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Healthy Food Initiatives, Local Production, and Nutrition

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Madam Chairwoman, Ranking member Roberts and members of the committee, thank you for inviting me to testify. My name is John Weidman, and I am the Deputy Executive Director of The Food Trust, a nonprofit group founded in Philadelphia 20 years ago with the mission of improving access to affordable, nutritious food. We work with over 65,000 children each year through the SNAP-Ed program, where we develop and implement fun and innovative nutrition education programs that have been proven to reduce childhood obesity by 50%. We also run 26 farmers' markets, manage a healthy corner store program with over 600 stores, and work around the country to bring more grocery stores to underserved urban and rural areas.

For the past 5 months, The Food Trust has been convening a regional Farm bill working group comprised of farmers, public health experts, hunger advocates, environmentalists and others to discuss the upcoming Farm Bill reauthorization. We know that the Farm Bill will have a huge impact on the Greater Philadelphia region. Thousands living in poverty in our region depend on SNAP, and those SNAP dollars are in turn a vital part of the economy in low-income communities. The Farm Bill also supports our regional food system through the Farmers' Market Nutrition Program, Farmers' Market Promotion Program, the Community Food Projects program and so many other critical initiatives. The Food Trust has received funding from the USDA Farmers' Market Promotion Program to develop a new model to process wireless SNAP sales at farmers' markets and through CFP, we are increasing access to healthy food and empowering youth leaders in North Philadelphia, one of the nation's hungriest Congressional districts. For the next farm bill, we believe there is a tremendous opportunity to improve access to healthy food in low-income communities across the country.

I want to share with you today three innovative food initiatives that The Food Trust is involved with, which are improving the health and economies of urban and rural communities, and which have the potential to be scaled up and expanded. All of these hold the potential to create jobs, improve health, and revitalize rural and urban communities.

Healthy Food Financing Initiative (HFFI)

The first initiative I'd like to talk about is the Pennsylvania Fresh Food Financing Initiative (FFFI), launched in 2004 as a public private partnership with the Commonwealth of Pennsylvania, The Food Trust, and The Reinvestment Fund (TRF). The program provides one-time loans and grant financing to

attract grocery stores and other fresh food retail to underserved urban, suburban, and rural areas, and to renovate and expand existing stores. Using a state investment of \$30 million, leveraged with additional private capital by TRF, the program has led to:

- Projects totaling more than \$190 million;
- 88 stores built or renovated in underserved communities in urban and rural areas across the state;
- Improved access to healthy food for more than 400,000 residents;
- Over 5,000 jobs created or retained;
- Increased local tax revenues; and,
- Much-needed additional economic development in these communities.

Stores range from full-service 70,000 square foot supermarkets to small corner groceries, farmers' markets, and co-ops. Approximately two-thirds of the projects are in rural areas and small towns.

FFFI has helped rural communities like Vandergrift, with a population of 5,000 and Apollo, with a population of 2,000, in western Pennsylvania where Randy and Brenda Sprankles used funding from the program to open grocery stores in these small communities. Boyer's Family Market, a 17-store supermarket chain that is family-owned and operated for several generations in central and northeastern Pennsylvania, used funding from FFFI to purchase energy-efficient equipment that would help them expand their offerings of fresh foods, and to support employee training. Boyer's Family Market employs more than 950 people in the region. FFFI has also helped Brown's Shop Rite, a family-owned and operated grocery business that employs 2,300 people, open several stores in distressed urban communities. At Brown's Parkside ShopRite, an FFFI-funded store, 22% of store sales come from SNAP, further infusing the local economy with critical dollars. We have also seen that supermarkets are increasing buying from local producers and supporting regional food systems. An industry survey conducted by the Food Marketing Institute shows that 67.2% of retailers reported that they increased their selection of locally source products like fresh fruits and vegetables.

The Pennsylvania FFFI has been cited as an innovative model by the U.S. Centers for Disease Control and Prevention, the National Conference of State Legislatures, Harvard's Kennedy School of Government, and the National Governors Association. While Pennsylvania's families and children have benefited from this program, there is still significant need for fresh food access across the country. USDA research determined that more than 23.5 million Americans are living in communities without access to high quality fresh food.

Research shows that access matters. The Food Trust and PolicyLink reviewed 132 different studies about access to healthy food and found that access impacts health. It improves eating habits and those improved eating habits help prevent obesity. One multistate study found that African Americans living

in a census tract with a supermarket are more likely to meet dietary guidelines for fruit and vegetables, and for every additional supermarket in a tract, produce consumption increases 32%.

In 2011, using the Pennsylvania program as a model, the Obama Administration launched the Healthy Food Financing Initiative with the goal of increasing fresh food access in underserved rural, urban, and suburban communities across the country. The Food Trust has been proud to be working with our partners PolicyLink, The Reinvestment Fund, the National Grocers Association, and many other agriculture, health, civil rights and industry groups to help realize this vision. Since its launch, \$77 million has been allocated for HFFI and projects improving access to healthy food. By providing one-time loans and grant financing to attract grocery stores and other fresh food retail to underserved urban, suburban, and rural areas, and renovate and expand existing stores, the HFFI will provide the healthy foods that communities want and need. At the same time, HFFI will help our economy continue to grow again by generating much needed jobs and sparking economic revitalization.

There is significant momentum in many states and cities across the country to address the lack of grocery access in underserved communities. Several states and/or cities are in the process of replicating the successful Pennsylvania Fresh Food Financing Initiative Program, and many others have begun to examine the needs and opportunities in their communities. For example:

- The state of New York has launched the Healthy Food, Healthy Communities Initiative, a business financing program to encourage supermarket and other fresh food retail investment in underserved areas throughout the state that will provide loans and grants to eligible projects.
- The City of New Orleans recently launched the Fresh Food Retailer Initiative Program (FFRI) in partnership with the CDFI HOPE that will provide direct financial assistance to retail businesses by awarding forgivable and/or low-interest loans to grocery stores and other fresh food retailers.
- The California Endowment, NCB Capital Impact, and other community, supermarket industry, and government partners recently launched the California FreshWorks Fund, a supermarket financing program.

In each of these HFFI programs, as was the case in Pennsylvania, community development financial institutions (CDFIs) have been key to these successes because of their ability to leverage additional private dollars from initial seed investments. For example in New York, the Low Income Investment Fund was able to leverage an initial \$10M investment by the state with an additional \$20M in private capital.

We are thrilled at the tremendous momentum around the country right now to bring grocery stores to places that need them, but this national effort is still in a very nascent stage. In order to realize the incredible success that Pennsylvania achieved over 5 years, we will need a large and sustained effort over several years. The good news is that we know what to do and can do it successfully. The Pennsylvania FFFI's success rate has been better than the grocery industry overall. This one time

infusion of grant and loan funding results in businesses that are both economic and social anchors for urban and rural communities.

Senator Gillibrand has introduced legislation to build on the national Healthy Food Financing program through the creation of a national fund manager housed within USDA. This structure would mirror closely the original public private partnership of the PA FFFI and allow the leverage of millions in private capital at the national level. Given the flexibility and range of projects that HFFI can support, from supermarkets to farmers' markets and from co-ops to CSAs, the Farm Bill is the appropriate vehicle to fully invest in a national effort to bring healthy food access to every city and small town that needs it.

FARM TO SCHOOL

In the Greater Philadelphia region, there is incredible momentum around farm to school programs to educate youth from preschool through high school about healthy food and farms, and increase their consumption of fresh, local food. The Food Trust has developed the Preschool and Kindergarten Initiatives, which teach young children about good nutrition and engage them in experiential learning activities, such as field trips to learn about farms as the source of healthy food. The Food Trust's Kindergarten Initiative is recognized as a best practice program and received a national Victory Against Hunger Award from the Congressional Hunger Center. The Food Trust also serves as the Mid-Atlantic Regional Lead Agency for the National Farm to School Network, helping to catalyze and support farm-to-school activities in our region.

I'd like to in particular highlight the "Eat Fresh Here" Farm to School Program that we launched in partnership with the School District of Philadelphia and other community partners to implement a pilot farm-to-cafeteria program that's providing fresh, locally grown fruits and vegetables to students, teachers, and school staff.

This program, primarily in schools where the majority of children qualify for free- and reduced-price school meals, grew to 32 Philadelphia public schools this year, up from 5 schools two years ago. In partnership with the School District, the program partners—The Food Trust, Fair Food, Common Market, and the Philadelphia Urban Food and Fitness Alliance—have provided approximately 25,000 students with 52,000 pounds of fresh local fruits and vegetables so far this school year, grown by 20 farmers located within about 75 miles. The Common Market, a local food hub based in Philadelphia provides the produce.

The project team provides training and technical assistance for the school cafeteria managers and their staff, including professional development workshops for cafeteria managers and cooks that include knife skills training and recipe demonstrations to help them prepare fresh local produce in school meals. The Food Trust and its partners are working to engage youth as leaders in their schools to promote healthy eating in the cafeteria and the farm to school program, through cafeteria-based taste tests and Youth Councils that are leading activities to create healthier schools.

Many more farm to school programs like “Eat Fresh Here” could be started or scaled up throughout the nation with federal support, helping to prevent childhood obesity and grow rural farm jobs. Food Hubs that can support farm to school program should also be encourage and expanded through the farm bill.

PHILLY FOOD BUCKS

Farmers’ markets are an important resource to Philadelphia neighborhoods and provide local residents with fresh, nutritious and affordable food in the community. Through Get Healthy Philly, The Food Trust, in partnership with the Philadelphia Department of Public Health, opened ten new farmers’ markets in low-income neighborhoods in the city. Through this partnership we piloted the Philly Food Bucks coupon incentive program, a two dollar coupon provided to Supplemental Nutrition Assistance Program (SNAP/food stamps) beneficiaries for every five dollars spent at any of our 26 farmers’ markets.

During the period of these programs, customer response to these new markets was positive and overall annual SNAP sales at Food Trust farmers’ markets increased more than 300%. As a coupon incentive program, Philly Food Bucks is a proven approach to increasing SNAP sales at farmers’ markets across the city.

Our evaluation of the program yielded some interesting data. Key findings include:

- Farmers’ markets are a viable resource for fresh produce in low income communities. The Food Trust operates twenty-six farmers’ markets, 85% of which reside in low-income, underserved neighborhoods. Sales from food assistance programs comprised 35% of farmer sales at the ten new markets opened in 2010 and 2011, and 56% of customers at these markets reported participation in at least one food assistance program in 2011, demonstrating that high-need customers are using the markets to purchase fruits and vegetables.
- Coupon incentive programs increase SNAP sales. Over the period of the Philly Food Buck initiative from July 2010 to December 2011, SNAP sales increased 335%. During the 2010 farmers’ market season, SNAP sales nearly doubled (increased by 97%) from 2009 levels at Food Trust farmers’ markets, then increased an additional 121% over the same period from 2010 to 2011, attesting to the promise of using benefits to purchase fresh, healthy, local foods.
- Philly Food Bucks encouraged shoppers to consume more fruits and vegetables. 77% of shoppers surveyed who have used Philly Food Bucks reported an increased intake of fruits and vegetables since shopping at the market, affirming the connection between coupon incentive programs and healthy eating.

And our farmers like it too! 70% reported an increase in sales of fruits and vegetables because of the Philly Food Bucks program, and all reported that the logistics of accepting Philly Food Bucks were “easy” or “very easy.” We also just learned that Philadelphia’s Mayor Michael Nutter will be doing a series of public service announcements encourage shoppers to use their Philly Food Bucks.

In closing, we are proud of the success we are having in our region with innovative food initiatives. The Farm Bill has the power to change the way America eats. One in three children born today will develop type 2 diabetes in their lifetime. This not acceptable for our children's health and not sustainable for our economy. By expanding these initiatives nationally we know that we can create thousands of jobs, as well as prevent obesity and diet-related diseases that threaten to worsen our deficit and hurt our economy. We also know that our continued progress depends on a strong Farm Bill that steers our citizens toward healthier foods, supports regional farm systems, and ensures that all children grow up surrounded by easily-accessible, affordable and nutritious food.

Thank you again for inviting my testimony. I look forward to answering your questions and to further discussion around this issue.