

# PENNSYLVANIA FRESH FOOD FINANCING INITIATIVE



## Eligibility Criteria

### PROGRAM OVERVIEW

The Pennsylvania Fresh Food Financing Initiative (FFFI) is a statewide public-private financing program that invests in new or expanding grocery stores and other healthy food retail outlets in communities throughout Pennsylvania. The FFFI provides one-time grants and loans to food retailers in order to increase access to healthy, affordable grocery food options and to improve economic opportunities for underserved communities in urban, rural and suburban areas across the state.

#### Program Objectives:

- contribute to better health outcomes by improving access to fresh foods;
- stimulate investment of private capital in lower-income communities;
- remove financing obstacles and operating barriers for grocery stores and other healthy food retail in lower-income communities;
- strengthen the local food system and increase market opportunities for PA farmers;
- support the creation and preservation of quality, living wage jobs; and
- create and retain a qualified workforce.

This program builds on the success of the original initiative in Pennsylvania which has been celebrated for its flexibility and impact, and its success has influenced the creation of similar programs in over 13 states and at the federal level. Projects financed through the original FFFI—nearly 90 throughout the state of Pennsylvania—ranged from large, full-service supermarkets in urban neighborhoods, to small stores in rural areas, to non-traditional retail including farmers markets. The FFFI proved that, with public sector incentives, grocers can overcome the higher costs associated with operating in underserved areas.

Overseen by the Pennsylvania Department of Community and Economic Development (DCED), the FFFI is administered by The Food Trust in partnership with PA-based community development financial institutions (CDFIs) and community development corporations (CDCs).

### ELIGIBILITY

Applicants may be for-profit, nonprofit, or cooperative entities. Eligible projects include the development, renovation and expansion of:

- Grocery stores, corner stores, convenience stores, neighborhood stores, bodegas, food hubs, mobile markets, co-ops, farmers markets and food aggregation and processing centers with a direct connection to direct-to-consumer retail outlets

Examples of projects types that are NOT eligible include:

- Emergency food/food pantries without grocery retail component
- Agriculture-related projects without clear connection to food retail that meets program criteria (ex. food hubs that supply institutions only)
- Restaurants, cafes, and prepared food businesses

Eligible Use of Funds — An eligible use for financing includes any of the following:

- Predevelopment costs
- Land assembly, including demolition and environmental remediation
- Site development
- Infrastructure improvement, including renovation, new construction or adaptive reuse
- Equipment purchases that improve the availability and quality of fresh produce
- Innovative food access technology that assists the healthy food access efforts of an existing or new grocery store

In order to be considered for funding, projects MUST:

- Improve access to affordable, high quality fresh produce and other healthy grocery items for low-to-moderate income shoppers in places where there is not currently adequate access
- Accept or demonstrate plans to accept SNAP and WIC to the maximum extent possible (or have connection to retailers that will accept them)
- Demonstrate a path to profitability/financial sustainability
- Apply with a defined location, service area, or customer base
- Operate and provide service in Pennsylvania
- Demonstrate strong engagement and support from local residents and a commitment to providing a positive economic and social impact to the local community.
- Include an experienced manager on the team, with experience managing a similar healthy food project
- Serve customers that live in a low-to-moderate (LMI) income area, by locating in an LMI census tract or demonstrating that a significant number of customers reside in LMI areas

Prioritization will be given to projects that:

- Promote supplier diversity and where possible, increase business opportunities for Minority Business Enterprises, Women Business Enterprises, Service-Disabled Veteran Business Enterprises, Veteran Business Enterprises, Lesbian, Gay, Bisexual, and Transgender Business Enterprises; and Disability-Owned Business Enterprises
- Hire employees from the surrounding neighborhoods
- Pay living wages (Please refer to the [MIT Living Wage Calculator](#) for your region)
- Source and sell food from Pennsylvania farmers
- Provide customer access to business through means of public transportation, if available
- Align with existing plans and goals of the local government and community residents
- Have a demonstrated history of including local communities and customers into its operations and business development

## **FINANCING**

The PA FFFI provides one-time support for costs associated with opening, renovating or expanding eligible food businesses. Financing packages may include grants, loans and other funding tools on a case-by-case basis in order to appropriately meet the needs of each project. The amount of grant funding offered depends on the availability of funds within the program at the time of application, the need of the borrower, and the size and expected impact of the project. Grant terms and amounts will be determined by the The Food Trust in its capacity as program administrator.

Each application deemed eligible will be provided to a partner community development financial institution (CDFI) for loan consideration. Loan terms, collateral requirements and interest rates will be determined by the CDFI and will be based on financial viability and credit underwriting.

## HOW TO APPLY

Applications will be evaluated on a rolling basis while funds remain available. To find out if you are eligible for the Pennsylvania Fresh Food Financing Initiative, first download the application at [thefoodtrust.org/pafffi](http://thefoodtrust.org/pafffi). Complete the eligibility application and submit your form with attachments by email to:

The Food Trust  
Attn: Kate Foley  
[pafffi@thefoodtrust.org](mailto:pafffi@thefoodtrust.org)

Program partners will review the application, schedule a phone call with the applicant, and conduct additional research to determine whether the project meets the program's eligibility. Once determined that the project meets the program's eligibility criteria and aligns with program goals, applicants will then be notified if they are invited to apply for financing from one of the CDFI partners, the next phase of the application process.

If you have any questions about the application process or need an application sent to you via mail, please email [pafffi@thefoodtrust.org](mailto:pafffi@thefoodtrust.org).

**For more information, please visit [thefoodtrust.org/pafffi](http://thefoodtrust.org/pafffi).**

## PROGRAM PARTNERS

**The Food Trust** is a national nonprofit dedicated to ensuring that everyone has access to affordable, nutritious food and information to make healthy decisions. Headquartered in Philadelphia, The Food Trust provides



leadership and technical assistance for partners across the country. As the Food Access Organization (FAO) for the FFFI, they will help to ensure that applicants meet program eligibility requirements.

**Reinvestment Fund** is a catalyst for change in low-income communities. We integrate data, policy and strategic investments to improve the quality of life in low-income neighborhoods. Using analytical and financial tools, we bring high-quality grocery stores, affordable housing, schools and health centers to the communities that need better access—creating anchors that attract investment over the long term and help families lead healthier, more productive lives.



**Bridgeway Capital** provides patient, flexible capital and business education to ignite small business growth, develop communities, increase access to healthy foods, and expand social services. We invest in inclusive economic opportunities that create a vibrant region where all can thrive. Bridgeway is a certified Community Development Financial Institution (CDFI) by the U.S. Treasury Department and is a member of the Opportunity Finance Network.



**Community First Fund** is a private, independent non-profit Community Development Financial Institution (CDFI) whose mission is to provide capital in places where it is not usually available. We seek to create positive change in a community by providing entrepreneurs with access to business development loans for projects that generate jobs, create affordable housing and help to revitalize communities.



**The Pennsylvania Department of Economic and Community Development (DCEd)** is the state agency overseeing the FFFI. They will be a key partner in ensuring that the Commonwealth's goals are being met in improving food access and supporting local farmers and local food.

