

Healthy Food Financing Initiative Food Access and Retail Expansion Fund (HFFI FARE Fund)

2024 Loan Application Webinar
Wednesday, September 25, 2024



Meet the HFFI Team



REINVESTMENT
FUND



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Healthy Food Financing Initiative

The purpose of the Healthy Food Financing Initiative (HFFI) is to support food supply chain resiliency, improve access to healthy foods in underserved areas, to create and preserve quality jobs, and to revitalize low-income communities.

HFFI Goals and Authority

- The Healthy Food Financing Initiative (HFFI) was authorized under the Agriculture Act of 2014 and reauthorized in 2018.
- HFFI is a program of USDA Rural Development.
- In 2017, Reinvestment Fund was selected as the National Fund Manager through a competitive process. We implement HFFI and provide financial and technical assistance to eligible healthy food retail partnerships and projects. Reinvestment Fund manages the HFFI program for USDA.
- Funding for this announcement is made available largely through the American Rescue Plan Act (ARPA) of 2021.

HFFI FARE Fund

Over the next five years, the HFFI FARE Fund will provide \$60 million in loans, grants and technical assistance to food retail and food retail supply chain projects in underserved areas. Assistance from the HFFI FARE Fund helps healthy food retailers and enterprises to overcome higher costs and initial barriers to entry, thus enabling food enterprises to thrive and deliver fresh, healthy, and affordable products.

2024 HFFI FARE Fund

- Includes funding for grants, loans, and technical assistance for the 2024-2025 cycle
- At least \$9 million available for implementation grants with awards from \$20,000-\$250,000
- At least \$1.5 million for technical assistance with awards up to \$100,000
- At least \$16 million for loans with amounts between \$500,000-\$5,000,000.
- Grants will be one-time investments of capital into a food retail or food enterprise project to address higher costs and initial barriers to entry in underserved rural and urban areas



Eligible Applicant Types

- for-profit businesses
- cooperatively-owned businesses
- tax-exempt nonprofit corporations
- institutions of higher education
- state and local governments and governmental agencies, authorities, commissions, and food policy councils*
- tribal governments and tribal governmental agencies, authorities and food policy councils*

*State, local, and tribal governments are eligible for grants and technical assistance but not for loans currently.

Individuals are not eligible to apply

Eligible Projects

What we will fund:

- Projects that will contribute to food access through the availability of Staple and Perishable Foods for retail sale in underserved areas
- Projects that will maintain or improve food supply chain resilience
- Projects planning or expanding a food retail business model that will offer an assortment of staple and perishable foods, and will accept SNAP benefits
- Projects planning or expanding food enterprise projects that contribute to the retail food supply chain and downstream retailers, ultimately improving food access through retail sales

Eligible Projects

What we will not fund:

- Agriculture-only projects
- Charitable food
- Nutrition education
- Restaurants
- Consumer packaged goods
- Ongoing operating subsidy
- Research studies
- Loan funds/regranting programs
- Food retail programs & initiatives conducting consulting, TA or educational activities

USDA Food Research Atlas Low Income Low Access Census Tract

OR

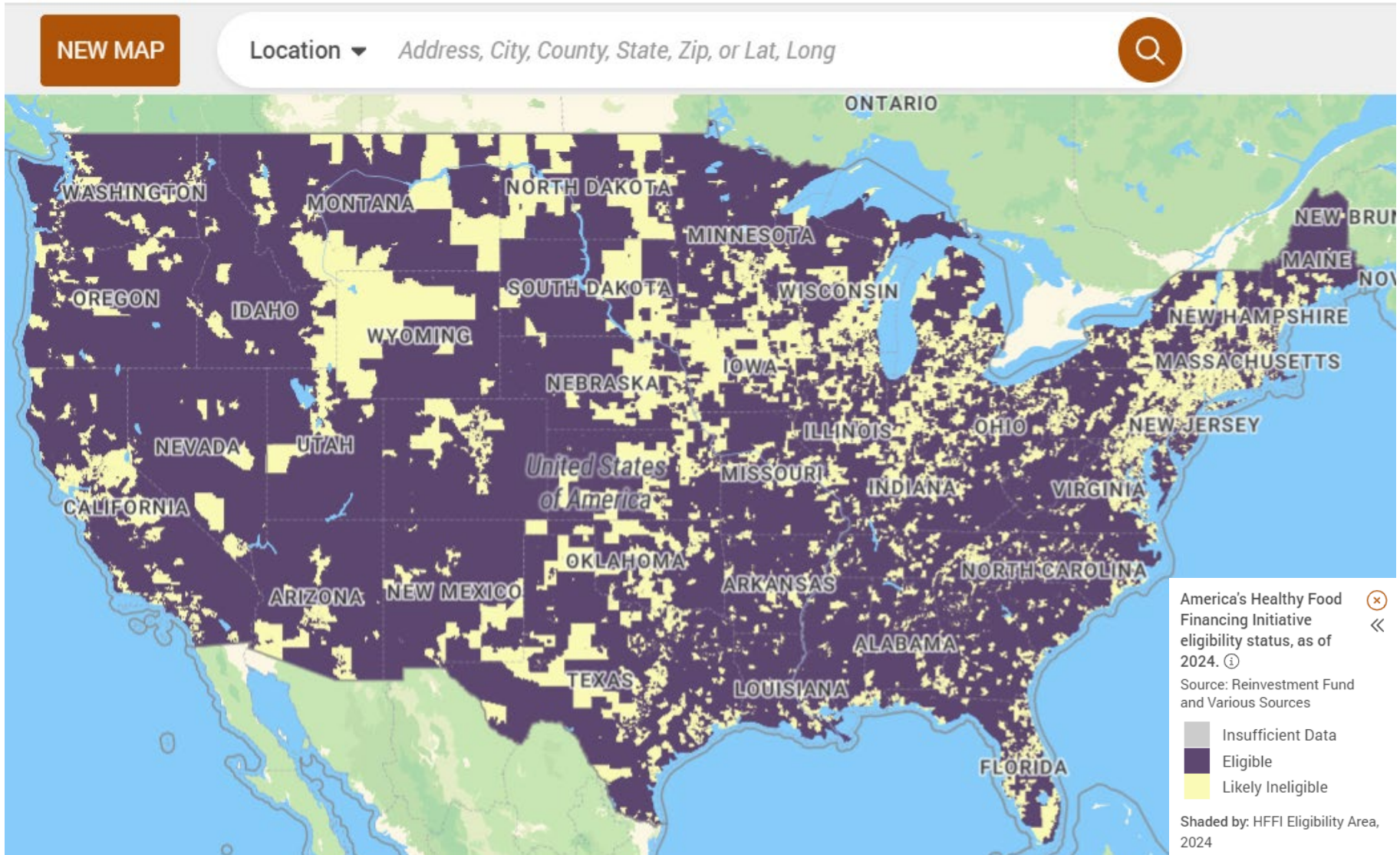
Census tract adjacent to USDA Food Research Atlas Low Income Low Access Census Tract with a median family income less than or equal to 120 percent of the applicable area median

OR

Geographic unit determined to have limited access to supermarkets or grocery stores by a methodology that has been adopted for use by another government or philanthropic healthy food initiative

Eligible Locations & Mapping Tool

www.investinginfood.com/eligibility



Application Process

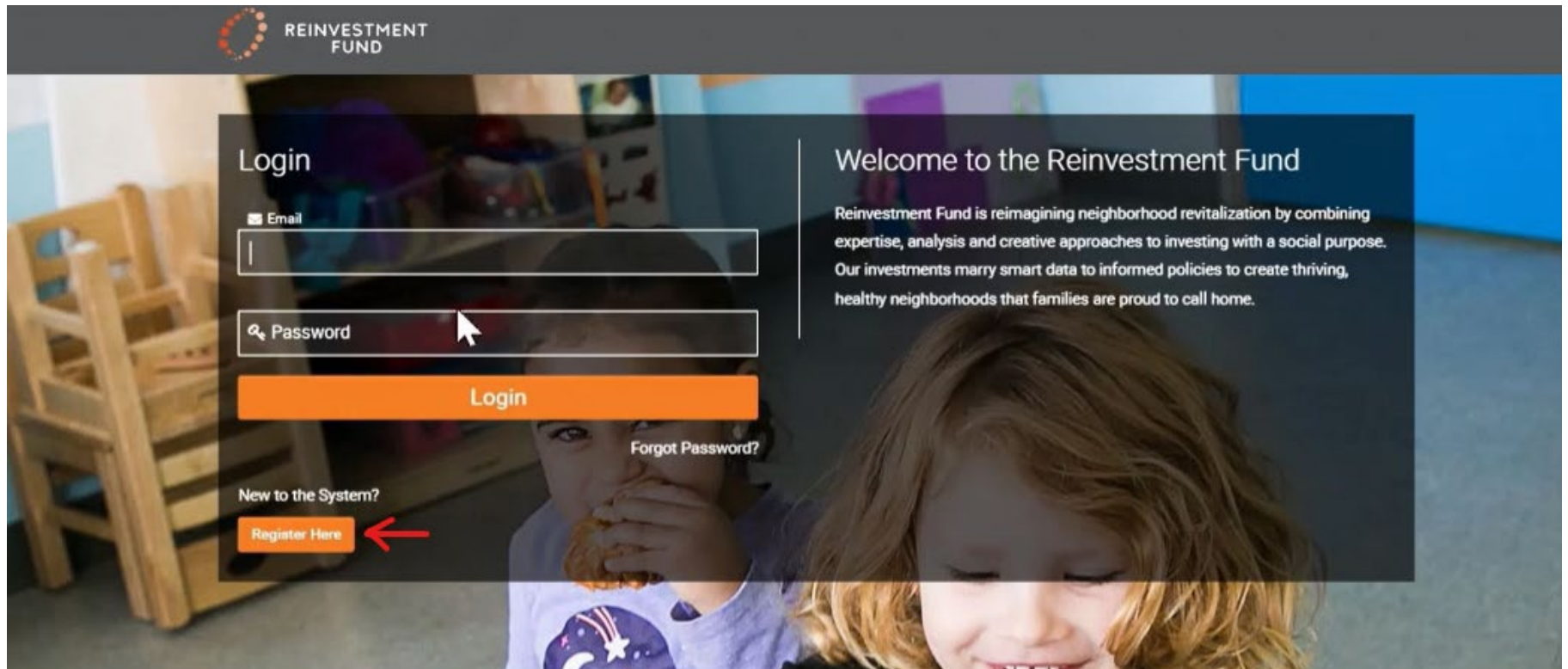
Funding Inquiries must be submitted through Reinvestment Fund's online grants portal, SmartSimple (<https://reinvestmentfund.smartsimple.com/>) by the dates in the chart below.

	GRANTS	TECHNICAL ASSISTANCE	LOANS
STEP 1: FUNDING INQUIRY FORM	Round 1: October 14, 2024 Round 2: March 3, 2025 Round 3: August 4, 2025	Rolling deadline	Rolling deadline
STEP 2: APPLICATION	Round 1: December 12, 2024 Round 2: May 1, 2025 Round 3: October 2, 2025	If invited, due 45 days after invitation is sent	If invited, due 45 days after invitation is sent

There will be three grant rounds in this funding cycle. Grant applications will be reviewed and scored approximately every six months. All deadlines and award announcement dates are listed in the RFA.

SmartSimple – Online Application Portal

Applications will be submitted through Reinvestment Fund's SmartSimple grants portal www.reinvestmentfund.smartsimple.com

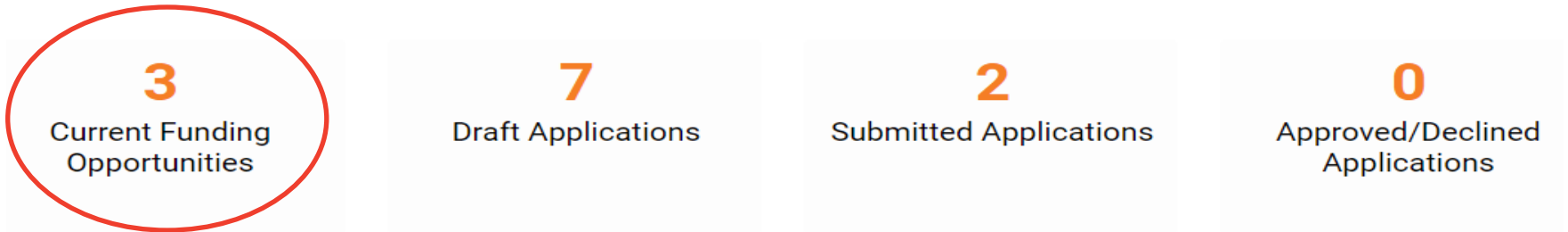


The screenshot shows the login page for the Reinvestment Fund's SmartSimple grants portal. The page features a dark background with a light-colored overlay for the login form. The Reinvestment Fund logo is in the top left corner. The main heading is "Login". Below it are two input fields: "Email" and "Password". A mouse cursor is hovering over the "Password" field. Below the input fields is an orange "Login" button. To the right of the "Login" button is a link for "Forgot Password?". Below the "Login" button is a link for "New to the System?" with a red arrow pointing to an orange "Register Here" button. To the right of the login form is a welcome message: "Welcome to the Reinvestment Fund" followed by a paragraph of text: "Reinvestment Fund is reimagining neighborhood revitalization by combining expertise, analysis and creative approaches to investing with a social purpose. Our investments marry smart data to informed policies to create thriving, healthy neighborhoods that families are proud to call home." The background image shows two children, a boy and a girl, smiling and eating.

SmartSimple – Online Application Portal

Applications will be submitted through Reinvestment Fund’s SmartSimple grants portal www.reinvestmentfund.smartsimple.com

Welcome Kahfii King - Funding Opportunities & Applications



Current Funding Opportunities

Search bar with a magnifying glass icon, a close button (x), and navigation arrows. Text: 1-3 of 3

Opportunity Details	Description
HFFI Food Access & Retail Expansion Fund Deadline: 2024-10-14 23:59 Submit HFFI FARE Fund Inquiry Form	The HFFI Food Access and Retail Expansion Fund (HFFI FARE Fund) will provide loans, grants and technical assistance to eligible projects serving underserved areas through healthy food retail. Funding is designed to be a one-time investment of capital into predevelopment or implementation activities that will support the development and success of a sustainable business model.

SmartSimple – Funding Inquiry

2024-6697 HFFI Food Access & Retail Expansion Fund

PDF View

- SUMMARY
- APPLICANT INFORMATION
- INQUIRY FORM ELIGIBILITY QUESTIONS**
- INQUIRY FORM FUNDING REQUEST



Please complete the eligibility screening questions below:

* Which of the below best describes your project?

- My project creates or expands a food retail business
- My project creates or expands a food retail supply chain business
- My project creates or expands both a food retail and a food retail supply chain business
- My project does not involve the creation or expansion of a food retail or food retail supply chain business

* My food retail project will create or expand a food retail business model that will sell an assortment of Staple and Perishable foods once operating.

- Yes
- No

* My food retail project will create or expand a food retail business model that will accept SNAP once operating.

- Yes
- No

* My project will ultimately increase the availability of staple and perishable foods for sale at a SNAP eligible retailer in eligible Underserved Areas.

Please use the results of the eligibility map available at <https://www.investinginfood.com/eligibility/> to search your project's location.

- Yes
- No

* If the project involves food retail, describe the assortment of Staple and Perishable foods that will be sold. If the project involves a food retail supply chain enterprise that will not involve retail sales directly to consumers, describe how the project will ultimately support retail supply chains by increasing the sale of an assortment of Staple and Perishable Foods at SNAP eligible food retailers.

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Funding Inquiry Requirements

Applicant Requirements

- Legal entity name and contact information
- Applicant verification information including, the documentation of the legal status of the organization, your UEI number, and indication of active SAM Registration
- Project address or a brief description of proposed site location if there is no address, upload of eligibility map results or evidence of eligibility based on geographic location if the map is uncertain

Funding Inquiry Requirements

- Eligibility screening
- Type of project and whether it is a new business model or expansion of an existing business model
- Project stage
- Project description
- Community served and need
- Organization background
- Funding request
- Type of assistance needed

**Only one Funding Inquiry will be accepted per entity.
Projects can only apply for each type of assistance
once in a 12-month period.**

Loans

Eligible Uses of Funds – Loan Product Types

What we will fund:

Loan funds can support a variety of hard and soft costs from predevelopment to construction. Loan types include:

- **Predevelopment:** early-stage costs like market studies, property appraisals, zoning approvals and permitting, and deposits on property.
- **Acquisition Only:** financing for the acquisition of real estate
- **Bridge Loans:** provides a bridge to secured commitments of project sources that cannot be immediately accessed
- **Construction:** includes hard and soft costs for development projects
- **Permanent & Construction to Permanent**

Eligible Uses of Funds – Loan Product Types Cont'd

What we will fund:

Loan funds can support a variety of hard and soft costs from predevelopment to construction. Loan types include:

- **New Market Tax Credit (NMTC) Source Loans:** provides financing for NMTC projects. Bridges grants or capital campaigns or other gap funding.
- **Equipment and Other Capital Needs:** Hard costs for the creation, retrofit, expansion, or other one-time investment in capital needs for a retail operation or enterprise that isn't for construction including machinery, equipment, technology, software, vehicles, or other.
- **Working Capital and Other Soft Costs:** one-time soft costs such as training, consumer engagement, marketing and merchandising work, working capital (as part of a larger loan package)

Application Requirements – Loans

Application Narrative

- Type of loan
- Loan amount requested
- Organization Overview and Project Team Qualifications
- Population, Community, and/or Market Served
- Project Objectives, Activities, and Outcomes
- Need for and Use of Funds
- Project Impacts
- Priorities (optional, but recommended)
- Project Timeline

Budget (up to \$5,000,000)

- Break down by cost categories
- Explanation of requested uses

Attachments

- Organizational Budget (required)
- Financial Statements (required)
- Tax Returns (required)
- Organization Structure Information (required)
- Operating Projections (required)
- Sources and Uses (required)
- Letters of support (optional)
- Organization Reference

Full applications are invitation only.

Only one application per type of assistance will be accepted per organization or project in a 12-month period.

Application Review & Due Diligence Process – Loans

- Loan applications are reviewed for preliminary feasibility of financing, upon which a term sheet or summary of indicative terms is issued.
- If acceptable to the applicant, Reinvestment Fund will begin the due diligence phase of underwriting which includes but is not limited to evaluation of the criteria described below. These criteria include:
 - A. Applicant and Project Team Qualifications
 - B. Project Scope and Strength
 - C. Financial Strength of Borrower and Guarantor
 - D. Loan Structure and Collateral
 - E. Construction Diligence
 - F. Repayment Analysis
 - G. Reserves

Review & Due Diligence Process – Loans

- Priority will be given to projects that have the following attributes:
 - A. Projects that are in Very Low-Income Communities.
 - B. Projects that will create or retain Quality Jobs for low-income residents in the community.
 - C. Projects that support regional food systems and locally grown foods to the maximum extent possible.
 - D. Projects that are accessible by public transit (in areas that are served by public transit).
 - E. Will involve women-owned or controlled businesses.
 - F. Will involve Black, Indigenous, and People of Color (BIPOC)-owned or controlled businesses.
 - G. Projects in Rural Areas
 - H. Projects in communities that have been underserved by HFFI investment, including other national, state, and/or local HFFI programs.

Federal Award Requirements – Loans

- If awarded, applicants will be notified through a commitment letter that sets forth the amount of funds loaned, the terms and conditions of the loan, and other pertinent instructions and information regarding funding.
- Standard commercial loan documents and closing procedures will apply
- Loans will be funded with federal funds and, as such, loan recipients are responsible for ensuring that their activities comply with all applicable federal regulations. Some of those include:
 - Environmental Review
 - Build America, Buy America Act
 - Federal Interest in equipment and real property



The 2024 HFFI FARE Fund is now accepting applications.

To download the full RFA and apply online visit:
www.investinginfood.com/fare-fund

Funding Inquiries for loans are accepted on a rolling basis

Contact Us

Program RFA & Info:

[www.investinginfood.com/
fare-fund](http://www.investinginfood.com/fare-fund)

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help@investinginfood.com

