



Ohio House Finance Subcommittee on Health and Human Services
Interested Party Testimony on House Bill 49
Diana Turoff, President and CEO, Finance Fund Capital Corporation
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Chairman Romanchuk, Ranking Member Sykes, and members of the House Finance Subcommittee on Health and Human Services – thank you for the opportunity to provide testimony on House Bill 49. I am Diana Turoff, President and CEO of Finance Fund & Finance Fund Capital Corporation.

Finance Fund is a statewide 501(c)(3) nonprofit community development entity (CDE), established in 1987 to help develop healthy, sustainable economies in low-income, at-risk rural and urban communities throughout Ohio. Finance Fund Capital Corporation (FCAP) is a statewide nonprofit certified Community Development Financial Institution (CDFI) lender, established in 2002 and certified in 2009, to promote economic revitalization and community development by providing access to capital.

Together, we partner with public and private entities to move capital investment into areas that are often overlooked or ineligible for traditional financing. As a result, these funds generate job growth, business development and community rejuvenation. To date, Finance Fund and its subsidiaries have invested more than \$336 million in housing construction and rehabilitation, small business lending, economic development, and community facility projects leveraging \$1.4 billion, which supported the creation of over 50,000 jobs. This investment was accomplished through 3,019 awards to community-based organizations throughout the state. Finance Fund provides debt and equity financing to our clients through the management of 28 entities totaling \$280 million.

While our funding programs cover a wide range of projects, today **I am here to address the Healthy Food for Ohio program. Thanks to your support, this program was launched in the last biennial budget and I am joined by our 60-member Ohio Healthy Food Financing Task Force in asking for your support again to continue this program.**

To provide some context for this program, I would like to share how and why it was created. After receiving many funding requests for making fresh, healthy food available throughout the state, FCAP quantified the problem and defined areas of greatest need via a statewide mapping study conducted in 2014. This study found extremely limited supermarket options in low-income areas and showed how those areas intersect with high rates of diet-related deaths. The study was the catalyst for the creation of the Ohio Healthy

Food Financing Task Force, which includes public and private stakeholders ranging from the American Heart Association to the Ohio Grocers Association to Bank of America. The Task Force identified obstacles to healthy food retail development in urban and rural areas and recommended a 10-point plan to overcome them. Chief among these recommendations was the creation of a public-private partnership that provides flexible financing to stimulate the development, renovation, and expansion of affordable, fresh, healthy food retail facilities in underserved communities.

In the last General Assembly, the legislature funded this recommended program in the biennial budget (House Bill 64), and after applying for and receiving the award, Finance Fund Capital Corporation launched the Healthy Food for Ohio program in the spring of 2016. Thanks to your leadership, and particularly that of Chairman Smith, Chairman Romanchuk, Rep. Rezabek and others, I am very proud to announce that **FCAP has exceeded our initial projections of leveraging each of the state's seed dollars 3:1 and instead has successfully leveraged the state's seed funding at a rate of over 5:1.**

Since launching last year, HFFO has funded five sustainable, community-driven, job-creating, healthy food access retail projects that are enabling people to live healthier, longer, and free of chronic disease. The five current projects include:

- 1) Campbell's Market in McArthur, Vinton County
- 2) Hattie Larlham Fresh Market in Akron, Summit County
- 3) Market on the Green mobile grocery in Toledo, Lucas County
- 4) Simon's Supermarket in Euclid, Cuyahoga County
- 5) Prather's IGA supermarket in West Union, Adams County

These five projects provide more than 35,000 Ohioans with fresh, affordable food and are generating an estimated 114 full-time jobs and 17 construction jobs, and are creating or expanding nearly 68,000 square feet of retail space.

Over two million Ohio residents lack local retail access to fresh, affordable food – including over half a million children. Ohio spends \$50 billion annually to address chronic diseases and Ohio's Medicaid spending rose by 30% from 2011-15.¹ Meanwhile, healthy food retailers face unique industry barriers and slim profit margins that make it difficult to locate in areas of critical need. We know that HFFO addresses these industry barriers and that healthy food retail creates jobs, fosters business growth, increases nearby property values, and improves public health outcomes. We also know the demand far exceeds supply with

¹Ohio's Plan to Prevent and Reduce Chronic Disease: 2014-2018. Ohio Chronic Disease Workgroup.

over \$50 million in our pipeline now pursuing Healthy Food for Ohio funding. That is why I respectfully ask that you and your colleagues continue to fund the Healthy Food for Ohio program in the biennial budget.

Thank you for your time and all the support you have given us in providing funding, attending our groundbreaking and openings, and working with us to address this statewide need. I would be happy to answer any questions.