneer in the field of healthy food incentives. In 2009, it started the Double Up program, which provides a one-to-one match for the value of healthy products purchased using SNAP benefits at farmers markets. Double Up was the first statewide incentive program, operating in more than 150 sites across Michigan and northern Ohio. In 2013, Fair Food Network received permission from the USDA to pilot the Double Up Grocery Project, using incentives in three grocery stores in Detroit. The pilot successfully promoted healthy, Michigan-grown products in grocery stores and it served as a case study that led the 2014 Farm Bill to include support for SNAP incentive programs at grocery stores as part of its Food Insecurity Nutrition Incentive (FINI) program. Similar incentive models could be used to benefit both consumers and retailers throughout Ohio.

Illinois: Prior to 2010, the majority of SNAP recipients in Illinois received their benefits on the first day of the month, making it difficult for grocers to adequately stock their shelves and manage their employee hours and customer experiences at that time. To alleviate these unintended consequences of the SNAP distribution schedule affecting both residents and grocers, Voices for Illinois Children, the Illinois Retail Merchants Association and the Illinois Food Retailers Association partnered to get the Illinois Department of Human Services to add three additional dates for SNAP distribution each month. While a similar change has occurred recently in Ohio, examples like this demonstrate how partnerships can effectively lead to systemic change.



RECOMMENDATION 9:

Leaders from the grocery industry, government, nonprofit, health and academic sectors should identify and bolster alternative models that improve the distribution of healthy food to retail outlets in high-need areas in which large-format grocery stores may not be an optimal fit.

There is no one-size-fits-all food retail solution for communities in Ohio, and alternative models such as co-ops, mobile markets and healthy corner stores are sometimes the optimal option. Grocery retail models that are adaptable to fit the size and culture of different communities have the potential to better serve local residents, sustain the economic viability of stores and increase the business bottom line for grocery operators. However, distribution to these venues is sometimes a challenge, and it can be inefficient to distribute fresh produce to very small stores. While burgeoning efforts are under way in Ohio and across the country to examine new models, more research and technical assistance is needed to identify and promote successful retail and distribution strategies for providing healthy, affordable foods in Ohio communities where traditional supermarket models may not be the best fit.

Success Stories

Columbus: As a result of the Ohio Healthy Food Financing Task Force meetings, Columbus' healthy corner store program, Fresh Foods Here (FFH), connected with a wholesaler, Gummer Wholesale, Inc., which has the capacity to supply small stores with appropriate quantities of produce and other grocery items. Gummer Wholesale, Inc. is now the preferred distributor for FFH, and the program has developed a product line that will help participating small stores meet the program guidelines by stocking increased amounts of healthy items. While FFH will not require

stores to work with Gummer if their existing supply chain is sufficient, the program is encouraging new and continuing stores in the network to do so.

Maryland: Developed in 2010, Baltimore's Virtual Supermarket Program (VSP) uses an online grocery ordering and delivery system to bring food to neighborhoods with low vehicle ownership and inadequate access to healthy food. It enables residents to place grocery orders from senior, disabled or public housing, the local library or anywhere with internet access and pick up the order at a local community

site without a delivery fee. Residents can pay for their groceries using cash, credit, debit and EBT/SNAP. At senior buildings and public housing sites, fellow residents help neighbors who are not comfortable using the internet to place their online orders. The VSP increases access to healthy, affordable groceries and saves residents money and time. With support from the city's mayor, the United Way of Central Maryland, Klein's Family Markets and ShopRite, the program is currently expanding to additional sites.

RECOMMENDATION 10:

The members of the Ohio Healthy Food Financing Task Force, together with state and local government, should continue to collaborate on increasing access to healthy food and connect cross-sector efforts with state priorities.

Lessons from other cities and states show that leadership from the grocery industry and the public, philanthropic and civic sectors is crucial for the development of healthy food retail and the revitalization of urban and rural communities. The complementary strengths of the public and private sectors should continue to guide the implementation of these recommendations, and opportunities to connect food retail work to other aligned priorities and initiatives in Ohio should be lifted up and implemented. For example, the state of Ohio is currently focusing on reducing infant mortality and promoting health equity, children's wellness and women's heart health, and the Ohio Department of Health is focusing on improving access to healthy food retail as part of its effort to prevent chronic disease. Therefore, these efforts should be considered as complementary pieces of a comprehensive plan to improve the health and well-being of the state as a whole.



Success Stories

Ohio: Deeming it unacceptable that more than 1,000 Ohio babies die each year before their first birthday, Governor Kasich announced a new effort to combat infant mortality in December 2014. The governor attended the recent summit hosted by the Ohio Department of Health to foster statewide efforts to support infant health, especially among African-American communities, where the infant mortality rate is more than twice that of white communities in Ohio. Part of the state's plan to address this issue is to identify areas of greatest need. As healthy food access directly affects the health of

mothers and children, many of the areas identified in the *Food for Every Child* report will undoubtedly overlap with the target areas identified by this anti-infant mortality initiative. The creation of a culture of support for healthy food retail in underserved communities in Ohio will further the state's efforts to combat infant mortality by helping to improve maternal nutrition and should be considered as part of the same holistic, comprehensive agenda.

Franklin County: Councilmember Priscilla Tyson, chair of Columbus City Council's Finance Committee and Health and Human Services and Workforce Development Committee, is partnering with the

Franklin County Board of Commissioners and the nonprofit Local Matters to launch the Columbus – Franklin County Food Action Plan by 2016. The plan aims to strengthen the regional food system by improving access to quality, affordable foods, reducing food waste and enhancing coordination and communication among groups already working on these issues. The plan is building upon efforts that were initiated by Local Matters last year to understand the health and food access needs of Columbus residents. Existing initiatives and partnerships such as this can be complemented by the work of the Ohio Healthy Food Financing Task Force and serve as allies in the implementation of the Task Force's recommendations.

CONCLUSION

Providing better access to healthy, affordable food is an important strategy to promote equity, improve public health and stimulate local economies. Having more supermarkets and retail outlets that sell nutritious options in underserved areas will ensure that residents of Ohio can purchase healthy food for themselves and their families. Efforts to improve food access in the state will create needed jobs and economic opportunity for Ohioans and help revitalize struggling neighborhoods.

The recommendations developed by the Ohio Healthy Food Financing Task Force are achievable steps toward creating healthier communities in Ohio. By working together, we can ensure that all children in Ohio grow up with the resources they need to live healthy lives.

The Ohio Healthy Food Financing Task Force encourages state and local leaders to expedite the implementation of these recommendations. The result will be economic development, strong communities and better health for the people of Ohio.

*By working together,
we can ensure that
all children in Ohio
grow up with the
resources they need
to live healthy lives.*



APPENDIX: HEALTHY FOOD FINANCING PROGRAMS ACROSS THE COUNTRY

LOCATION	NAME OF PROGRAM	PROGRAM PARTNERS	FUNDING SOURCES	TYPES OF FINANCING
CA	California FreshWorks Fund www.cafreshworks.com	The California Endowment, Capital Impact Partners, Emerging Markets and others	The California Endowment and other private funding: \$264 million raised from a variety of private investors. Additionally, Capital Impact Partners has leveraged funding for CA projects since 2011 through the national Healthy Food Financing Initiative.	Loans: Up to \$8 million. Grants: Up to \$50,000.
CO	Colorado Fresh Food Financing Fund www.chfainfo.com/CO4F	The Colorado Health Foundation, Colorado Enterprise Fund and Progressive Urban Management Associates	Seeded with a \$7.1 million investment from the Colorado Health Foundation. Additionally, the Colorado Enterprise Fund has leveraged funding for CO projects since 2012 through the national Healthy Food Financing Initiative.	Loans: Up to \$1.5 million per project. Grants: May not exceed \$100,000 per project, except in extraordinary, high-impact cases.
IL	Illinois Fresh Food Fund www.iff.org/illinois-food	IL Department of Commerce and Economic Opportunity and IFF	Seeded with a \$10 million grant from the IL Department of Commerce and Economic Opportunity. The fund is designed to invest approximately \$30 million over the next three to four years.	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.
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	Federal and private funding. Seeded with \$7 million in Disaster Community Development Block Grant funds. Matched at least 1:1 by HOPE and other investment sources. Additionally, HOPE has leveraged funding for New Orleans projects since 2014 through the national Healthy Food Financing Initiative.	Loans: CDBG loans not to exceed \$1 million. Forgivable Loans: Up to \$500,000 or 20% of total financing needs.
NJ	New Jersey Food Access Initiative www.trfund.com/wp-content/uploads/2013/05/NJ_HealthyFoodRetailInitiativeBrochure_2013.pdf	NJ Economic Development Authority (NJEDA), The Reinvestment Fund (TRF) and the Robert Wood Johnson Foundation (RWJF)	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). Additionally, TRF has leveraged funding for NJ projects since 2011 through the national Healthy Food Financing Initiative.	Loans: Range in size from \$200,000 to \$4.5 million or larger for New Markets Tax Credit transactions. Grants: Range in size from \$5,000 to \$125,000. Recoverable Grants: Early-stage financing with no-interest loans, typically repaid by construction financing.
NY	New York Healthy Food & Healthy Communities Fund www.liifund.org/products/community-capital/capital-for-healthy-food/new-york-healthy-food-healthy-communities-fund	NY Empire State Development Corporation, Low Income Investment Fund (LIIF), The Reinvestment Fund (TRF) and The Food Trust	Seeded with \$10 million from the state's Empire State Development Corporation. Matched with a \$20 million commitment from The Goldman Sachs Group, Inc. Additionally, LIIF has leveraged funding for NY projects since 2011 through the national Healthy Food Financing Initiative.	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.
OH	Cincinnati Fresh Food Retail Financing Fund www.closingthehealthgap.org/fresh-food-fund	Center for Closing the Health Gap and Cincinnati Development Fund	Up to \$15 million over three years from the city. Funds appropriated by the city's Focus 52 allotted funds, sponsored by Cincinnati's Department of Trade and Development. Additionally, The Cincinnati Development Fund has leveraged funding for Cincinnati projects since 2012 through the national Healthy Food Financing Initiative.	Loans: Pending Grants: Pending
PA	Pennsylvania Fresh Food Financing Initiative www.trfund.com/pennsylvania-fresh-food-financing-initiative	PA Department of Community and Economic Development, The Food Trust, The Reinvestment Fund (TRF) and the Urban Affairs Coalition	Seeded with \$10 million in year one and an additional \$20 million over the next two years from the state's Department of Community and Economic Development. Matched with \$146 million in additional public and private investment. Additionally, TRF has leveraged funding for PA projects since 2011 through the national Healthy Food Financing Initiative.	Loans: Typical loans ranged in size from \$200,000 to \$3.5 million or larger for New Markets Tax Credit transactions. 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.
Federal	Healthy Food Financing Initiative www.healthyfoodaccess.org/funding/healthy-food-financing-funds	US Departments of Treasury, Agriculture, and Health and Human Services	Since FY 2011, HFFI has distributed more than \$140 million to over 70 community development entities across the country.	Financing packages vary. HFFI dollars are given to Community Development Financial Institutions (CDFIs) and Community Development Corporations (CDCs) to provide one-time grants and loans to projects in their regions.

Endnotes

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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 over 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 food access in underserved neighborhoods, including the Healthy Corner Store Initiative and the Pennsylvania 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 or contact The Food Trust.

“The Food Trust is transforming the food landscape one community at a time by helping families make healthy choices and providing access to the affordable and nutritious food we all deserve.”

▪ ROBERT WOOD JOHNSON
FOUNDATION



The Food Trust

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