



The Kansas Healthy Food Access Initiative

www.kansashealthyfood.org



Center for Engagement
and Community Development



KANSAS HEALTH
FOUNDATION



Strengthening
nonprofits and
the communities
they serve.



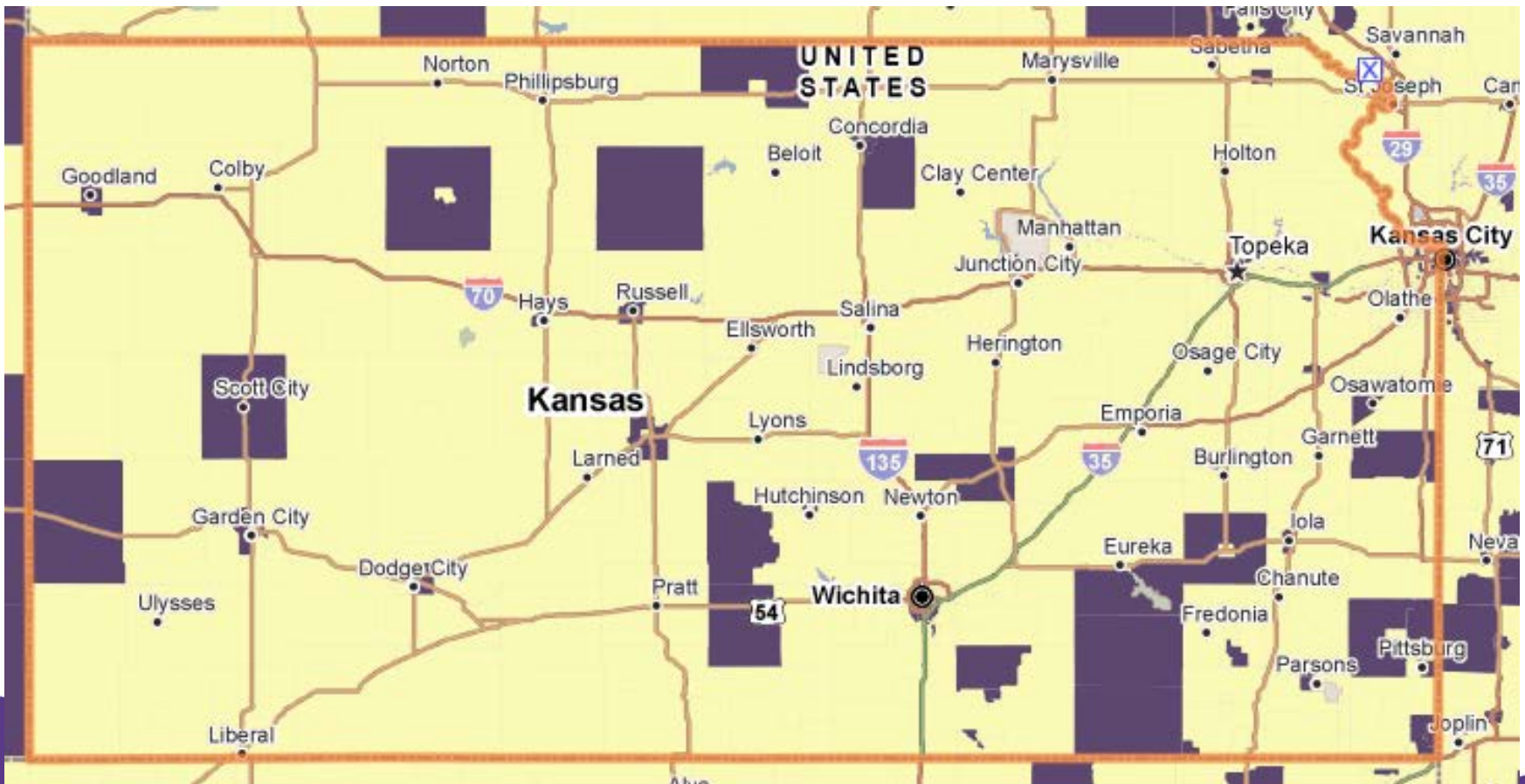


Healthy Food Access: The Need

- Over 30% of Kansas counties are considered food deserts
- 800,000 Kansans lack access to healthy food sources within a reasonable distance from their home
- Kansas is in the bottom five states in reducing low food access



Mapping Areas of Greatest Need Based on Low Access and High Poverty

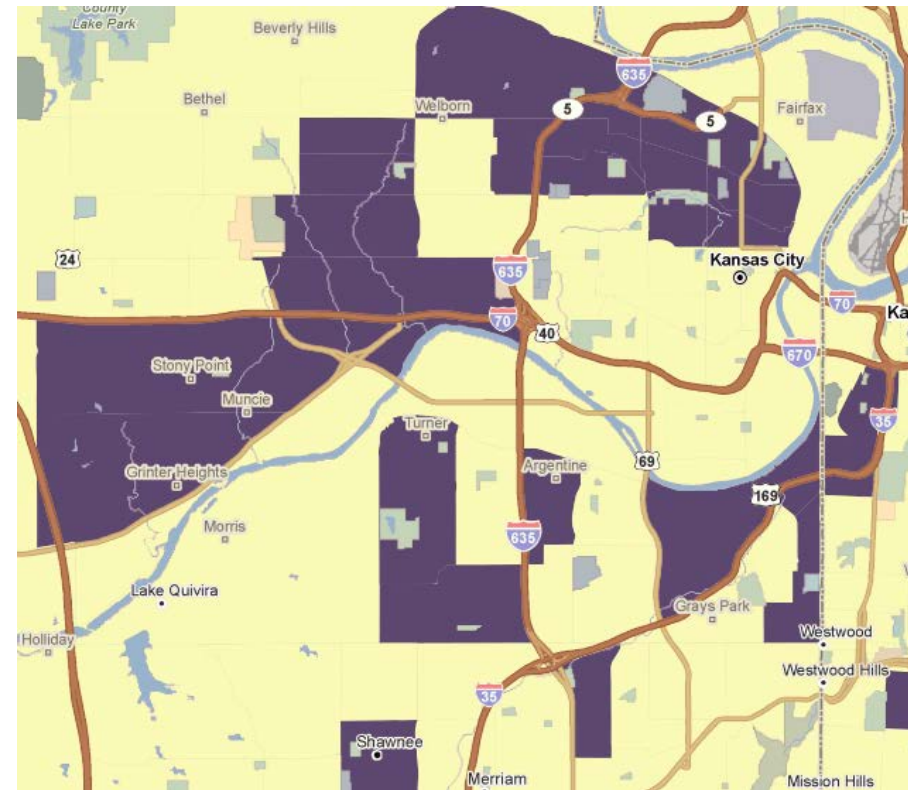




Mapping Areas of Greatest Need Based on low access and high poverty

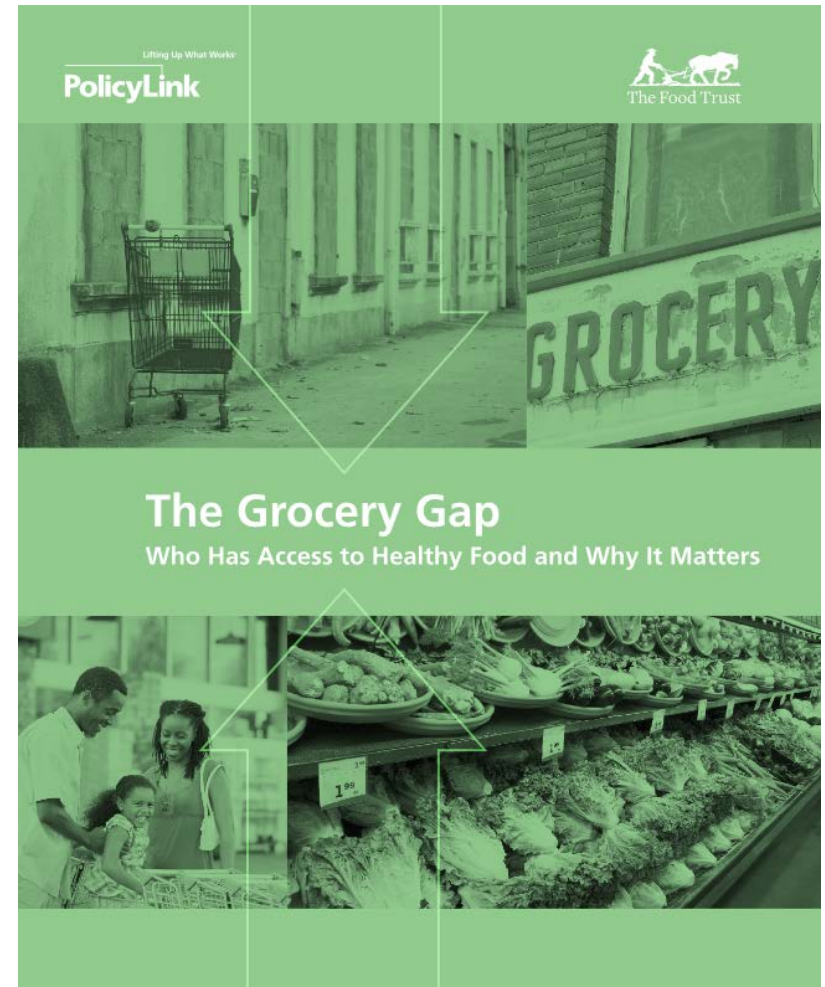
Wichita, Kansas

Kansas City, Kansas



Access to Healthy Food is a Public Health Issue

- For **CDC**, the **Institute of Medicine**, and **The American Heart Association** healthy food access is a necessary strategy to improve public health
- High rates of obesity positively correlate with living in low food access areas and obesity is associated with increased risk for high blood pressure, high cholesterol, type 2 diabetes, and coronary heart disease
- Living closer to healthy food retail is associated with better eating habits and decreased risk of diet-related diseases



Virginia Barnes · Blue Cross and Blue Shield of Kansas

Elizabeth Stewart Burger · Sunflower Foundation

Patricia Clark · USDA Rural Development

David Desai-Ramirez · IFF Southern Region

Caroline Harries · The Food Trust

Ashley Jones-Wisner · KC Healthy Kids

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Kansas Healthy Food Financing Advisory Working Group

ADDITIONAL GUEST SPEAKERS/ADVISERS:

Simone Elder · NetWork Kansas

Noah Fulmer · Fair Food Network

Janna Gunckle · Kansas Department of Health
and Environment

Christina Khan · Kansas State University, Center for
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Marci Penner · Kansas Sampler Foundation

Paula Peters · Kansas State Research and Extension

Leslie Wilson · KC Healthy Kids

RECOMMENDATION 1:

- The Kansas Health Foundation should invest seed funding in a flexible business-financing program — a KS Healthy Food Financing Initiative (HFFI) — that provides grants and loans to stimulate the development, renovation and expansion of supermarkets and other fresh food retail outlets in underserved areas throughout the state.
- This fund should be housed within a CDFI that can leverage dollars, coordinate with relevant partners, market the program to grocers and other healthy food retail operators, and help develop a robust pipeline of projects.

RECOMMENDATION 3:

- The KS HFFI should coordinate with existing state and local business resources and technical assistance providers, who can help address some of the key barriers to entry (e.g., finding an experienced operator, support for grant and loan applications) as well as barriers to maintaining a grocery business (e.g., succession planning, healthy retail technical assistance, distribution challenges and community engagement).

Healthy Food Financing Across the Country

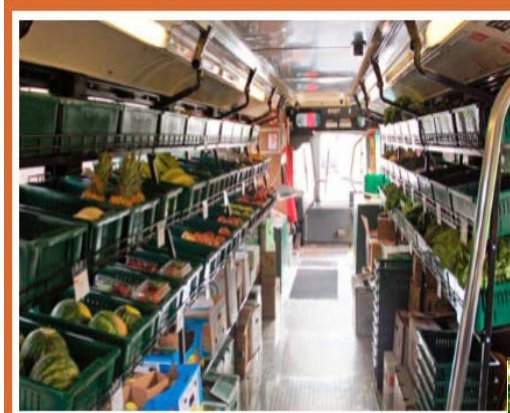
- Business financing programs offering grants and loans for new and expanded grocery retailers in underserved communities
- Administered by a variety of community development entities, especially CDFIs
- Funded with federal, state, local and philanthropic dollars
- Hundreds of projects supported nationwide



New Orleans Fresh Food
RETAILER INITIATIVE



Examples of Projects supported by Other Healthy Food Financing Initiatives



Mobile Market



New Store, Rural



New Store, Urban



Existing Store, Small Town



Food Hub



Kansas Healthy Food Initiative

- Seeded by the Kansas Health Foundation
- A partnership to increase access to affordable fresh food and improve Kansans' health and economic development
 - KHF, CECD, IFF, NetWork Kansas, The Food Trust
- Provides technical assistance and financing - loans and grants - to bring healthy foods to underserved Kansas communities
- Works to bridge informational and financing gaps faced by healthy food stakeholders and food retailers

In Your Packets You Will Find:

- The 2017 Kansas Healthy Food Access Initiative Final Report
- KHFI Program Overview
- KHFI Program Guidelines
- KHFI Intake Form





KHFI Application Process

1. KHFI Intake Form:

- ✓ Request for Informational Technical Assistance
- ✓ Screens for Programmatic Eligibility for Financing

2. Application for Financing:

- ✓ If applying for financing and deemed to fit program goals based on intake form, you'll be provided with application for financing.

KHFI: Technical Assistance Requests

Technical assistance needs:

- Distribution
- Business development/assistance
- Technology
- Education
- Policy work
- Community food assessment
- Building partnerships
- other



KHFI: Program Goals and Eligibility

KHFI Purpose:

To stimulate the development, renovation and/or expansion of supermarkets and other healthy food retail outlets in underserved areas throughout the state.

Eligible types of entities:

- For-profit or not-for-profit
- May be, but not limited to:
 - National grocery chain
 - Regional grocery chain
 - Singular grocery retail outlet
 - Other healthy food projects such as farmers markets, food hubs, distribution businesses





KHFI Program Eligibility

Key criteria for KHFI funding include:

- commitment to providing fresh healthy foods
- low-to moderate-income
- underserved by fresh food retail
- community support
- operator experience

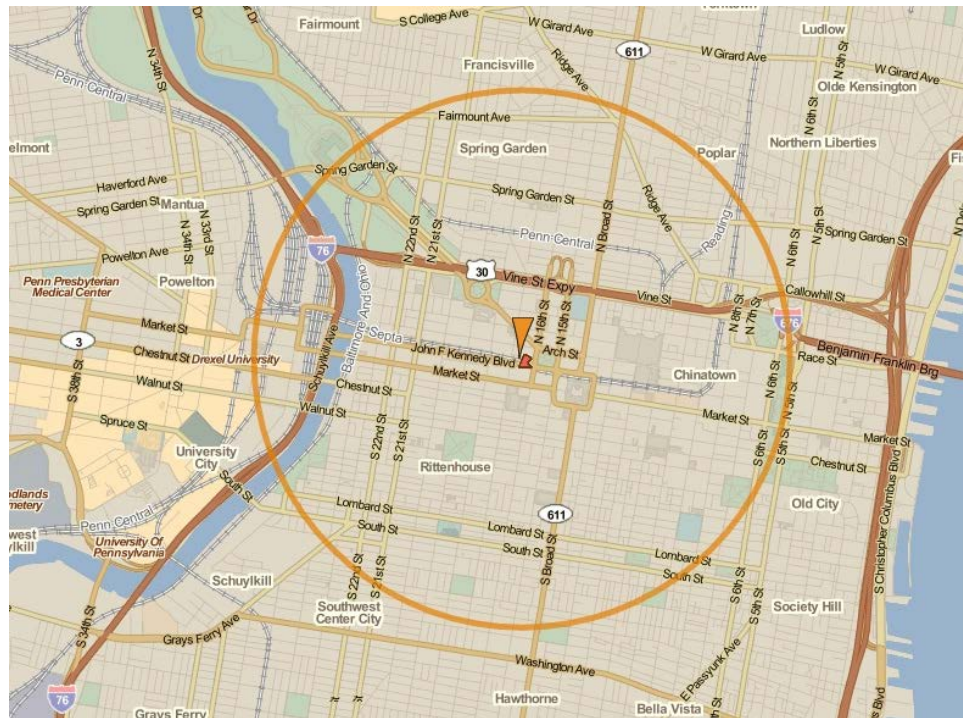
KHFI: Income Criterion

Eligible projects must primarily serve a low- to moderate-income (LMI) community by locating in an LMI census tract, or demonstrating that a significant number of customers reside in LMI areas



KHFI: Underserved Criterion

No fresh food markets or full-service grocery stores within trade area



KHFI: Community Fit Criterion



- . Does project meet community needs in terms of store quality, affordability, location?
- . Will the project positively impact the well-being of the neighborhood / community?
- . Are residents / community leaders supportive of healthy food project?

KHFI: Additional criteria for increased consideration:

- local hiring and living wages
- local, sustainable sourcing
- energy efficiency
- sound land use & historic preservation
- collaboration with other community initiatives
- identified gap of capital requiring more flexible funding
- SNAP and WIC benefits
- Geographic diversity



KHFI Financing

The Loan/Grant Program funds costs associated with:

- Real estate acquisition
- Predevelopment
- Construction
- Equipment
- Infrastructure and related expenses.

Parameters:

- \$10,000 to \$2.5M
- Terms: 1 to 15 years at 5% to 6.5% interest
- No prepayment penalty
- No appraisals necessary
- Flexible structure
- Flexible project types and use of funds



Kansas Healthy Food Initiative website:

www.kansashealthyfood.org

The Kansas Healthy Food Initiative (KHFI) is a public-private partnership that aims to increase access to affordable fresh food to improve the health and economic development of Kansans and their communities. The KHFI provides technical assistance for those seeking to strengthen access to healthy foods as well as financing through a mix of loans and grants to develop new or renovate fresh food retail in underserved communities throughout Kansas. The program works to bridge informational and financing gaps faced by healthy food stakeholders and food retailers operating in low- to moderate-income areas.

Seeded by the Kansas Health Foundation, the Initiative is a partnership among Kansas State University's Center for Engagement and Community Development, IFF (a community development finance institution) and NetWork Kansas, with strategic guidance provided by The Food Trust.

CONTACT INFORMATION

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FINANCING PARAMETERS

The loan/grant program provides funding costs associated with land acquisition, predevelopment, construction, equipment, infrastructure and related expenses. Financing can be used for projects that expand access to fresh and healthy food.

- \$10,000 to \$2.5 million
- Terms: One to 15 years at 5 to 6.5 percent interest
- No prepayment penalty
- No appraisals necessary
- Flexible structure
- Flexible project types and use of funds

ELIGIBLE APPLICANTS

Eligible food retail projects must expand fresh food offerings in underserved neighborhoods and fit local community needs. Grocery chains, neighborhood food and grocery stores, co-ops, farmers markets, production and distribution operations, and other food projects are eligible. Underserved areas are defined as having a substantial number of low- to moderate-income residents with reduced access to healthy, affordable food. All applicants are strongly encouraged to accept SNAP and WIC benefits.

HOW TO APPLY

To find out if your project is eligible for KHFI funding, download and submit the intake form. After program review, you will receive a letter describing your eligibility status and, if eligible, an invitation to apply for financing. Applications will be evaluated on a rolling basis while funds remain available. For more information on eligibility criteria and the application process, please see program guidelines by visiting kansashealthyfood.org.

PROGRAM PARTNERS

- Kansas Health Foundation
- Kansas State University Center for Engagement and Community Development
- IFF (a community development finance institution)

STRATEGIC PARTNERS

- NetWork Kansas
- The Food Trust