

Food Deserts and the Obama Policy

Earlier this year the Obama administration unveiled the Healthy Food Financing Initiative with over \$400 Million in funding. This initiative in concert with the “Let’s Move” campaign advocated by Michelle Obama is intended to solve the childhood obesity problem in America within one generation by bringing “grocery stores and other healthy food retailers to underserved urban and rural communities across America”. The healthy food financing initiative will be funded through three departments, the Treasury Department, the Department of Agriculture, and the Department of Health and Human Services. While each department will execute grants and programs based on their areas of expertise, it is intended that these monies will help eliminate “food deserts” throughout urban areas that are underserved by grocery stores that offer healthy food such as fresh fruits and vegetables to maintain a healthy lifestyle.

Thus far only the Treasury Department has unveiled their promised funds through their annual Community Development Financial Institution (CDFI) Program, and New Market Tax Credit Program (NMTC). These programs provide Financial and Technical Assistance awards to communities providing credit, access to credit, and financial tools to otherwise undeserved areas that will create community development impact. The grant released on October 5, 2010 has \$135 Million in funding and \$25 Million specifically dedicated to CDFI’s devoted to helping finance healthy food options. The grant is due November 19, 2010 and the applicants must be a certified Community development Financial Institution by the CDFI fund, or be certifiable as a CDFI by the CDFI fund.

Other grants under the Healthy Food Financing Initiative that are anticipated to roll out in the upcoming months include the following:

- The Department of Agriculture has proposed funding of \$50 Million through “grants, loans, 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 increased the availability of locally and regionally produced foods.”
- The Department of Health and Human Services has committed \$20 in Community Economic Development programs funds to “support projects that finance grocery stores, farmers markets, and other sources of fresh nutritious foods”. The purpose of the Department of Health Funds will be intended to facilitate access to healthy food options, while creating jobs and business development in low income communities.

While the aforementioned funds have not been rolled out yet it is important to get an inventory of potential projects within your community so when grants are announced a plan is in place to have a better chance to obtain funds and complete the application process in a timely manner.

Currently New Jersey and Pennsylvania have similar food access initiatives that increase the accessibility of fresh fruits and vegetables in low income and underserved areas. Pennsylvania’s Fresh Food financing initiative as well as the New Jersey Food Access Initiative both offer low interest loan opportunities for existing grocers to expand or improve their inventory of fresh foods. Additionally, there are opportunities to obtain funding to plan and construct new grocery stores that will provide fresh fruits

and vegetables in low income and underserved areas. The priority areas in New Jersey include: Atlantic City, Camden, East Orange, Elizabeth, Jersey City, Newark, New Brunswick, Paterson and Trenton. While there is grant opportunities in Pennsylvania currently in New Jersey grant funds have not yet been secured, however TRF has informed Triad that obtaining grant funds for distribution is a priority of the initiative, and will be determined in the near future.

Planning ahead and keeping an eye on the needs of your community can help identify potential opportunities that have potential funding sources that increase the quality of life for residents.