

1 A bill to be entitled
 2 An act relating to the Healthy Food Financing
 3 Initiative Pilot Program; creating the Healthy Food
 4 Financing Initiative Pilot Program; providing
 5 definitions; directing the Department of Agriculture
 6 and Consumer Services to establish a program to
 7 provide specified financing to construct,
 8 rehabilitate, or expand grocery stores and
 9 supermarkets in underserved communities in low-income
 10 and moderate-income areas; authorizing the department
 11 to contract with a third-party administrator;
 12 providing program, project, and applicant
 13 requirements; authorizing funds to be used for
 14 specified purposes; directing the department submit a
 15 report to the Legislature by a specified date;
 16 requiring that loan repayments be transferred to the
 17 General Revenue Fund; directing the department to
 18 adopt rules; providing for expiration of the program;
 19 providing an appropriation; providing an effective
 20 date.

21
 22 Be It Enacted by the Legislature of the State of Florida:

23
 24 Section 1. Healthy Food Financing Initiative Pilot
 25 Program.—

26 (1) As used in this section, the term:

27 (a) "Department" means the Department of Agriculture and
 28 Consumer Services.

29 (b) "Community facility" means a property owned by a
 30 nonprofit or for-profit entity or a unit of government in which
 31 health and human services are provided and space is offered in a
 32 manner that provides increased access to, or delivery or
 33 distribution of, food or other agricultural products to
 34 encourage public consumption and household purchases of fresh
 35 produce or other healthy food to improve the public health and
 36 well-being of low-income children, families, and older adults.

37 (c) "Independent grocery store or supermarket" means an
 38 independently owned grocery store or supermarket whose parent
 39 company does not own more than 40 grocery stores throughout the
 40 country based upon ownership conditions as identified in the
 41 latest Nielsen TDLinx Supermarket/Supercenter database.

42 (d) "Low-income community" means a population census
 43 tract, as reported in the most recent United States Census
 44 Bureau American Community Survey, that meets one of the
 45 following criteria:

- 46 1. A poverty rate of at least 25 percent;
- 47 2. In the case of a low-income community located outside
 48 of a metropolitan area, the median family income does not exceed
 49 80 percent of the statewide median family income; or
- 50 3. In the case of a low-income community located inside of
 51 a metropolitan area, the median family income does not exceed 80
 52 percent of the statewide median family income or 80 percent of

53 the metropolitan median family income, whichever is greater.

54 (e) "Moderate-income community" means a population census
55 tract, as reported in the most recent United States Census
56 Bureau American Community Survey, in which the median family
57 income is between 81 and 95 percent of the median family income
58 for the state or metropolitan area.

59 (f) "Pilot program" means the Healthy Food Financing
60 Initiative Pilot Program established by the department.

61 (g) "Underserved community" means a distressed urban,
62 suburban, or rural geographic area where a substantial number of
63 residents have low access to a full-service grocery store or
64 supermarket. An area with limited supermarket access must be:

65 1. A census tract, as determined to be an area with low
66 access by the United States Department of Agriculture, as
67 identified in the Food Access Research Atlas;

68 2. Identified as a limited supermarket access area as
69 recognized by the Community Development Financial Institutions
70 Fund of the United States Department of Treasury; or

71 3. Identified as an area with low access to a supermarket
72 or grocery store through a methodology that has been adopted for
73 use by another governmental or philanthropic healthy food
74 initiative.

75 (2) The department shall establish a pilot program that is
76 comprised of and coordinates the use of federal, state, and
77 private loans or grants, federal tax credits, and other types of
78 financial assistance for the construction, rehabilitation, or

79 expansion of independent grocery stores, supermarkets, and
80 community facilities to increase access to fresh produce and
81 other nutritious food in underserved communities.

82 (3) (a) The department may contract with one or more
83 qualified nonprofit organizations or Florida-based federally
84 certified community development financial institutions to
85 administer the pilot program through a public-private
86 partnership. Eligible community development financial
87 institutions and nonprofit organizations must be able to
88 demonstrate:

89 1. Prior experience in healthy food financing.

90 2. Support from the Community Development Financial
91 Institutions Fund of the United States Department of Treasury.

92 3. The ability to successfully manage and operate lending
93 and tax credit programs.

94 4. The ability to assume full financial risk for loans
95 made under this pilot program.

96 (b) The department shall:

97 1. Establish pilot program guidelines, raise matching
98 funds, promote the pilot program statewide, evaluate applicants,
99 underwrite and disburse grants and loans, and monitor compliance
100 and impact. The department may contract with a third-party
101 administrator to carry out such duties. The third-party
102 administrator shall report to the department annually.

103 2. Create eligibility guidelines and provide financing
104 through an application process. Eligible projects must be:

105 a. Located in an underserved community;

106 b. Primarily serve low-income or moderate-income
107 communities; and

108 c. Provide for the construction of new independent grocery
109 stores or supermarkets; the renovation or expansion of,
110 including infrastructure upgrades to, existing independent
111 grocery stores or supermarkets; or the construction, renovation
112 or expansion of, including infrastructure upgrades to, community
113 facilities to improve the availability and quality of fresh
114 produce and other healthy foods.

115 3. By March 1, 2021, submit a report to the President of
116 the Senate and the Speaker of the House of Representatives on
117 the projects funded, the geographic distribution of the
118 projects, the costs of the pilot program, and the outcomes,
119 including the number and type of jobs created and health
120 initiatives associated with the pilot program.

121 (4) A for-profit entity or a not-for-profit entity,
122 including, but not limited to, a sole proprietorship,
123 partnership, limited liability company, corporation,
124 cooperative, nonprofit organization, nonprofit community
125 development entity, university, or governmental entity, may
126 apply for financing. An applicant for financing must:

127 (a) Demonstrate the capacity to successfully implement the
128 project and the likelihood that the project will be economically
129 self-sustaining;

130 (b) Demonstrate the ability to repay the loan; and

131 (c) Agree, as an independent grocery store or supermarket,
132 for at least 5 years, to:

133 1. Accept Supplemental Nutrition Assistance Program
134 benefits;

135 2. Apply to accept Special Supplemental Nutrition Program
136 for Women, Infants, and Children benefits and accept such
137 benefits if approved;

138 3. Allocate at least 30 percent of food retail space for
139 the sale of perishable foods, which may include fresh or frozen
140 dairy products, fresh produce, and fresh meats, poultry, and
141 fish;

142 4. Comply with all data collection and reporting
143 requirements established by the department; and

144 5. Promote the hiring of local residents.

145
146 Projects, including, but not limited to, corner stores, bodegas,
147 or other types of nontraditional grocery stores that do not meet
148 the 30-percent minimum in subparagraph 3. can still qualify for
149 funding if such funding will be used for refrigeration,
150 displays, or other one-time capital expenditures to promote the
151 sale of fresh produce and other healthy food.

152 (5) In determining which qualified projects to finance,
153 the department or third-party administrator shall:

154 (a) Give preference to local Florida-based grocers or
155 local business owners with experience in grocery stores and to
156 grocers and business owners with a business plan model that

157 | includes written documentation of opportunities to purchase from
158 | Florida farmers and growers before seeking out-of-state
159 | purchases.

160 | (b) Consider the level of need in the area to be served;

161 | (c) Consider the degree to which the project will have a
162 | positive economic impact on the underserved community, including
163 | the creation or retention of jobs for local residents; and

164 | (d) Consider other criteria as may be determined by the
165 | department.

166 | (6) Financing for projects may be used for the following
167 | purposes:

168 | (a) Site acquisition and preparation.

169 | (b) Construction and build-out costs.

170 | (c) Equipment and furnishings.

171 | (d) Workforce training or security.

172 | (e) Predevelopment costs, such as market studies and
173 | appraisals.

174 | (f) Energy-efficiency measures.

175 | (g) Working capital for first-time inventory and startup
176 | costs.

177 | (h) Other purposes as may be determined by the department
178 | or third-party administrator.

179 | (7) The department shall transfer funds received from loan
180 | repayments to the General Revenue Fund within 15 days after such
181 | repayment.

182 | (8) The department shall adopt rules to administer this

183 section.

184 (9) This section expires July 1, 2021.

185 Section 2. For the 2016-2017 fiscal year, the sum of
186 \$500,000 in nonrecurring funds from the General Revenue Fund is
187 appropriated to the Department of Agriculture and Consumer
188 Services for the purpose of implementing this act.

189 Section 3. This act shall take effect July 1, 2016.