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LEGISLATIVE ACTION

Senate

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House

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Floor: 1/RE/3R

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03/10/2016 11:44 AM

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Senator Bean moved the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Healthy Food Financing Initiative.—

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

(a) "Community facility" means a property owned by a
nonprofit or for-profit entity in which health and human
services are provided and space is offered in a manner that
provides increased access to, or delivery or distribution of,
food or other agricultural products to encourage public



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12 consumption and household purchases of fresh produce or other
13 healthy food to improve the public health and well-being of low-
14 income children, families, and older adults.

15 (b) "Department" means the Department of Agriculture and
16 Consumer Services.

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

22 (d) "Low-income community" means a population census tract,
23 as reported in the most recent United States Census Bureau
24 American Community Survey, which meets one of the following
25 criteria:

26 1. The poverty rate is at least 20 percent;

27 2. In the case of a low-income community located outside of
28 a metropolitan area, the median family income does not exceed 80
29 percent of the statewide median family income; or

30 3. In the case of a low-income community located inside of
31 a metropolitan area, the median family income does not exceed 80
32 percent of the statewide median family income or 80 percent of
33 the metropolitan median family income, whichever is greater.

34 (e) "Program" means the Healthy Food Financing Initiative
35 established by the department.

36 (f) "Underserved community" means a distressed urban,
37 suburban, or rural geographic area where a substantial number of
38 residents have low access to a full-service supermarket or
39 grocery store. An area with limited supermarket access must be:

40 1. A census tract, as determined to be an area with low



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41 access by the United States Department of Agriculture, as
42 identified in the Food Access Research Atlas;

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

46 3. Identified as an area with low access to a supermarket
47 or grocery store through a methodology that has been adopted for
48 use by another governmental initiative, or well-established or
49 well-regarded philanthropic healthy food initiative.

50 (2) The department shall establish a Healthy Food Financing
51 Initiative program that is composed of and coordinates the use
52 of grants from any source; federal, state, and private loans
53 from a governmental entity or institutions regulated by a
54 governmental entity; federal tax credits; and other types of
55 financial assistance for the construction, rehabilitation, or
56 expansion of independent grocery stores, supermarkets, community
57 facilities, or other structures to increase access to fresh
58 produce and other nutritious food in underserved communities.

59 (3) (a) The department may contract with one or more
60 qualified nonprofit organizations or Florida-based federally
61 certified community development financial institutions to
62 administer the program through a public-private partnership.
63 Eligible community development financial institutions must be
64 able to demonstrate:

65 1. Prior experience in healthy food financing.

66 2. Support from the Community Development Financial
67 Institutions Fund of the United States Department of the
68 Treasury.

69 3. The ability to successfully manage and operate lending



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70 and tax credit programs.
71 4. The ability to assume full financial risk for loans made
72 under this initiative.
73 (b) The department shall:
74 1. Establish program guidelines, raise matching funds,
75 promote the program statewide, evaluate applicants, underwrite
76 and disburse grants and loans, and monitor compliance and
77 impact. The department may contract with a third-party
78 administrator to carry out such duties. If the department
79 contracts with a third-party administrator, funds shall be
80 granted to the third-party administrator to create a revolving
81 loan fund for the purpose of financing projects that meet the
82 criteria of the program. The third-party administrator shall
83 report to the department annually.
84 2. Create eligibility guidelines and provide financing
85 through an application process. Eligible projects must be:
86 a. Located in an underserved community;
87 b. Primarily serve low-income communities; and
88 c. Provide for the construction of new independent grocery
89 stores or supermarkets; the renovation or expansion of,
90 including infrastructure upgrades to, existing independent
91 grocery stores or supermarkets; or the construction, renovation,
92 or expansion of, including infrastructure upgrades to, community
93 facilities to improve the availability and quality of fresh
94 produce and other healthy foods.
95 3. Report annually to the President of the Senate and the
96 Speaker of the House of Representatives on the projects funded,
97 the geographic distribution of the projects, the costs of the
98 program, and the outcomes, including the number and type of jobs



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99 created.

100 (4) (a) The Office of Program Policy Analysis and Government
101 Accountability shall review the program and data collected from
102 the department after a term of 7 years and report to the
103 President of the Senate and the Speaker of the House of
104 Representatives. The report shall include, but is not limited
105 to, health impacts based on data collected by the state on
106 diabetes, heart disease and other obesity-related diseases, and
107 other factors as determined by the department.

108 (b) If the report determines the program to be unsuccessful
109 after 7 years, the department shall create guidelines for unused
110 funds to be returned to the initial investor.

111 (5) A for-profit entity, including a convenience store or a
112 fueling station, or a not-for-profit entity, including, but not
113 limited to, a sole proprietorship, partnership, limited
114 liability company, corporation, cooperative, nonprofit
115 organization, nonprofit community development entity, or private
116 university, may apply for financing. An applicant for financing
117 must:

118 (a) Demonstrate the capacity to successfully implement the
119 project and the likelihood that the project will be economically
120 self-sustaining;

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

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

124 1. Accept Supplemental Nutrition Assistance Program
125 benefits;

126 2. Apply to accept Special Supplemental Nutrition Program
127 for Women, Infants, and Children benefits and accept such



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128 benefits, if approved;

129 3. Allocate at least 30 percent of food retail space for
130 the sale of perishable foods, which may include fresh or frozen
131 dairy products, fresh produce, and fresh meats, poultry, and
132 fish;

133 4. Comply with all data collection and reporting
134 requirements established by the department; and

135 5. Promote the hiring of local residents.

136

137 Projects including, but not limited to, corner stores, bodegas,
138 or other types of nontraditional grocery stores that do not meet
139 the 30 percent minimum in subparagraph 3. can still qualify for
140 funding if such funding will be used for refrigeration,
141 displays, or other one-time capital expenditures to promote the
142 sale of fresh produce and other healthy foods.

143 (6) In determining which qualified projects to finance, the
144 department or third-party administrator shall:

145 (a) Give preference to local Florida-based grocers or local
146 business owners with experience in grocery stores and to grocers
147 and business owners with a business plan model that includes
148 written documentation of opportunities to purchase from Florida
149 farmers and growers before seeking out-of-state purchases;

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

151 (c) Consider the degree to which the project will have a
152 positive economic impact on the underserved community, including
153 the creation or retention of jobs for local residents;

154 (d) Consider the location of existing independent grocery
155 stores, supermarkets, or other markets relevant to the
156 applicant's project and provide the established entity the right



157 of first refusal for such project; and
158 (e) Consider other criteria as determined by the
159 department.
160 (7) Financing for projects may be used for the following
161 purposes:
162 (a) Site acquisition and preparation.
163 (b) Construction and build-out costs.
164 (c) Equipment and furnishings.
165 (d) Workforce training or security.
166 (e) Predevelopment costs, such as market studies and
167 appraisals.
168 (f) Energy efficiency measures.
169 (g) Working capital for first-time inventory and startup
170 costs.
171 (h) Acquisition of seeds and starter plants for the
172 residential cultivation of fruits, vegetables, herbs, and other
173 culinary products. However, only 7 percent of the total funds
174 expended in any one project under this section may be used for
175 such acquisition.
176 (i) Other purposes as determined by the department or a
177 third-party administrator.
178 (8) The department shall adopt rules to administer this
179 section.

180 Section 2. Implementation of the Healthy Food Financing
181 Initiative is contingent upon appropriation by the Legislature.

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

183
184 ===== T I T L E A M E N D M E N T =====

185 And the title is amended as follows:



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186 Delete everything before the enacting clause
187 and insert:

188 A bill to be entitled
189 An act relating to the Healthy Food Financing
190 Initiative; providing definitions; directing the
191 Department of Agriculture and Consumer Services to
192 establish a Healthy Food Financing Initiative program
193 to provide specified financing to construct,
194 rehabilitate, or expand independent grocery stores and
195 supermarkets in underserved communities within low-
196 income communities; authorizing the department to
197 contract with a third-party administrator;
198 establishing funding specifications for
199 administrators; providing program, project, and
200 applicant requirements; authorizing funds to be used
201 for specified purposes; directing the department to
202 submit an annual report to the Legislature and adopt
203 rules; directing the Office of Program Policy Analysis
204 and Government Accountability to study the results of
205 the program after a certain time period; directing the
206 termination of the program under certain conditions;
207 providing that implementation of the program is
208 contingent upon legislative appropriation; providing
209 an effective date.