

HFFI 2024 FARE Fund (Food Access and Retail Expansion Fund)

Frequently Asked Questions

Updated 10.01.2024

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

General Program Information & Funding Availability

- **Where can I find the 2024-2025 FARE Fund Request for Applications (RFA)?**

The full RFA is available for download at [HFFI 2024-FARE-Fund-Request-For-Applications.pdf \(investinginfood.com\)](https://investinginfood.com/HFFI_2024-FARE-Fund-Request-For-Applications.pdf)

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

No, you cannot apply for this program using grants.gov. Applications must be submitted through Reinvestment Fund's online grants portal, SmartSimple (<https://reinvestmentfund.smartsimple.com/>). To be considered for a grant in Round 1 of the HFFI FARE Fund, Funding Inquiry Forms must be received by October 14, 2024, by 11:59 PM Eastern Time.

Applications received by email, mail, or fax will not be reviewed. Please contact us if you have any issues with the online submission process. To avoid technical issues, we encourage you to submit your application in advance of application deadlines.

- **Is this program the same as the HFFI Planning Grant Program, the Targeted Small Grants (HFFI TSG) Program or the HFFI Local and Regional Healthy Food Financing Partnerships Program (HFFI Partnerships Program)?**

No, the HFFI FARE Fund (Food Access and Retail Expansion Fund) is a new HFFI funding opportunity. The HFFI FARE Fund 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. Competitive grants, loans, and technical assistance will be available for eligible food retail and food retail supply chain projects in the predevelopment and implementation stages. Grant awards will be up to \$250,000 for implementation and up to \$100,000 for early-stage planning, predevelopment, and technical assistance. Loans to eligible projects may range between \$500,000-\$5,000,000. Loans may be paired with technical assistance and/or grants to strengthen the viability of the project.

- **How can I get my questions about the application answered or get help using the online grants portal?**

Please direct individual questions by email to help@investinginfood.com. Please include your specific questions in the email so Reinvestment Fund staff may assist you. Reinvestment Fund strongly encourages applicants to submit early to avoid technical issues with the grant portal.

- **Where can I find examples of projects that have been previously funded through America's HFFI?**

Information on projects previously funded through America's HFFI is available at www.investinginfood.com/impact.

- **Will the FARE Fund be offered again next year?**

Yes, this is a multi-year long funding opportunity. There may be multiple RFAs released under the FARE Fund. The current RFA funding cycle will run through 2025. For the current funding cycle, there will be three rounds of implementation grants. Loans and technical assistance will be awarded on a rolling basis. Please refer to page 3 of the RFA for the full deadline schedule for each type of assistance.

- **How does this program differ from other programs called HFFI?**

To date, multiple federal, state, and local governments and philanthropies have supported healthy food financing policies and initiatives. There are many programs that use the name HFFI.

This includes previous funding through U.S. Department of Health and Human Services' Community Economic Development (CED) Program and current funding through U.S. Department of the Treasury's Community Development Financial Institutions (CDFI) Fund, as well as many state and local programs.

The 2014 Farm Bill created this Healthy Food Financing Initiative within USDA, to be administered by a CDFI. This program, called America's Healthy Food Financing Initiative, is managed by Reinvestment Fund, and provides financial and technical assistance, either directly or through other partners and intermediaries, to eligible fresh, healthy food retailers and food retail supply chain enterprises.

- **Are matching funds required?**

No, they are not required. This grant cannot be used to match funds with other Federal Grants, but your project can have external funds to support the activities. You will indicate this during the application.

- **Can these funds be used as a match for other federal grant applications?**

No, HFFI funds may not be used as a match for other federal awards.

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

Applicants are required to register with the System for Award Management (SAM) at sam.gov and 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.

When applicants submit their application, they will be asked to provide their SAM UEI number and expiration date. During the application process, prior to making grant awards, Reinvestment Fund will screen applicants for SAM registration.

- **We have a UEI but have not completed the full "entity registration", do we need to do so?**

Yes, to be awarded funding, an applicant must be legally incorporated, have a UEI number and active Sam Registration.

- **Do organizations need to be formally incorporated to apply? Can I apply using a fiscal sponsor?**

Yes, organizations must be legally incorporated and must provide documentation of their legal status to apply. To be awarded a grant, an applicant must be legally incorporated, have an EIN/TIN and a UEI number, as well as an active SAM registration. If an applicant doesn't have an EIN/TIN, they may apply through a partner or a fiscal sponsor.

The organization that will sign the grant agreement with, if awarded the grant, should be the applicant in SmartSimple. The Applicant Information and Attestations/Supplemental Questions should also be completed on behalf of the incorporated entity. You should describe your organization (who will be completing the project) in narrative questions.

- **Does being a previous recipient of HFFI Funds guarantee that I will be awarded future HFFI grants, technical assistance or loans for my project.**

Receipt of a previous HFFI award does not guarantee an organization's selection for future HFFI grant, technical assistance or loan funding.

- **Will all submitted applications be scored?**

Only implementation grant applications will be competitively scored. However, all submitted Funding Inquiries will be screened for eligibility by program staff. Eligible Technical Assistance and loan applications will be reviewed on a rolling basis. Technical Assistance awards and loans will be based on a merit, non-competitive basis.

- **Can I submit letters of support?**

Letters of Support may be submitted with your full application through the online application portal. Letters of support are not required but are encouraged to be submitted as supplemental application materials. Applicants should not mail physical letters to Reinvestment Fund.

- **Is there any priority given to applications based on which deadline we apply by?**

No. Approximately every six months, grant applications will be reviewed and competitively scored by a set of external reviewers after each full application deadline. Please refer to the RFA for the schedule of grant application deadlines. Technical assistance and loan applications will be reviewed on a rolling basis.

- **Is it better to partner or submit as an individual entity, even if we might partner later in the project?**

Applicants are encouraged to seek and create partnerships with public or private, nonprofit or for-profit entities, and/or other appropriate professionals, community-based organizations, and local government entities. Only the applicant must meet the eligibility requirements. Project partners and collaborators need not meet the eligibility requirements. Award recipients may subaward to organizations not eligible to apply provided such organizations are necessary for the successful completion of the project.

The entity that will be responsible for managing award funds if selected for funding should be the applying entity.

- **If an eligible project is invited to submit a full application, but isn't selected for funding, can the project reapply for future funding rounds?**

If your project was deemed eligible following review by Program Staff of your submitted Funding Inquiry Form, and the project is invited to submit a full application, but ultimately is not selected for funding, you are welcome to apply for additional rounds of funding within the timelines of the 2024-2025 RFA for the project described in your eligible Funding Inquiry Form.

As a reminder, Funding Inquiry Forms will be reviewed by Program Staff to determine eligibility based on the HFFI criteria outlined in the RFA before a project is invited to submit a full application. If your project is deemed ineligible based on the information provided in the Funding Inquiry, we will notify you via email, and you will not be able to submit a full application.

- **If you apply for and are selected for a TA grant early in the process, can you apply for an implementation grant in the next round?**

Yes. If you apply for TA and complete all the activities for that project, you can apply for an implementation grant. However, if you were selected for TA, it does not guarantee you will be awarded an implementation grant.

- **What is the turnaround time for awarding grants after applications are received?**

Award announcements for implementation grants are:

Round 1 – no earlier than March 2025

Round 2 – no earlier than August 2025

Round 3 – no earlier than December 2025

TA applications are reviewed on a rolling basis. If you are invited to submit, the application is due 45 days after the invitation is sent. Applicants will be notified of selection as a TA recipient within two months of submitting a complete application.

- **Can you submit a Funding Inquiry for both technical assistance and an implementation grant and then if invited to apply, then just apply for one?**

The HFFI Food Access and Retail Expansion (FARE) Fund will only accept one Funding Inquiry per entity in a 12-month period. In the Funding Inquiry Form, you may indicate that you are interested in multiple types of funding (grant, technical assistance, loan). During the Funding Inquiry Form review, our team will determine the appropriate funding for your project and invite you to submit the relevant full application. Full applications will be due 45 days after the invitation is sent. If something changes and you only need one type of funding, you may choose to only submit that application, even if invited to apply for multiple types of funding.

- **Can you help me apply for SNAP?**

General questions about SNAP and EBT should be directed to Ask USDA via <https://ask.usda.gov/s/contactsupport>. Reinvestment Fund cannot assist with SNAP applications or answer questions about the SNAP authorization process.

Eligibility

- **What is an underserved area?**

The term “underserved area” is defined by Section 6015 of the 2008 Farm Bill, as a community (including an urban or rural community and an Indian tribal community) that has: limited access to affordable, healthy foods, including fresh fruits and vegetables, in grocery retail stores or farmer-to-consumer direct markets; and a high rate of hunger or food insecurity or a high poverty rate. For the purposes of the FARE Fund, a project must be located:

1. In 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. OR in 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; and which has a median family income less than or equal to 120 percent of the applicable Area Median Family Income;

3. OR in 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.

More information, including data and maps available to help determine if a proposed location is eligible in an eligible underserved area, is available at

<https://www.investinginfood.com/eligibility/>.

- **What are staple or perishable foods?**

As defined in Section 4206 of the Agricultural Act of 2014, the term 'staple food' means food that is a basic dietary item, which includes bread, flour, fruits, vegetables and meat.

As defined in Section 4206 of the Agricultural Act of 2014, the term 'perishable food' means a staple food that is fresh, refrigerated, or frozen.

- **Does a retail outlet need to offer both staple and perishable foods to be eligible?**

Yes, a retailer must offer an assortment of staple and perishable foods to be eligible. Retailers must also accept SNAP. Farmers markets that offer only produce will not be eligible. For more information on SNAP food retailer stocking requirements, please visit

<https://www.fns.usda.gov/snap/retailer>.

- **Are non-retail projects eligible to apply?**

Yes, this program is open to food retail and food enterprise projects that meet the eligibility requirements outlined in the RFA. This program aims to support projects that will increase access to healthy staple and perishable foods for retail sale, which includes supporting food enterprises in the food retail supply chain.

Food enterprises are businesses or organizations along the food supply chain such as food hubs; food producers, distributors, processors, and manufacturers; food business incubators; mobile markets; and other direct to consumer markets. Food enterprises do not necessarily involve the direct sale of food to consumers. Food enterprise projects applying to this program will need to describe how the planning and implementation of the business model will substantially contribute to the retail food supply chain and downstream retailers, ultimately expanding or preserving access to an assortment of staple and perishable foods at downstream, SNAP eligible retailers.

Please refer to the eligibility section of the RFA for more details on eligible applicants and projects.

- **Are projects involving business models that will not be physically located in an eligible underserved area but will involve delivery of SNAP eligible staple and perishable foods directly to consumers in underserved areas eligible?**

If the proposed business will not be physically located in an underserved area, but will create a business model that involves delivery of staple and perishable foods directly to consumers, the application will need to describe how the project is meaningfully focused on reaching communities located in eligible underserved areas, including how they will ensure the business will make a concentrated effort to deliver food to eligible underserved areas, and how deliveries to these locations will be targeted and sustained once operating. Any business selling direct to consumers also needs to be SNAP authorized.

- **Are food supply chain projects involving business models that will not be physically located in an eligible underserved area, but will distribute staple and perishable foods to SNAP authorized food retailers in underserved areas eligible?**

Food enterprise projects that involve the creation or expansion of food retail supply chain businesses do not physically need to be located in an underserved area but must directly impact the sale of an assortment of SNAP eligible staple and perishable foods in eligible underserved areas.

If the proposed food supply chain business will distribute staple and perishable foods to other businesses, the application will need to provide the location of the SNAP authorized food retailers to which the business will distribute food and describe how they will ensure distribution to these retailers is sustained once the business model is operating in order to be considered eligible.

- **Are food banks, food shelves, or food pantries eligible?**

No, food pantries and other charitable or free food distribution programs are not eligible for HFFI funding. To be eligible, retail projects must sell food and accept SNAP for payment. A food bank or pantry is an eligible applicant if they are proposing an eligible retail project or food enterprise project, as defined in the RFA.

Please refer to the eligibility section of the RFA for more details on eligible applicants and projects.

- **Are projects in urban areas eligible?**

Yes, projects in urban and rural areas are eligible if they are located in an eligible underserved area. You can look up the eligibility of your location using the mapping tool available on our website: <https://www.investinginfood.com/eligibility/>

- **Can a retail store that also sells prepared food apply for this program?**

The goal of HFFI is to increase, expand, or sustain consumer access to an assortment of staple and perishable foods at SNAP authorized retailers in underserved areas. An assortment of staple

and perishable foods means a variety of fresh, frozen and refrigerated basic dietary items (i.e. bread, produce, meat), and does not include hot or prepared foods. Projects funded through this program must align with this goal.

Food retailers that will sell both staple and perishable foods, and prepared foods are able to apply for this program. Projects proposing the use of grant funds for expenses that directly involve creating or expanding prepared food production (i.e. commercial kitchen construction, meat processing equipment purchases) may potentially be considered eligible if the prepared food activities are directly tied to the retail business model's operation, is necessary for the overall sustainability of the business, and will ultimately support the business's ability to sell an assortment of staple and perishable foods in underserved communities.

- **Are restaurants eligible?**

This program is not designed to support projects that are primarily focused on the sale of prepared, hot foods in a restaurant or takeaway setting, or for free congregate meals in a service setting. Prepared foods may be a component of an eligible food retail or food enterprise project that can also demonstrate how the proposed project will expand or preserve the availability of staple and perishable foods.

- **Are community gardens eligible?**

Projects that are primarily focused on gardening and farming are not eligible for HFFI funding. Projects to support retail food sales at community gardens are eligible if they offer an assortment of staple and perishable foods for sale and accept SNAP.

Please refer to the eligibility section of the RFA for more details on eligible applicants and projects.

- **Are food retail programs or initiatives eligible?**

Projects involving the creation or expansion of food retailers, or food retail supply chain businesses operated by any kind of legal entity, are eligible for this program. Applications seeking funding for projects involving the creation or administration of food financing, technical assistance, consulting or educational programs and initiatives that are primarily focused on efforts like supporting retailers or food enterprises, coordinating among them, or offering services to them will not be considered eligible. To be considered eligible, applications must propose planning and predevelopment activities for a project that will support healthy food access in underserved communities through the creation or expansion of a discrete food retail or food retail supply chain business model.

- **Are mobile markets or farmers markets eligible to apply?**

Mobile markets, farmers markets, and other non-traditional retail models are eligible for funding if they will accept SNAP and will offer staple and perishable foods, as defined in Section 4206 of the Agricultural Act of 2014. For more information on SNAP food retailer stocking requirements, please visit <https://www.fns.usda.gov/snap/retailer>.

- **Can start-up businesses apply?**

Yes, new food enterprises, new retail stores and other kinds of start-up projects are eligible for funding. This program will specifically support planning and predevelopment activities for new or expanded business models.

- **Are these programs available in Puerto Rico?**

We are working on eligibility for U.S. territories. Please fill out a funding inquiry form and we will give you more information soon.

- **If a supply chain organization is at an earlier stage and wants to apply for planning/pre-development, what kind of information or evidence will they need to provide?**

Food retail supply chain projects will need to describe how the planning and implementation of the business model will substantially contribute to the retail food supply chain and downstream retailers, ultimately improving access to an assortment of staple and perishable foods at downstream, SNAP eligible, retailers. You will need to describe your existing or plans to establish relationships with food retailers.

- **Would the expansion of an existing business be considered a "new" project?**

Yes, funds may be used for the expansion of an existing business model, if the expanded business model is necessary to expand, preserve or sustain access to an assortment of staple and perishable foods in an underserved community it is already serving, or it will serve new underserved populations that are not already serviced by the existing business. As a reminder, all projects involving retail sales must be located in an eligible underserved area, and grant funds may not be used for the operational costs of an existing business.

- **Can we support perishable only food (i.e. produce) that is SNAP eligible? Or do we need to be doing a combination of shelf staple and perishable?**

All retail projects must have an assortment of staple and perishable foods and cannot sell only produce. For more information on SNAP food retailer stocking requirements, please visit <https://www.fns.usda.gov/snap/retailer>.

- **If the map says, "Likely Ineligible," are we able to present information that justifies why the region should be considered eligible?**

Yes. Applicants may submit evidence that the location is determined to have limited access to grocery stores by a measure that has been adopted by another government entity (such as a city or state) or a philanthropic healthy food initiative or demonstrates other criteria describing low access to supermarkets or grocery stores for an underserved community.

- **If the supply chain (aggregator) project sells to institutional buyers who serve underserved clients, does that qualify as retail?**

The HFFI FARE Fund does not support institutional distribution. Food retail supply chain projects must focus on distribution to SNAP authorized retailers in order to be considered eligible for the HFFI FARE Fund. Entities that participate in institutional distribution may apply to the program, but the specific project for which they are seeking funding must primarily be focused on the distribution of staple and perishable foods to retailers.

- **Is a WIC retail Store business model that accepts SNAP an eligible project?**

Yes, it is eligible. All retail business funded through HFFI MUST also be SNAP authorized.

- **Do you need to be SNAP authorized before submitting an inquiry form?**

No, SNAP authorization is not required for submitting a Funding Inquiry. If a project is selected for HFFI funding, the new or expanded business model funded through HFFI will need to be SNAP authorized once operating.

- **Does distributing flyers on how to apply for/other resources for enrolling in SNAP disqualify us?**

HFFI grantees cannot engage in any activities intended to persuade or recruit individuals to apply for SNAP benefits. The use of HFFI funds to employ personnel tasked with enrolling individuals in SNAP is also prohibited. Allowable promotional activities must be limited to factual statements and HFFI grantees should generally avoid emotional appeals in their promotional activities.

- **We closed out an HFFI grant within the last 12 months. Are we still eligible to apply again?**

Yes, you are eligible to apply. Your FARE fund application should be for a unique "HFFI project," since HFFI funds should be for one-time projects that support a sustainable business model going forward. In other words, if your previous HFFI grant was for store construction, this project should be different. Also keep in mind that for the FARE Fund, you may only apply to each type of assistance once within a 12-month period.

- **Can one organization apply for both a loan and grant?**

The applicant only needs to submit one Funding Inquiry per project. Each project can apply for each type of assistance once within a 12-month period.

- **If we are a nonprofit, and give food away, are we able to apply, or is it retail only?**

Food pantries and other charitable or free food distribution programs are not eligible for HFFI funding. To be eligible, retail projects must sell food and accept SNAP. A food bank or pantry is an eligible applicant if they are proposing an eligible retail project or food enterprise project, as defined in the RFA. Please refer to the eligibility section of the RFA for more details on eligible applicants and projects.

Implementation Grants and Technical Assistance

- **Do you have to wait for the grant award/agreement to expend any funds that would be reimbursed under the grant?**

When you submit your budget, it is safest to assume that all the expenses you are listing will be incurred during the grant period. Project costs incurred up to 90 calendar days before the grant is awarded can be considered. But all costs incurred before the grant award is made are at the recipient's risk (We are not required to reimburse such costs if for any reason the recipient does not receive a grant award or if the award is less than anticipated and inadequate to cover such costs). far before

- **Are technology and software expenses an eligible use of funds.**

Software and technology expenses (i.e. website development or retail management software) necessary to support the planning or implementation of an eligible business model will generally be considered eligible project expenses.

- **Are vehicle purchases permitted if they are needed for the project implementation?**

For the 2024-2025 RFA, vehicle purchase is NOT an eligible use of funds for FARE Fund grants. Vehicles may be eligible for a loan, but may need to be part of a larger loan package as the minimum loan amount is \$500,000.

- **Is funding for staff time to carry out planning activities an eligible expense?**

Funds may be used for personnel to support the planning and implementation activities of the project, but may not be used for general operating expenses, including personnel, of a new or existing business.

- **Can funding be used to make products to sell at a market?**

This program will not support the startup, operation, or expansion of enterprises that produce only one or only a few consumer-packaged goods, such as health food items for sale at a retail location.

- **How do fund disbursements work for awarded grantees?**

Once organizations are awarded grant funds, they may access these funds throughout the grant cycle as reimbursements. Some exceptions may be made for advances. Grantees are required to provide invoices or quotes for all advances, and proof of payment for all purchases made with HFFI grant funds. An onboarding webinar will be held for selected awardees with more information about this process.

- **Do all other sources have to be identified/committed for the project to secure an implementation grant?**

They don't have to be secured, but they must be identified. You can update us during the process as outside funding sources change.

- **What are the TA options?**

A technical assistance award may be administered through one of two options.

Option 1 is non-financial assistance provided by recommended specialists within the Reinvestment Fund network. If the project is selected for an award, Reinvestment Fund will directly contract with the provider who will conduct approved contractual services up to a 12-month period

Option 2 is financial assistance provided directly to the applicant to manage the technical assistance project with a provider of their choice to conduct approved TA services up to a 12-month period. In this scenario, the TA recipient will need to ensure compliance with all federal regulations, including those listed in the RFA.

Program staff will work with you to understand the needs of the project and any TA partners that are involved in order to determine which option will best support the completion of the approved TA activities.

Loan Specific Information

- **Can you give an example of the organizational references that applicants can attach to a loan application?**

The reference should be from an organization, municipality, financial institution, or possibly an individual that can verify the organization's experience in healthy food access and capacity to take on the proposed project.

- **Can HFFI loan funds refinance the existing mortgage on the project site?**

Potentially. This will be determined on a case-by-case basis. The application will need to show how the refinance is necessary to the completion of the project and the increase of staple and perishable foods in an underserved area.

- **The RFA lists that the fixed interest rate will range from 0 to 6% with 3% being the typical rate. How will the rate be determined based on the loan type?**

The FARE Fund interest rate typically will be fixed at 3%; however, in some instances the rate could be higher or lower depending on the credit, risk, and impact conditions of the request.

- **Once initial cursory feasibility has been done and the terms sheet given, what percentage of projects do you expect to reach this point to make it through the additional granular process and have a full loan completed?**

Each project is unique with its own strengths and weaknesses. A term sheet indicates the project has on its face the capacity to borrow and the impacts we expect. While there are no loans without a term sheet or a summary of indicative terms, these documents show only an interest in lending, not a commitment to lend.

- **How do you work with a project in terms of meeting a guarantor?**

Loans may have additional guarantors; for-profit projects typically have personal guarantor(s) and may have corporate guarantors as well. Cooperatively owned or non-profit entities may have additional guarantors depending on the underwriting.

- **How many years of financial projections are required?**

At least three years of financial projections are required, however, more may be requested depending upon underwriting. Financial projections should include income statements, cash flow projections, and balance sheets.

- **Is a lease considered Site Control?**

Yes. If you do have a lease, this will be beneficial for a loan application. Leases should exceed loan term.