

**By** the Committees on Appropriations; and Agriculture; and  
Senators Bean, Sobel, Soto, and Flores

576-04445-16

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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; establishing funding specifications for  
12 administrators; providing program, project, and  
13 applicant requirements; authorizing funds to be used  
14 for specified purposes; directing the department to  
15 submit an annual report to the Legislature and adopt  
16 rules; providing that implementation of the program is  
17 contingent upon legislative appropriation; providing  
18 an effective date.

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

21  
22 Section 1. Healthy Food Financing Initiative.—

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

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

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

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

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

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

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

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

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

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

58 (g) "Underserved community" means a distressed urban,  
59 suburban, or rural geographic area where a substantial number of  
60 residents have low access to a full-service supermarket or

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61 grocery store. An area with limited supermarket access must be:

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

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

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

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

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

86 1. Prior experience in healthy food financing.

87 2. Support from the Community Development Financial  
88 Institutions Fund of the United States Department of the  
89 Treasury.

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

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

94       (b) The department shall:

95       1. Establish program guidelines, raise matching funds,  
96 promote the program statewide, evaluate applicants, underwrite  
97 and disburse grants and loans, and monitor compliance and  
98 impact. The department may contract with a third-party  
99 administrator to carry out such duties. If the department  
100 contracts with a third-party administrator, funds shall be  
101 granted to the third-party administrator to create a revolving  
102 loan fund for the purpose of financing projects that meet the  
103 criteria of the program. The third-party administrator shall  
104 report to the department annually.

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

107       a. Located in an underserved community;

108       b. Primarily serve low-income or moderate-income  
109 communities; and

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

117       3. Report annually to the President of the Senate and the  
118 Speaker of the House of Representatives on the projects funded,

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119 the geographic distribution of the projects, the costs of the  
120 program, and the outcomes, including the number and type of jobs  
121 created and health initiatives associated with the program.

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

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

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

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

134 1. Accept Supplemental Nutrition Assistance Program  
135 benefits;

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

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

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

145 5. Promote the hiring of local residents.

146  
147 Projects including, but not limited to, corner stores, bodegas,

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

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

155 (a) Give preference to local Florida-based grocers or local  
156 business owners with experience in grocery stores and to grocers  
157 and business owners with a business plan model that includes  
158 written documentation of opportunities to purchase from Florida  
159 farmers and growers before seeking out-of-state 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 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.

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177       (h) Acquisition of seeds and starter plants for the  
178 residential cultivation of fruits, vegetables, herbs, and other  
179 culinary products. However, only 5 percent of the total funds  
180 expended in any one project under this section may be used for  
181 such acquisition.

182       (i) Other purposes as determined by the department or a  
183 third-party administrator.

184       (7) The department shall adopt rules to administer this  
185 section.

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

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