



SOUTH CAROLINA COMMUNITY LOAN FUND (SCCLF)

sccommunityloanfund.org



ABOUT THIS PROJECT

Kresge wanted to demonstrate that healthy food can drive economic growth in low-income communities in the Southeast – a region in which national funders have historically under invested. SCCLF used the PRI to expand its lending to improve access to healthy food in low-income communities in several ways. It supported the launch of new food businesses, including those in production, processing and wholesale; it provided technical assistance to food enterprises to improve their business and social outcomes; it evaluated the community impact of the investments; and it worked with partners and the South Carolina legislature to establish a state-funded healthy food financing fund.

WHY WAS THIS NEEDED?

CHALLENGE: South Carolina ranks 42nd nationally in public health and leads the nation in cardiovascular and respiratory disease, obesity, diabetes, infant mortality and access to affordable health care. Its low-income communities also lack access to fresh, healthy food and are often cut off from the economic development opportunities that arise from local food-related businesses.

RESPONSE: SCCLF's program devoted to increasing healthy food access in South Carolina is unique. Kresge's investment helped to grow SCCLF's efforts to increase healthy food options in South Carolina food deserts and low supermarket access areas. Targeted recipients for financing included food producers and processors, distributors, and retail operators.

IMPACTED LOCATION



SOUTH CAROLINA

YEAR APPROVED

2014

TYPE OF TRANSACTION

PRI - LOAN

KRESGE PROGRAM

HEALTH

AMOUNT OF INVESTMENT

\$500,000

GRANT SUPPORT

\$450,000

TERM OF INVESTMENT

10 YEARS



ABOUT THE BORROWER

SCCLF is a nonprofit organization that transforms and revitalizes communities throughout South Carolina by financing projects that provide housing, increase access to food and essential services, attract businesses, employ community members and stimulate economic activity. By providing loans and technical assistance to organizations that seek to strengthen the social and economic fabric of local communities, SCCLF empowers communities to create their own transformation. The case for SCCLF's Healthy Food Finance Program is rooted in the need for systemic intervention to promote equitable food access across South Carolina. Initially, the decision to consider expansion into this sector was a response to repeated requests for grocery stores in communities where SCCLF has invested in affordable housing. During its organizational assessment, SCCLF studied the case for starting a healthy food financing program and recognized South Carolina's tremendous need for this type of programming.

IMPACT MEASURE

**116 JOBS
CREATED OR
RETAINED**

**9 HEALTHY
FOOD LOANS
TOTALING
\$8,685,000 IN
FINANCING**

KEY PARTNERS

PNC Bank,
South State Bank,
Mary Reynolds
Babcock
Foundation,
Jessie Smith Noyes
Foundation, and
the State of South
Carolina.

Key Considerations



Kim Dempsey
DEPUTY
DIRECTOR
Social
Investment
Practice

- » South Carolina has some of the worst diet-related health outcomes in the nation, and the degree of success that SCCLF and its partners are able to achieve was to inform similar efforts in other low-resource states.
- » Blending programmatic grant support (\$250,000), a loan loss reserve (\$200,000) and PRI (\$500,000) capital in this way would serve as an instructive model for other program/social investment partnerships.
- » The opportunity to increase available affordable financing "upstream" in the food system allowed us to test the impact and inform our research on the potential size and scale of this part of the healthy food sector.
- » On the risk side, SCCLF had fewer than two years of experience lending to healthy food entities at the time of investment and the majority of that lending had been to retail grocers.
- » SCCLF's lack of experience in this sector was mitigated in part by the recent hire of an experienced food lender.



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