



The Kansas Healthy Food Access Initiative

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Center for Engagement and Community Development



Center for Engagement
and Community Development



KANSAS HEALTH
FOUNDATION





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

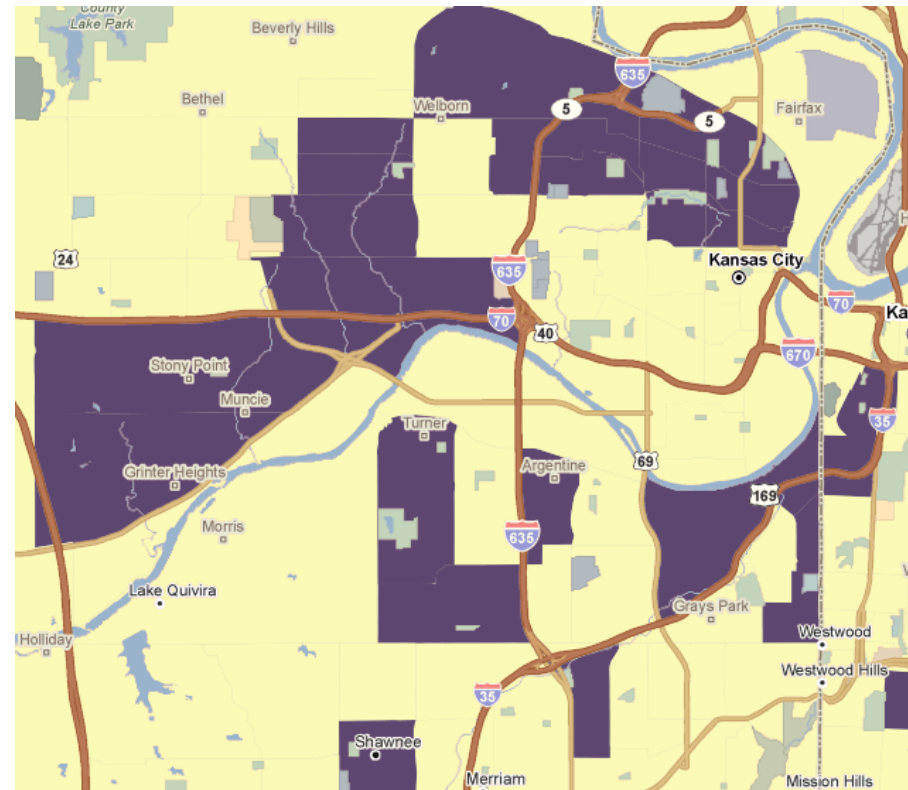
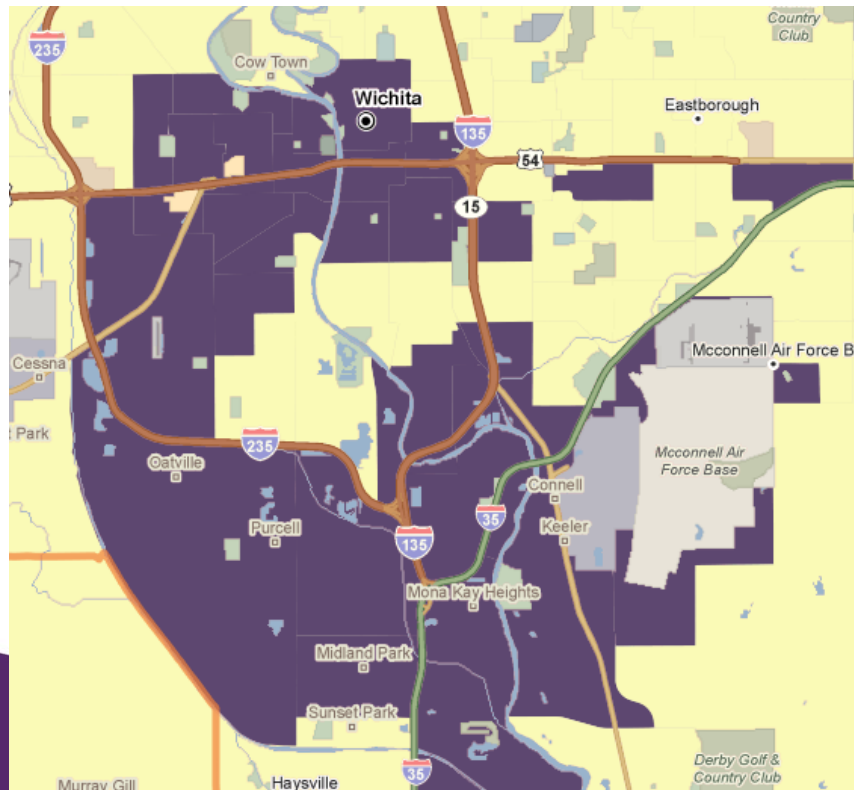




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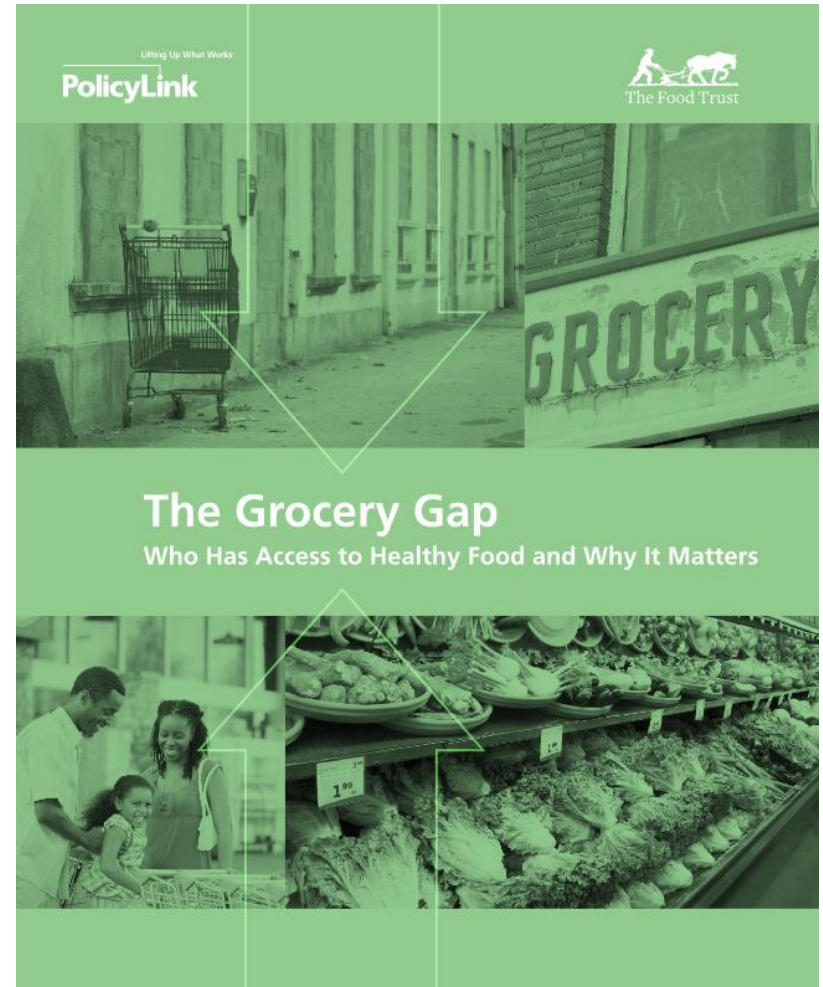
Wichita, Kansas

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



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



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).



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

Kansas Healthy Food Initiative website:

www.kansashealthyfood.org



KHFI

The Kansas Healthy Food Initiative



About

Apply

Partner Organizations

Media

Resources

Center for Engagement and Community Development

Kansas State University
Tina Khan
324 Nichols Hall
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Kansas Healthy Food Initiative

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.



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

1. Community in Kingman Co. asking about food distribution issues
2. Community in McPherson Co. seeking more KHFI info
3. Community in Franklin Co. looking for ideas to bring in more healthy food access
4. Community in Montgomery Co., interested in advs/disads and process of establishing a city-owned grocery store
5. Community in Douglas Co. seeking more KHFI info
6. Community in Comanche Co. seeking more KHFI info
7. Community in Crawford Co. looking for assistance to bring healthy food retail to rural community
8. Community in Gray Co. interested in knowing potential economic impact of Dollar General on their community



KHFI: Funding 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: Funding Requests

1. Renovations to an existing Sedgwick Co. rural retail grocery store to improve profitability.
2. Expansion of convenience store in Russell Co. to include fresh foods
3. Proposing the development of a new retail rural food store in Stafford Co.
4. Requested funding for inventory and working capital for urban Hispanic grocery store
5. Land acquisition and site development for a Hydroponic farm in McPherson Co. that would grow fresh produce to supply to local grocery stores





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

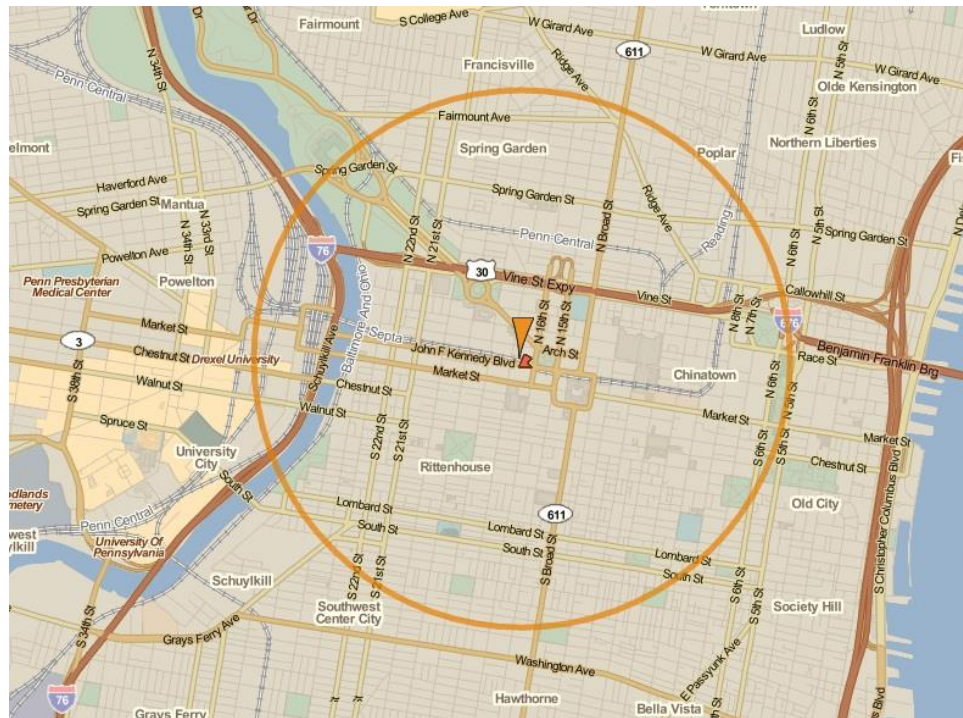
KHFI: Income Criterion

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, selection, affordability, location?
- . Will the project positively impact the well-being of the neighborhood / community?
- . Are residents / community leaders supportive of healthy food project?
- . Are there potential downsides to the project coming into the neighborhood or community?

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
- SNAP and WIC participation
- Geographic diversity





KHFI Financing through IFF



**Strengthening
nonprofits and
the communities
they serve.**

Why IFF?

- 30 Yrs of Community Lending
- In communities with people with low-incomes
- 7+ years in Fresh Food Financing



Save-A-Lot, Winfield, KS



Save-A-Lot, Rockford, IL

IFF Food Lending Statistics

- 25 Food Access Loans (**\$18.5M**)
- **\$50M+** leveraged in total project cost
- Sourced with Federal HFFI and IL Fresh Food Financing
- Focused in food deserts / high poverty census tracts

Wichita, KS



Winfield, KS



KHFI Financing

The Loan/Grant Program funds costs associated with:

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

Loan Parameters:

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

Grant Parameters:

Grants awarded to truly significant projects that also demonstrate “but-for” necessity of requested funds

- \$5,000 to \$100,000
- Preference given to projects that:
 - High-impact ratings
 - Have leveraged other funding sources



Thank You

For more information, you may contact us at:

khfi@ksu.edu

(785) 532-6868

www.kansashealthyfood.org