



The Good Food Access Program

A Report to the Minnesota Legislature



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Pursuant to Minn. Stat. § 3.197, the cost of preparing this report was approximately \$500.

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Executive Summary

The Good Food Access Program (GFAP) was established at the Minnesota Department of Agriculture (MDA) through legislation passed by the 2016 Legislature. The GFAP received a one-time appropriation of \$250,000. The purpose of the GFAP is to increase the availability of and access to affordable, nutritious, and culturally appropriate food for underserved communities in low-income and moderate-income areas.

To accomplish this goal, the GFAP will expand access to credit, reduce barriers to investment, and provide financial support and technical assistance to open, renovate, or expand grocery stores and small food retailers in underserved communities in low-and moderate-income areas.

The same legislation also created the Good Food Access Account in the agricultural fund. The account consists of money appropriated by the legislature and may also accept funds donated, allotted, or transferred to the account from public or private entities. GFAP funds may be used for loans, grants, technical assistance, and other types of financial assistance.

The Good Food Access Program Advisory Committee was created to advise the commissioner on how to best implement the program's goals and encourage public-private, cross-sector collaboration and investment in the account and program. The Commissioner of Agriculture or the Commissioner's designee serves as the chair of the committee and the MDA provides staffing, meeting space, and administrative services for the Advisory Committee.

The Advisory Committee counsels the Commissioner of Agriculture on managing the program, establishing program criteria, project eligibility guidelines, application processes and additional selection criteria, and annual monitoring and accountability mechanisms. The Advisory Committee also leverages additional public and private investments and promotes the program statewide.

After considering input from the GFAP Advisory Committee, the MDA has decided to publish two separate requests for proposals (RFPs). The first RFP is for equipment and physical infrastructure grants and is expected to be published by March 1, 2017. The second RFP will focus on technical assistance and is expected to be published in late spring of 2017.

Introduction

This report is submitted pursuant to 2016 Minnesota Statutes: **M.S. 17.1017, subd. 9**

***Legislative report.** The commissioner, in cooperation with any economic or community development financial institution and any other entity with which it contracts, shall submit an annual report on the good food access program by January 15 of each year to the chairs and ranking minority members of the house of representatives and senate committees and divisions with jurisdiction over agriculture policy and finance. The annual report shall include, but not be limited to, a summary of the following metrics:*

- (1) the number and types of projects financed;*
- (2) the amount of dollars leveraged or matched per project;*

- (3) *the geographic distribution of financed projects;*
- (4) *the number and types of technical assistance recipients;*
- (5) *any market or commodity expansion associated with increased access;*
- (6) *the demographics of the areas served;*
- (7) *the costs of the program;*
- (8) *the number of SNAP and WIC dollars spent;*
- (9) *any increase in retail square footage;*
- (10) *the number of loans or grants to minority-owned or female-owned businesses;*
and
- (11) *measurable economic and health outcomes, including, but not limited to, increases in sales and consumption of locally sourced and other fresh fruits and vegetables, the number of construction and retail jobs retained or created, and any health initiatives associated with the program.*

Background

The Good Food Access Program (GFAP) was established at the Minnesota Department of Agriculture (MDA) through legislation passed by the 2016 Legislature. Relevant statutory language is contained in 2016 Minnesota Statutes: **M.S. 17.1017** (establishment of the program) and **M.S. 17.1018** (creation of the Good Food Access Program Advisory Committee).

The purpose of the GFAP is to increase the availability of and access to affordable, nutritious, and culturally appropriate food for underserved communities in low-income and moderate-income areas. To accomplish this goal, the GFAP will provide financial support and technical assistance to open, renovate, or expand the operations of grocery stores and small food retailers and to expand access to credit and reduce barriers to investment in underserved communities in low-and moderate-income areas.

This legislation also created the Good Food Access Account in the agricultural fund. The account consists of money appropriated by the legislature as well as funds donated, allotted or transferred to the account from public or private entities. The legislation encourages the MDA to leverage other forms of public and private financing or financial assistance for the projects.

The GFAP program received a one-time appropriation of \$250,000. Funds may be used for loans, grants, technical assistance, and other types of financial assistance. The MDA may contract with one or more qualified economic or community development financial institutions to manage the financing component of the program and with one or more qualified organizations or public agencies with financial or other program-related expertise to manage the provision of technical assistance to project grantees.

Good Food Access Program Advisory Committee

The Good Food Access Program Advisory Committee was created to encourage public-private, cross-sector collaboration and investment in the account and program and to ensure that program intent is maintained throughout implementation. The committee must meet at least two times per year. The Commissioner of Agriculture or the Commissioner's designee serves as the chair of the

committee and the MDA provides staffing, meeting space, and administrative services for the advisory committee.

The advisory committee advises the Commissioner of Agriculture on managing the program, establishing program criteria, project eligibility guidelines, application processes and additional selection criteria, establishing annual monitoring and accountability mechanisms, and leveraging of additional public and private investments, and promoting the program statewide.

The advisory committee includes the commissioners of health, employment and economic development, and human services, or their respective designees in addition to the following members that are appointed by the commissioner:

- one person representing the grocery industry;
- two people representing economic or community development, one rural member and one urban or suburban member;
- two people representing political subdivisions of the state;
- one person designated by the Council for Minnesotans of African Heritage;
- one person designated by the Minnesota Indian Affairs Council;
- one person designated by the Council on Asian Pacific Minnesotans;
- one person designated by the Chicano Latino Affairs Council;
- one person designated by the Minnesota Farmers Union;
- one person representing public health experts;
- one person representing philanthropic foundations;
- one person representing economic or community development financial institutions;
- one person representing the University of Minnesota Regional Sustainable Development Partnerships;
- two people representing organizations engaged in addressing food security, one representative from a statewide hunger relief organization and one from a community-based organization;
- one person representing immigrant farmer-led organizations;
- one person representing small business technical assistance with experience in food retail; and
- up to four additional members with economic development, health equity, financial, or other relevant expertise.

Program Activities Completed

June 6, 2016: Notice of Vacancies on the GFAP Advisory Committee published by the Secretary of State's Office

June 28, 2016: Application deadline for advisory committee vacancies

August 12, 2016: Advisory committee members appointed as follows:

Designated by the organization:

- Chicano Latino Affairs Council: *Monica Hurtado*
- Council for Minnesotans of African Heritage: *DeVon Nolen*

- Council on Asian Pacific Minnesotans: *Anjali Mishra*
- Department of Employment and Economic Development: *Kathleen Motzenbecker*
- Minnesota Department of Health: *Teresa Ambroz*
- Minnesota Department of Human Services: *Sarah Aughenbaugh*
- Minnesota Farmers Union: *Steven Read*
- Minnesota Indian Affairs Council: *Simone Senogles*

Appointed by commissioner:

- representing the grocery industry: *Jamie Pfuhl, Minnesota Grocers Association*
- representing economic or community development, one rural member and one urban or suburban member:
 - *Cheryl Lee Hills, Region Five Development Commission (rural)*
 - *Lars Kuehnow, Duluth Local Initiatives Support Corporation (urban)*
- representing political subdivisions of the state:
 - *Heather Myhre, Houston County Public Health*
 - *Tamara Downs Schwei, City of Minneapolis*
- representing public health experts: *Rachel Callanan, Minnesotans for Healthy Kids Coalition*
- representing philanthropic foundations: *Pam Bishop, Southern Minnesota Initiative Foundation*
- representing economic or community development financial institutions: *Lance Knuckles, Community Reinvestment Fund*
- representing the University of Minnesota Regional Sustainable Development Partnerships: *Kathy Draeger, University of Minnesota Regional Sustainable Development Partnership*
- representing organizations engaged in addressing food security, one representative from a statewide hunger relief organization and one from a community-based organization:
 - *Colleen Moriarty, Hunger Solutions*
 - *Mary Mitchell, Bemidji Community Foodshelf*
- representing immigrant farmer-led organizations: *Pakou Hang, Hmong American Farmers Association*
- representing small business technical assistance with experience in food retail: *Jaime Villalaz, Latino Economic Development Center*
- members with economic development, health equity, financial, or other relevant expertise:
 - *Kris Igo, Healthy Food, Healthy Lives Institute*
 - *Vayong Moua, Center for Prevention at Blue Cross and Blue Shield of Minnesota*
 - *William J. Nelson, Former President of CHS Foundation, President-elect of International Food and Ag Management Association*
 - *Keith Olander, Central Lakes Collect Ag and Energy Center*

September 28, 2016: First meeting of the GFAP Advisory Committee

December 6, 2016: Second meeting of the GFAP Advisory Committee

Next Steps

After considering input from the GFAP Advisory Committee, the MDA decided to publish two separate requests for proposals (RFPs). The first RFP is for equipment and physical infrastructure grants and is expected to be published by March 1, 2017. The second RFP will focus on technical assistance and is expected to be published in late spring of 2017.

The original appropriation was a one-time appropriation. If additional funds are not appropriated by the legislature, the Good Food Access Account will continue to exist but will be limited to funds contributed by other organizations. The MDA is aware of efforts to raise outside funds that would be contributed to the good food access account but as of this report no outside funds have been received.