

By Senator Bean

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1                   A bill to be entitled  
2       An act relating to the Healthy Food Financing  
3       Initiative; providing definitions; directing the  
4       Department of Agriculture and Consumer Services to  
5       establish a Healthy Food Financing Initiative program  
6       to provide specified financing to construct,  
7       rehabilitate, or expand independent grocery stores and  
8       supermarkets in underserved communities in low-income  
9       and moderate-income communities; authorizing the  
10      department to contract with a third-party  
11      administrator; providing program, project, and  
12      applicant requirements; authorizing funds to be used  
13      for specified purposes; directing the department to  
14      submit an annual report to the Legislature and adopt  
15      rules; providing that creation and implementation of  
16      the program are contingent upon legislative  
17      appropriations; providing an effective date.

18  
19 Be It Enacted by the Legislature of the State of Florida:

20  
21       Section 1. Healthy Food Financing Initiative.—

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

23       (a) "Community facility" means a property owned by a  
24       nonprofit or for-profit entity or a unit of government in which  
25       health and human services are provided and space is offered in a  
26       manner that provides increased access to, or delivery or  
27       distribution of, food or other agricultural products to  
28       encourage public consumption and household purchases of fresh  
29       produce or other healthy food to improve the public health and

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30 well-being of low-income children, families, and older adults.

31 (b) "Department" means the Department of Agriculture and  
32 Consumer Services.

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

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

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

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

46 3. In the case of a low-income community located inside of  
47 a metropolitan area, the median family income does not exceed 80  
48 percent of the statewide median family income or 80 percent of  
49 the metropolitan median family income, whichever is greater.

50 (e) "Moderate-income community" means a population census  
51 tract, as reported in the most recent United States Census  
52 Bureau American Community Survey, in which the median family  
53 income is between 81 percent and 95 percent of the statewide  
54 median family income or metropolitan median family income.

55 (f) "Program" means the Healthy Food Financing Initiative  
56 established by the department.

57 (g) "Underserved community" means a distressed urban,  
58 suburban, or rural geographic area where a substantial number of

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59 residents have low access to a full-service supermarket or  
60 grocery store. An area with limited supermarket access must be:

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

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

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

71 (2) The department shall establish a Healthy Food Financing  
72 Initiative program that is composed of and coordinates the use  
73 of federal, state, and private loans or grants, federal tax  
74 credits, and other types of financial assistance for the  
75 construction, rehabilitation, or expansion of independent  
76 grocery stores, supermarkets, and community facilities to  
77 increase access to fresh produce and other nutritious food in  
78 underserved communities.

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

85 1. Prior experience in healthy food financing.

86 2. Support from the Community Development Financial  
87 Institutions Fund of the United States Department of the

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88 Treasury.

89 3. The ability to successfully manage and operate lending  
90 and tax credit programs.

91 4. The ability to assume full financial risk for loans made  
92 under this initiative.

93 (b) The department shall:

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

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

102 a. Located in an underserved community;

103 b. Primarily serve low-income or moderate-income  
104 communities; and

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

112 3. Report annually to the President of the Senate and the  
113 Speaker of the House of Representatives on the projects funded,  
114 the geographic distribution of the projects, the costs of the  
115 program, and the outcomes, including the number and type of jobs  
116 created and health initiatives associated with the program.

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

123 (a) Demonstrate the capacity to successfully implement the  
124 project and the likelihood that the project will be economically  
125 self-sustaining;

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

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

129 1. Accept Supplemental Nutrition Assistance Program  
130 benefits;

131 2. Apply to accept Special Supplemental Nutrition Program  
132 for Women, Infants, and Children benefits and accept such  
133 benefits, if approved;

134 3. Allocate at least 30 percent of food retail space for  
135 the sale of perishable foods, which may include fresh or frozen  
136 dairy products, fresh produce, and fresh meats, poultry, and  
137 fish;

138 4. Comply with all data collection and reporting  
139 requirements established by the department; and

140 5. Promote the hiring of local residents.

141  
142 Projects including, but not limited to, corner stores, bodegas,  
143 or other types of nontraditional grocery stores that do not meet  
144 the 30 percent minimum in subparagraph 3. can still qualify for  
145 funding if such funding will be used for refrigeration,

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146 displays, or other one-time capital expenditures to promote the  
147 sale of fresh produce and other healthy foods.

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

150 (a) Give preference to local Florida-based grocers or local  
151 business owners with experience in grocery stores and to grocers  
152 and business owners with a business plan model that includes  
153 written documentation of opportunities to purchase from Florida  
154 farmers and growers before seeking out-of-state purchases;

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

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

159 (d) Consider other criteria as determined by the  
160 department.

161 (6) Financing for projects may be used for the following  
162 purposes:

163 (a) Site acquisition and preparation.

164 (b) Construction and build-out costs.

165 (c) Equipment and furnishings.

166 (d) Workforce training or security.

167 (e) Predevelopment costs, such as market studies and  
168 appraisals.

169 (f) Energy efficiency measures.

170 (g) Working capital for first-time inventory and startup  
171 costs.

172 (h) Other purposes as determined by the department or a  
173 third-party administrator.

174 (7) The department shall adopt rules to administer this

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175 section.

176 Section 2. The creation of the Healthy Food Financing  
177 Initiative and implementation of this act are contingent upon  
178 appropriation by the Legislature.

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