

Healthy Food for Ohio

Program Overview



The Healthy Food for Ohio Program

The Healthy Food for Ohio (HFFO) program is a public-private partnership that provides loans and grants to food retailers developing new or renovating existing fresh food retail in underserved communities throughout Ohio. The program helps to overcome funding gaps and barriers faced by food retailers operating in low-to-moderate-income areas and will help finance costs and fill credit needs not typically addressed by traditional financial institutions. The HFFO program aims to increase access to affordable, fresh food in underserved areas, improving health and economic development for Ohio's communities.

Financing Products

The program provides flexible financing to fund costs associated with land acquisition, predevelopment, construction, equipment, infrastructure and related expenses. Financing can be used for capital projects to build new healthy food retail or expand existing facilities.

Grants or forgivable loans are subject to available sources within this program at the time of consideration. See reverse for information about borrower requirements and loan terms.

Eligible Applicants

Eligible food retail projects must expand fresh food retail offerings in or for underserved neighborhoods and fit local community needs. Grocery chains, individual grocery stores, neighborhood food stores, co-ops and other food projects such as farmers' markets and food hubs are all eligible to apply. Underserved areas are defined as census tracts with a substantial share of residents who live in low-to-moderate-income areas that have low levels of access to a grocery store or healthy, affordable food retail outlet. All applicants are strongly encouraged to accept SNAP and WIC benefits. For more information on eligibility criteria and the application process, please contact Makeba Wilson at mwilson@financefund.org.

How to Apply

It's easy to find out if your project is eligible for HFFO funding. Just download, complete and submit the Pre-Application form found at www.financefund.org. Once program administrators have reviewed the Pre-Application to ensure that your project aligns with program goals, you will receive an email 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.

Program Highlights

- Grants and loans for new and existing healthy food projects in underserved areas
- Wide range of eligible projects including: grocery chains, individual grocery stores, neighborhood food stores, co-ops and other food projects such as farmers' markets and food hubs.
- Assistance with project management and capital structuring
- Projects must meet local community needs

Program Partners

- Public Partner: Ohio Department of Job and Family Services
- HFFO Administrator: Finance Fund Capital Corporation (FCAP)
- Food Access Partner: The Food Trust

Contact Information

Finance Fund Capital Corporation (FCAP)
Attention: Makeba Wilson
175 S. Third St, Suite 1200
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Healthy Food for Ohio

Basic Loan Terms¹

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Project Requirements

Project Site	Evidence of site control
Location	<ul style="list-style-type: none">• LMI census tract or a significant number of LMI customers• Below average food market density
Collateral/Security	1st lien on real estate, leasehold mortgage or equipment & fixtures
Financial	<ul style="list-style-type: none">• 3 years of financial statements• 3-5 years of operating projections²• Development budget with sources & uses
Uses	Real estate acquisition, construction or rehab, equipment or infrastructure, term/gap financing, predevelopment

Sponsor Requirements

Guaranty/Recourse	Full recourse to sponsor and/or personal guaranty to owner of sponsor, cross corporate guaranty if applicable
Equity Requirement	<ul style="list-style-type: none">• Real estate: 10% min• Other: 20% min• For profit: cash equity• Nonprofit: cash, grants or contributed real estate
Financial Records	Personal credit check, financial statements and 3 years of tax returns
Operator	Executed lease by closing (if Sponsor is not operator directly)
Experience	Demonstrated experience in related field

Underwriting Requirements

Coverage	1.2x debt service (or fixed charge coverage if leased site)
LTV	Real estate: up to 90% of value Equipment: up to 65% of cost

Lender Fees & Others

Interest Rate	Fixed rate based upon borrowers credit standing and project risk
Origination Fees	1.25%
Appraisal	Required, to be originated by Lender
Interest Payments	Interest only periods available
Prepayment	Generally no prepayment penalties
Reports	Environmental Phase I
Deposit	\$10,000 for 3rd party costs before closing

Loan Terms

Predevelopment, Acquisition & Construction Loans	Up to 2 years
Term & Leveraged Loans	Up to 10 years (with up to 25-year amortization for real estate loans)
Size	\$250,000 to \$5,000,000 or larger for NMTC leveraged loans ³

Note: These terms represent general guidelines. Exceptions may be considered on a case-by-case basis. All projects that fit the general mission of the Healthy Food for Ohio program are encouraged to apply.

1. Grant applicants should refer to the *Program Guidelines* for more information, available at www.financefund.org
2. To the extent possible, financial information for the project should be provided in working Excel format.
3. NMTC leveraged loans and non-conforming loans will be priced and structured for each project independently.