



Community Development Financial Institutions (CDFI) Fund

2012 CED/JOLI Grantee Conference
Healthy Food Financing Initiative Update





Presentation Agenda

- 🍏 Why a Healthy Financing Food Initiative?
- 🍏 What are the key components of our Initiative?
- 🍏 Where do we go from here?



Why a Healthy Food Financing Initiative?

- Lack of access to affordable and healthy food options in low-income communities
- CDFIs/CDEs are the vehicles for administering innovative state and city-level HFFIs
- Awardees/Allocatees were developing creative and innovative products that deserved showcasing and scaling up.
- Inter-governmental collaborative efforts with HHS and USDA presented an opportunity for the CDFI Fund and CDFIs/CDEs to play a role.



What are the key components of the Initiative?

In FY 2011, we began a comprehensive approach to helping CDFIs/CDEs stay on the cutting edge.

Our initiative included:

- ✓ Capital (FA awards - \$25 million)
- ✓ New Markets Tax Credits (NMTC allocations - \$250 million)
- ✓ Training
- ✓ One-on-one Technical Assistance
- ✓ Mapping tools
- ✓ Resource bank (new training curriculum)
- ✓ Peer networking
- ✓ Convening with Foundations



How is the capital component structured?

In the FY 2011 CDFI Program, FA awardees received up to \$3 million for lending capital, loan loss reserves, capital reserves, and operations, specifically for HFFI activities.

- We received 25 applications, requesting \$49.6 million in funds.
- We made 12 awards for a total of \$25 million:
 - ✓ 10 large established CDFIs; 2 Small and Emerging CDFIs
 - ✓ 6 awardees primarily serve urban markets; 4, minor and 2 rural
 - ✓ 11 loan funds and 1 credit union
- Awardees provide full continuum of healthy food lending products
 - ✓ Food production - distribution, and equipment
 - ✓ Retail outlets - grocery stores, supermarkets, corner stores, food co-ops, food pantries, and other innovative models



How is the NTMC component structured?

- With FY 2011 NMTC Allocations, the CDFI Fund made 50 out of 70 allocations (71%) to organizations indicating they intend to devote some portion of their NMTC allocation to Healthy Food Financing activities.
- After taking into account CDE administrative expenses, these groups anticipate investing almost **\$461 million** in HFFI activities.



What are the key training components?

We have contracted with Opportunity Finance Network to conduct training sessions:

- Five training sessions have been conducted , featuring CDFI/HFFI leaders, grocery operators and experts
- Sessions are targeted to direct sellers/retailers; intermediaries/mid-tiers; and farmers/producers
- Over 125 staff members in CDFIs and related organizations have been trained



What are the key aspects of the other components?

- Ten CDFIs are receiving individualized technical assistance; more are expressing interest.
- Two mapping tools on low access communities/food deserts (USDA/PolicyMap) are featured on our website.
- Our resource bank has ten linked documents including original curriculum and a public/private funding resource guide.
- We began facilitating the HFFI National Peer Exchange in February.
- A national demand study will be released soon.
- A convening of foundations is being planned for 2012.



What have the CDFIs/CDEs been accomplishing?





Where do we go from here?

We will continue building on our successes.

- Evaluate impact – Inter-governmental collaboration
- Award \$22 million for the HFFI-FA in FY 2012
- Conduct more training and TA
- Convene foundations
- Grow peer exchange

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Questions and Answers



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