

HFFI Local & Regional Food Financing Partnerships Program

Frequently Asked Questions

Updated 9/15/23

Please note, this FAQ will be updated periodically with additional questions and resources.

Eligibility

- **Who is eligible to apply for the HFFI Partnerships Program?**

This program is for local, state, or regional food financing funds/programs that are providing loans, grants, and technical assistance to food retail and food enterprise businesses. Partnerships (two or more entities) are eligible to apply (not individual entities). One of the entities must be a public entity. A Partnership is a regional, state, or local public-private partnership that is organized to improve access to fresh, healthy foods and provides financial and technical assistance to eligible projects.

- **I own a grocery store (or I am developing a new grocery store) in an underserved area, can I apply for this grant?**

The HFFI Partnerships Program grants are for Food Financing Programs that provide loans, grants, and technical assistance to food retail and food enterprise businesses. This grant program is not intended for individual food retail projects that need capital for their store, even if they have a partnership. There will be future funding available for food retail and food enterprise projects.

- **Does a public entity have to provide funding to the Partnership?**

The entities in the partnership may determine the best roles for each entity. There are no required roles that the public entity or any other entity must fulfill in the food financing program. The application should describe what role each entity will play and how this will achieve the impacts of the program being proposed.

- **Are food policy councils public entities?**

It depends on the food policy council. Councils that are boards of commissions of a public entity (city, county, state, etc.) will most likely be considered public entities. These councils usually have members appointed by a public body and are staffed by public employees. Food policy councils that are separate entities (50113s or fiscally sponsored) are most likely not public entities. Reinvestment Fund can review each entity on a case-by-case basis. Contact us at help@investinginfood.com if you have further questions.

- **If we're providing loans on a statewide basis, is it okay if our public partner is a city agency?**

There is no requirement for who the public entity is in the Partnership. The Partnership may determine what the right role is for each partner entity to play and explain this in the application. Application reviewers will look for consistency and the Partnership's ability to implement the proposed program. A stronger application will have a public partner that is appropriately situated to fulfill its role and contribute to the success of the Food Financing Program in the proposed service area.

Application Requirements and Guidelines

- **If the partnership is new for this application, do the partnership entities answer application questions related to the existing organizations individually before being partners?**

The application is being submitted on behalf of the partnership. If the partnership does not have its own track record, then applicants can draw from the experience and track record of the individual entities in the partnership to demonstrate what the partnership can accomplish with grant funding.

- **Can the Qualified Lender be a partner only for the credit enhancement portion of the proposal and not the entire proposal?**

Yes. The roles that each entity in the Partnership plays are up to you. The grant does require that Credit Enhancement activities involve a Qualified Lender.

- **What are the requirements for SAM registration?**

Applicants are required to register with the System for Award Management (SAM) at sam.gov and to keep the sam.gov registration open until the application process is complete. If an applicant is selected to receive a grant award, SAM registration must be active throughout the life of the award.

You can register with SAM at <https://sam.gov/SAM/>. SAM is an official website of the U.S. government. There is no cost to use SAM. For more information and assistance with using SAM, please review the HELP page at: <https://sam.gov/content/help> and/or contact SAM directly.

Applicants will be required to submit their SAM registration and their Unique Entity Identifier (UEI) number with their application. Only the Lead Applicant needs to have a SAM registration.

- **Is this program in Grants.gov?**

No, you cannot apply for this program using grants.gov. Applications to this program will go through Reinvestment Fund's online grants portal, SmartSimple.

- **What is an Underserved Area?**

This term is defined in the Request for Applications (RFA):

The term "Underserved Areas" will have the same meaning as "underserved communities," which based on Section 6015 of the 2008 Farm Bill means a community (including an urban or rural community and an Indian tribal community) that has (I) limited access to affordable, Healthy Foods, including fresh fruits

and vegetables, in grocery retail stores or farmer-to-consumer direct markets; and (II) a high rate of hunger or food insecurity or a high poverty rate. For the purpose of satisfying the project requirements for the Initiative an underserved area must either:

1) Be a Census tract determined to be a Low-Income and Low-Supermarket-Access Census Tract by the United States Department of Agriculture in its Food Access Research Atlas;

2) Be a Census tract adjacent to a Census tract determined to be a Low-Income and Low-Supermarket-Access Census Tracts by the United States Department of Agriculture in its Food Access Research Atlas; which has a median family income less than or equal to 120 percent of the applicable Area Median Family Income; or

3) Be a Geographic Unit as defined in 12CFR Part 1805.201(b)(3)(ii)(B), which meets the criteria as having low access to supermarkets or grocery stores through a methodology that has been adopted for use by another government or philanthropic healthy food initiative or demonstrates other criteria describing low access to supermarkets or grocery stores for an underserved community.

Application Strengths and Scoring

- **If we aren't currently providing loans or grants, how do we demonstrate this ability isn't just aspirational?**

Applications will be reviewed on the Partnership's ability to create the impact proposed, and scored based on the strength of the overall application. If the proposed activities are new to the partnership, then the reviewers will evaluate the experience and track record of the entities in the partnership that is provided in the application. Stronger applications will demonstrate some past support for food retail or food enterprise businesses or similar businesses, whether that was providing technical assistance, grants, loans, or other types of support. A track record and experience with supporting food retail and food enterprise businesses, or related experience in other sectors, is most important for Partnerships requesting Credit Enhancement.

- **How should an applicant demonstrate that an area is underserved by HFFI resources?**

Applicants should demonstrate that they are in an area that is underserved by HFFI resources by describing narratively the extent to which their service area is underserved. This could include a discussion of the lack of HFFI loans or grants in their service area or explaining how HFFI resources have not reached their service area to date.

Funding Availability

- **Will Partnership grants be available in the future or is this one-time funding? If so, when?**

Reinvestment Fund expects to have another round of the HFFI Partnerships Program grant. This is anticipated about two years after this initial round of funding.

Program Guidelines

- **How long is the grant period? How long do we have to deploy funds?**

For applications proposing only Capacity Building activities, the grant period is up to three years. For applications proposing Credit Enhancement activities or both activities, loans utilizing credit enhancement funds must be deployed within five years but the grant period will be longer and will depend on the loan servicing/repayment timeline.

- **If expanding to new communities, does it have to be adjacent or a community in which the partnership or a partner entity has some connection?**

The communities or areas served do not have to be contiguous/adjacent to each other. The Partnership will determine the areas served and describe them in the application. One of the scoring criteria for the application is stakeholder involvement. Applications will score higher if the Partnership can demonstrate that relevant stakeholders were involved in the process of designing the Food Financing Program, and if there is a market demand in a new community for Food Financing Program services/financing.

Budget/Use of Funds

- **Can we subgrant to partners?**

Yes. The Lead Applicant may subgrant part of the award to other partner entities to carry out a portion of the work towards the purpose of the HFFI Partnerships Program grant.

- **Can grant funds be used for the partnership to lease space or equipment?**

Costs directly associated with running the Food Financing Program as proposed in the application are allowable uses of grant funds. This could include equipment or leasing space that is a direct cost of the program. There is also an allowance for indirect costs – up to 10% of Modified Total Direct Costs – that would cover a portion of rent and other administrative costs that are not direct costs of the program.

- **Can grant funds be used for the partnership for loan capital?**

No, grant funds cannot be used by the qualified lender in the partnership as direct loan capital. However, grant funds can be used to leverage other sources of funding to make loans, such as for interest rate buy-downs, loan guarantees, loan loss reserves, or other creative ways to unlock affordable loans for food retailers and food enterprises.

- **If we want to offer grants to food retail businesses, where do they fit in the application?**

Grants would be considered credit enhancement activities and are meant to be used in addition to loans or other financing of projects (the capital for lending activities will come from other sources since HFFI

Partnerships Program funding cannot be used as loan capital). Not every individual project needs to have a grant and loan combination, but overall the Food Financing Program must provide loans and grants to eligible projects.

- **If the Partnership wants to offer technical assistance, where does that fit in the application?**

Technical assistance provided directly by the Partnership (whether by the lead applicant, a subawardee, or a contractor) would be a Capacity Building activity. If the Partnership is providing grants to eligible projects to hire their own TA providers, that would be a grant under Credit Enhancement.

- **If admin funds are needed to support the partnership, should we apply for that under capacity building activities?**

Any admin type funds (such as personnel, contractual, other operating or administrative costs etc) would fall under Capacity Building activities. Direct costs would be categorized by type based on the line items in the budget. Grantees may also charge indirect expenses, as described in the guidelines in the RFA.