

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

25 (b) "Community facility" means a property owned by a
 26 nonprofit or for-profit entity or a unit of government in which

27 health and human services are provided and space is offered in a
28 manner that provides increased access to, or delivery or
29 distribution of, food or other agricultural products to
30 encourage public consumption and household purchases of fresh
31 produce or other healthy food to improve the public health and
32 well-being of low-income children, families, and older adults.

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 Trade Dimensions grocery store database.

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

- 42 1. A poverty rate of at least 20 percent;
- 43 2. In the case of a low-income community located outside
44 of a metropolitan area, the median family income does not exceed
45 80 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 and 95 percent of the median family income
54 for the state or metropolitan area.

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
59 residents have low access to a full-service grocery store or
60 supermarket. 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 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 or philanthropic healthy food
70 initiative.

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

78 (3) (a) The department may contract with one or more

79 qualified nonprofit organizations or Florida-based federally
 80 certified community development financial institutions to
 81 administer the program through a public-private partnership.
 82 Eligible community development financial institutions must be
 83 able to demonstrate:

- 84 1. Prior experience in healthy food financing.
- 85 2. Support from the Community Development Financial
 86 Institutions Fund of the United States Department of Treasury.
- 87 3. The ability to successfully manage and operate lending
 88 and tax credit programs.
- 89 4. The ability to assume full financial risk for loans
 90 made under this initiative.

91 (b) The department shall:

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

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

- 100 a. Located in an underserved community;
- 101 b. Primarily serve low-income or moderate-income
 102 communities; and
- 103 c. Provide for the construction of new independent grocery
 104 stores or supermarkets; the renovation or expansion of,

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

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

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

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

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

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

127 1. Accept Supplemental Nutrition Assistance Program
128 benefits;

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

131 benefits if approved;

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

136 4. Comply with all data collection and reporting
137 requirements established by the department; and

138 5. Promote the hiring of local residents.

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

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

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

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

155 (c) Consider the degree to which the project will have a
156 positive economic impact on the underserved community, including

157 the creation or retention of jobs for local residents; and

158 (d) Consider other criteria as may be determined by the
159 department.

160 (6) 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) Other purposes as may be determined by the department
172 or third-party administrator.

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

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

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