The Kansas Healthy Food Access Initiative

www.kansashealthyfood.org
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

Brian Lang · The Food Trust

Valerie Merrow · Kansas Department of Health and Environment, Kansas WIC Program

Jeff Olson · Associated Wholesale Grocers

Greg Panichello · Kansas Small Business Development Center

Maiki Paul · The Food Trust

Erik Pedersen · NetWork Kansas

David Procter · Kansas State University, Center for Engagement and Community Development

Karen Shore · The Food Trust

Jeff Usher · Kansas Health Foundation

Deanna Van Hersh · Kansas Health Foundation

Cari Westhoff · Kansas Health Foundation

Jeff Willett · Kansas Health Foundation

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 Engagement and Community Development

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
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