

Chapter 286 of the Acts of 2014
Environmental Bond Bill
Healthy Food Financing Language

SECTION 2B.

Department of Agricultural Resources
2500-7023

.....provided further, that \$2,000,000 shall be expended to support food ventures, primarily in communities of low or moderate income, including but not limited to community kitchens, food truck commissaries, greenhouses, farmers markets, infrastructure for community-supported agriculture businesses....

SECTION 12. Chapter 23A of the General Laws is hereby amended by adding the following section:-

Section 65. (a) There shall be within the department a Massachusetts Food Trust Program. The purpose of this program shall be to establish a financing infrastructure that increases access to healthy food options and improves economic opportunities for nutritionally underserved communities in urban, rural and suburban localities.

As used in this section, the following words shall have the following meanings unless the context clearly requires otherwise:

“Community development financial institution”, a person other than an individual that has a primary mission of promoting community development, that serves an investment area or targeted population, that provides development services and equity investments or loans through an affiliate or a community partnership, that maintains accountability to residents of its investment area or targeted population through representation on its governing board or otherwise and is not an agency or instrumentality of the United States, the commonwealth or any political subdivision of the commonwealth; provided, however, that a subsidiary of a community development financial institution shall only qualify as a community development financial institution if its parent company and the subsidiaries of the parent company on a consolidated basis also qualify as community development financial institutions.

“Food opportunity area”, a community or sections of a community of low and moderate income,

where the growth of food enterprises would create jobs, attract investment or provide greater access to foods produced in the commonwealth for local residents of low and moderate income.

“Low-income area”, a census tract as reported in the most recently completed decennial census published by the United States Census Bureau that has a poverty rate of at least 20 per cent or in which the median family income does not exceed 80 per cent of the greater of the statewide or metropolitan median family income.

“Moderate income area”, a census tract in which the median family income is between 81 and 95 per cent of the median family income for the area.

“Underserved community”, a low-income and moderate income census tract determined to be an area with low supermarket access by the United States Department of Agriculture as identified in the United States Department of Agriculture’s Food Access Research Atlas, through a methodology that has been identified as having low access to a supermarket or grocery store or through a methodology that has been adopted for use by the department of food and agriculture, the department of economic development or another governmental or philanthropic healthy food initiative.

(b) A community development financial institution may develop and implement flexible financing programs, including loans, grants and technical assistance, and enter into external partnerships to raise matching funds, market the programs, evaluate applicants, make award decisions, underwrite loans and monitor compliance and impact. Activities eligible for assistance shall include, but not be limited to (i) the development, renovation and expansion of supermarkets; (ii) farmers’ markets; (iii) community kitchens; (iv) food truck commissaries; (v) indoor and outdoor greenhouses; (vi) winter and year-round farmers’ markets; (vii) retail, restaurant and supporting food distribution hub options serving such food opportunity areas as approved by the department; provided, however, that applicants for such projects shall demonstrate a meaningful commitment to sell fresh, local products; (viii) infrastructure for urban and rural-based community-supported agriculture businesses; and (ix) working capital for such projects which shall include, but not be limited to, equipment and furnishings, workforce training, security and certain predevelopment costs.

(c) The community development financial institution shall work with existing state and federal agencies, including the small business capital access program, the United States Department of the Treasury, the United States Department of Health and Human Services and the United States Department of Agriculture, regarding financing. To secure grants from private sources, the community development financial institution shall consult with organizations with expertise with food access to analyze market opportunities in underserved communities, conduct outreach and marketing to food retailers and determine the site eligibility of applicants.

(d) The community development financial institution shall work in conjunction with local community colleges and vocational education institutions to develop programs designed to train and educate food sellers respecting the designating and marketing of nutritious foods and to assist in the development of public education programs designed to make the buying public aware of the need for nutritious foods and the identity of nutritious foods.

(e) A community development financial institution that serves an underserved community shall cooperate with the Massachusetts food policy council to promote and develop farmers' market programs within targeted communities where local growers shall be given the opportunity to market their produce and to educate residents as to the nutritional importance of their produce.

(f) In order to be eligible for financial assistance, a project shall demonstrate to a community development financial institution through impact statements that it is able to provide a positive economic and social impact to its local community.

(g) An impact statement shall be submitted to a community development financial institution upon application and not later than February 1 annually each successive year. An impact statement shall include: (i) the positive economic impact provided to the community through job training and employment practices; (ii) information on women and people of color; and (iii) information on veteran status of ownership and full-time employees. Failure of a recipient of financial assistance from a community development financial institution to show positive economic and social impact may be cause for the community development financial institution to discontinue financial assistance to the recipient.

(h) To the maximum extent practicable, a recipient of financial assistance from a community development financial institution shall provide healthy and nutritious food to its customer base and shall promote community development by working with other state and local programs.

(i) A community development financial institution that serves an underserved community shall forward the annual impact reports collected from supermarkets, farmers' markets or food stores to the Massachusetts food policy council and shall include the following information: (1) the recipients of financial assistance from community development financial institutions; (2) the total amount of funds obtained by each recipient; and (3) the number of employees in each supermarket, farmers' market and food store.

(j) A community development financial institution that serves an underserved community shall on a periodic basis consult with the Massachusetts grocery access task force to ensure the task force's awareness of the efforts of the community development financial institution and to seek information and assistance when necessary.