

U.S. DEPARTMENT OF THE TREASURY

Press Center



Treasury Secretary Tim Geithner Remarks on the Healthy Food Financing Initiative As Prepared for Delivery Philadelphia, PA

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Governor Rendell, thank you for that introduction.

You're doing great work leading this state out of recession. And you're a national champion of the power of infrastructure investments to get Americans back to work and our economy back on track.

It's always nice to get out of Washington DC. And it's a real pleasure to be here with Secretary Vilsack and First Lady Michelle Obama.

Almost a year ago, the First Lady broke ground on a White House Garden and – in doing so – started an important national conversation about healthy eating, especially for our kids.

And last week she turned that conversation into a call to action, unveiling an ambitious campaign to tackle childhood obesity.

It's been a tough two years for Philadelphia, for Pennsylvania and for our entire country.

And this crisis followed a tough decade for America's middle class - a decade in which many Americans found themselves working more for less.

Because of action President Obama took, we've come a long way over the past year. Our financial system is healing and our economy is now growing.

But we still face enormous challenges.

This recession caused a lot of damage and millions of Americans – those out of work, those facing foreclosure, those struggling to keep their businesses open – are still living with the consequences.

That is why the President has asked Congress to support new steps to increase jobs and private investment.

That is why, in the President's Budget, we are making longer-term investments in American innovation, exports and infrastructure.

And that is why we are working to make sure that growth is shared by all.

Now, to do that we need to do more than simply recreate the economy of the last decade, the one we had before the crisis. That economy left a lot of people behind.

We all know that even when times were good, they weren't good everywhere.

Even when times were good, some communities had trouble attracting the kind of investment that flowed easily elsewhere.

They had trouble finding private-sector financing to build a new a manufacturing or retail center, the type of project that doesn't just provide new services but also provides new jobs.

And now, during this deep recession, for those communities, it's even worse. Investors see them as even greater risks, meaning those most in need of development are getting none.

So we need to break that cycle. But we need to be smart about how we do it. That's why we're here today.

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.

We're here to make sure that all communities have a chance to shop at green grocers selling healthy food.

And we're going to do that through the Healthy Food Financing Initiative, a joint effort among the Departments of Treasury, Agriculture and Health and Human Services.

For our part, Treasury is devoting \$250 million towards New Markets Tax Credits which provide a powerful incentive for private investors to take a chance on projects – like a new healthier grocery store – in distressed communities that have potential.

That incentive is a tax credit, valued at 39 percent of the investment's total cost and claimed over a seven-year period. And through this innovative partnership with the private sector, local developers are able to create new jobs and services for residents in their community.

In addition, we are providing \$25 million in Treasury grants to certified community development financial institutions that have already been successful in increasing healthier food options in distressed areas and that, with our support, will be able to do even more.

This morning, the First Lady, Secretary Vilsack and I toured the Fresh Grocer Supermarket.

Thanks to New Markets Tax Credits and one of those Treasury grants made possible by the Recovery Act, Fresh Grocer was able to open a few months ago and now provides affordable, fresh food – including produce from local farmers - to the North Philadelphia community.

Let me close by saying that as America emerges from this recession, we are committed to doing more than repairing the damage. We are committed to a recovery led by the middle class, to rebuilding our economic foundation, to return responsibility to Washington and, as every generation has done before, to leaving this country better than we found it.

Today we take an important step in that direction.

Thank you. Let me now turn it over to Secretary Vilsack.

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