

Healthy Food Financing Initiative

2023 Recommendations

 UTHealth[®] Houston
School of Public Health

Center for Community
Health Impact

Healthy Food Financing Initiative



One-time capital infusion to projects that increase the availability of healthy and affordable food in high-need areas in El Paso County.

- Grants will generally not exceed \$150,000
- Project must benefit low-to-moderate income households
- At least 20% of current or future products sold, or at least 30% of the food retail space will be for the sale of healthy, affordable foods

Applicants & Activities

Eligible Applicants

- Business or nonprofit organization
 1. Regional or national grocery chain, singular grocery retail outlet, food hub, farmers market, or mobile market
 2. Real estate project that will lease to a grocery store
 3. Other food retail or food retail infrastructure model offering healthy and affordable food

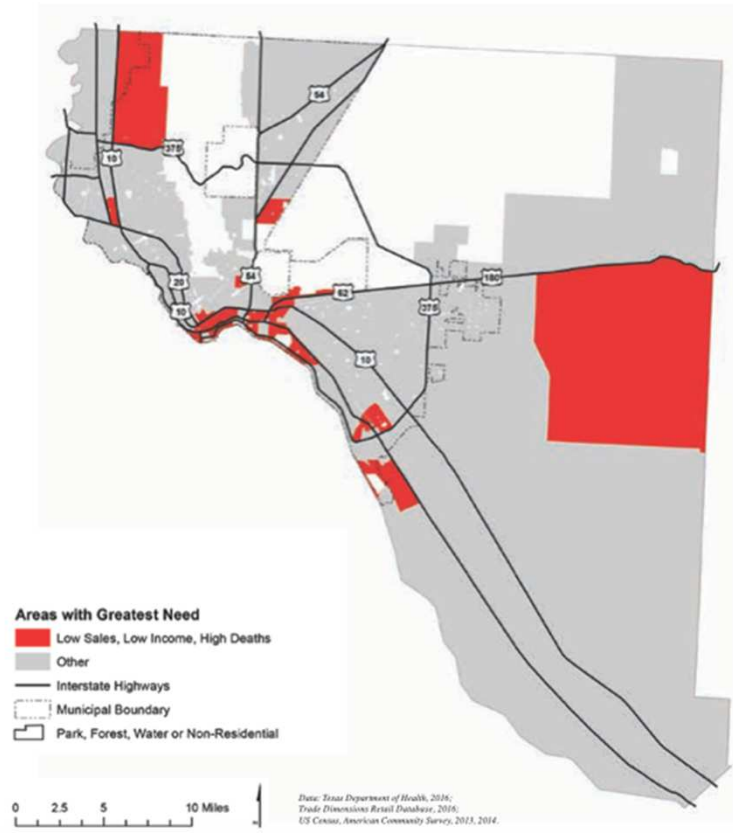
Eligible Activities

Pre-Development, Site Assembly and Improvement, Construction and Rehabilitation, Equipment, Staffing, Staff Training, Security, Inventory and Working Capital, Marketing and Nutrition Education

Ineligible Activities & Applicants

- Ineligible Activities:
 - Refinancing of existing debt, tax arrearages or government fines
 - Engagement in political or religious activities
 - Buying out any stockholder or equity holder in the borrower's business,
 - Purchase of instruments or investments for the sole purpose of a return on investment
- Ineligible Applicants:
 - Large department stores of which groceries are only one department
 - Restaurants, cafes, bakeries, or pharmacies with grocery sections
 - Businesses with alcohol or tobacco sales as the primary source of revenue
 - Public Entities

Food for Every Child 2017



Areas of Greatest Need in El Paso County

- Low grocery sales
- Low income
- High diet-related deaths

HFFI Program Partners

UTHealth Houston School of Public Health in El Paso Center for Community Health Impact (Program Administration)

- Outreach & Project Development
- Application Review
- Monitoring & Evaluation

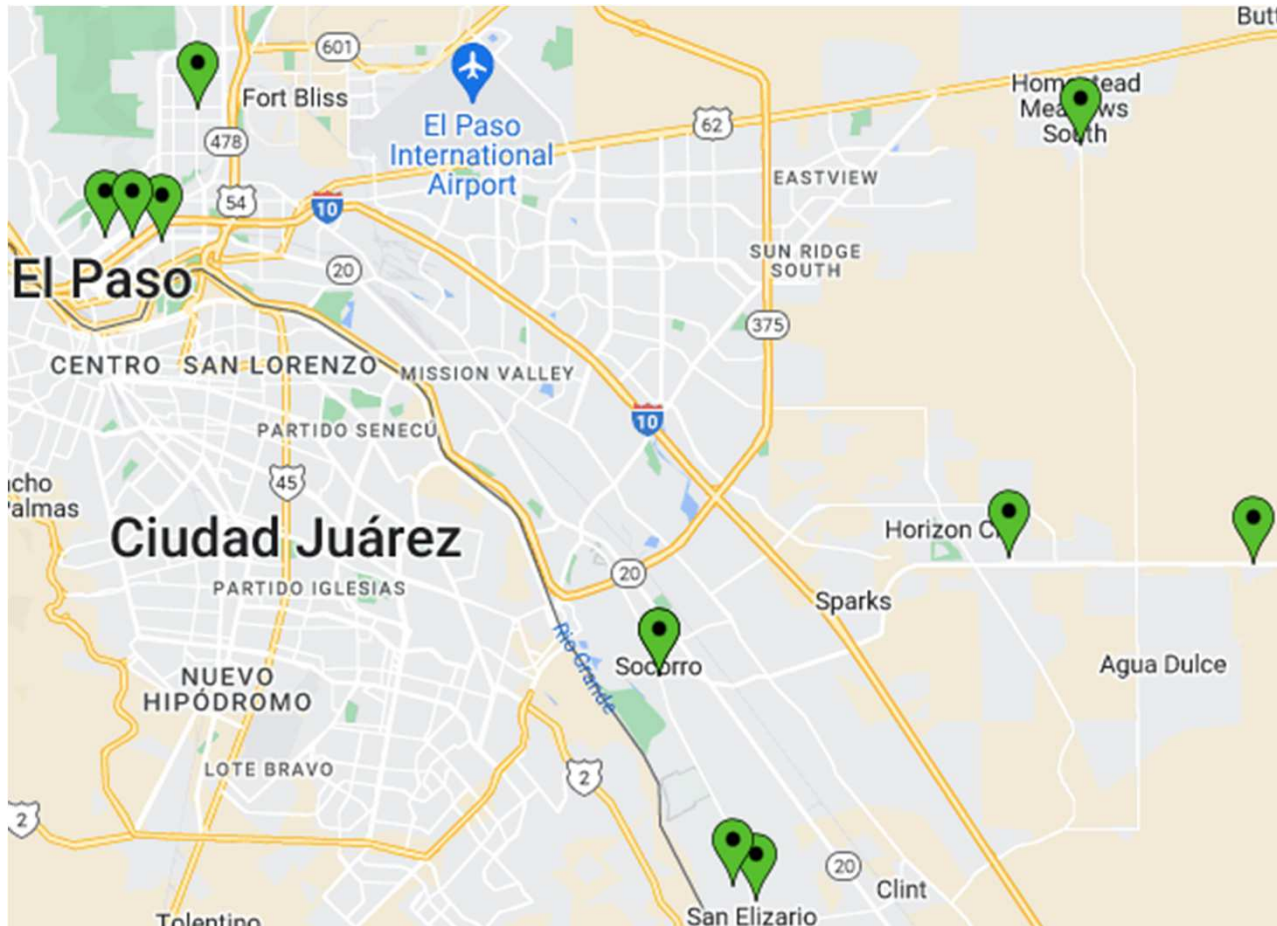
PeopleFund CDFI (Financial Review)

- ALL Applications must undergo financial review and verification of credit worthiness
- 30-50% of the proposed project's total cost should include financing or owner equity injection

Texas-South West Small Business Development Center

- Technical Assistance for Prospective Applicants

2020-2022 Projects



11 projects funded since 2020:

- Central
- San Elizario
- Socorro
- Horizon City
- Montana Vista

2023 HFFI Applicants



In the 2023 HFFI program cycle, 11 applications were submitted totaling **\$1,386,937**, including **\$1,040,072** in grant funding and **\$211,865** in loan funding.

2023 Recommended Projects



Funded projects in GREEN
(2020-2022).

Recommended projects in RED
(2023).

- Tornillo
- Northeast
- Central
- San Elizario
- West

2023 Recommended Projects

- 1. Chuco Town Farm (San Elizario)**
 - \$68,404 grant
- 2. McCombs Meat Market (Northeast)**
 - \$118,000 grant
- 3. Coyote Fuel Enterprises (Tornillo)**
 - \$105,000 grant
- 4. One Grub Community (Central)**
 - \$150,000 grant
- 5. La Major Carniceria & Mercado (West)**
 - \$150,000 grant

Recommended for Funding

Chuco Town Farm

- **Request:** \$68,404 grant
- **Financial Review:** conducted by PeopleFund & recommended as financially sound
- **Project:** Roadside retail outlet stocked with farm products stocked plus local area vendor products. Chuco Town Farm currently grows fresh produce, which it sells to Desert Spoon Food Hub and at the Downtown Farmer's Market. With USDA support, production is expanding. Project includes the purchase and renovation of a fabricated building, refrigerated display units, cooler system repairs, parking, marketing, and shelving.
- **Location:** 13410 Chicken Ranch Road (San Elizario, Texas)
 - Area of Greatest Need: Yes
 - Service Area: San Elizario, Fabens, Tornillo
 - Estimated Median Family Income (census tract 105.01): \$49,750
 - Below poverty line: 20.1%

Recommended Funding: \$68,704 grant

Recommended for Funding

Chuco Town Farm



Recommended for Funding

McCombs Meat Market

- **Request:** \$118,000 grant
- **Financial Review:** conducted by PeopleFund & recommended as financially sound
- \$30,000 in cash on hand and line of credit, plus all existing equipment and extensive store stock.
- **Project:** Local, family owned small grocery store in operation since March 2010. Project will upgrade HVAC throughout the store to better support their ability to stock fresh produce. Budgeted items include produce show case, two-door freezer, signage, staff, front desk renovation, and more. The busy store serves customers who predominantly pay with SNAP/EBT.
- **Location: 9440 McCombs, Suite 3 (Northeast El Paso)**
 - Area of Greatest Need: Yes
 - Service Area: Northeast El Paso
 - Estimated Median Family Income (census tract 2.04): \$39,438
 - Below poverty line: 31.6%

Recommended Funding: \$118,000 grant

Recommended for Funding

McCombs Meat Market



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Recommended for Funding

Coyote Fuel Enterprises

- **Request:** \$150,000 grant
- **Financial Review:** conducted by PeopleFund & recommended **with conditions**
- **Project:** Tornillo couple purchased a gas station and have been working to turn it into a food market for residents who must travel 5 miles to the closest grocery store or shop for food at the dollar store. Project includes renovation and upgrades to offer fresh produce in store, canned goods, frozen foods and more to promote healthy food choices. Also included are building upgrades, signage, and security fencing. Owners are in the process of applying for SNAP.
- **Location: 140 OT Smith (Tornillo, TX)**
 - Area of Greatest Need: Yes
 - Service Area: Tornillo
 - Estimated Median Family Income (census tract 105.04): \$66,875
 - Below poverty line: 12.9%

Recommended Funding: \$105,000 grant

NOTE: Reduction of \$45k is recommended to exclude the budgeted parking lot upgrade, which proposes to improve a County-owned alley.

Recommended for Funding

Coyote Fuel Enterprises



Recommended for Funding

One Grub Community

- **Request:** \$150,000 grant
- **Financial Review:** conducted by PeopleFund & recommended as financially sound
- **Project:** Proposed expansion and renovation of interior to introduce larger market goods retail space to add refrigerated and frozen healthy food sections, grab-and-go options, and other healthy and affordable, plant-based food to low-income residents in Central El Paso. Project includes food education station. NOTE: Since the time of the application, One Grub Community has entered negotiations with a new landlord and may relocate to a property within the same service area on Yandell.
- **Location: 901 Arizona Ave.**
 - Area of Greatest Need: Yes
 - Service Area: Central El Paso
 - Estimated Median Family Income (census tract 22.02): \$20,833
 - Below poverty line: 33.7%

Recommended Funding: \$150,000 grant

Recommended for Funding

One Grub Community



ONE GRUB
COMMUNITY

Alternate Considerations

La Mejor Carniceria & Mercado

- **Request:** \$150,000 grant
- **Financial Review:** conducted by PeopleFund & recommended as financially sound
- **Project:** Market situated on the Westside of El Paso near Doniphan/Country Club Road does not fall within an area of greatest need or an area with low grocery store density. However, the store serves a client base of workers in the area, the majority of whom use SNAP/EBT for purchases. Essentially, this store serves those who work at the homes in the El Paso County Club area, not those who live nearby. The proposed project would expand existing store to offer additional healthy and affordable food products from (4% to 20%).
- **Location:** 8041 North Mesa, Suite B1
 - Area of Greatest Need: No
 - Service Area: West El Paso
 - Area population is not indicative of clientele, who largely work at area homes.

Recommended Funding: \$150,000 grant

Projects Recommended for HFFI Funding

Chuco Town Farm	\$68,404 grant
McCombs Meat Market	\$118,000 grant
Coyote Fuel Enterprises	\$105,000 grant
One Grub Community	\$150,000 grant
La Major Carniceria & Mercado	\$150,000 grant
TOTAL	\$591,404 grant

Available HFFI Funding

\$550,000.00

FY2024

\$140,839.47

Balance Carried Over

\$690,839.47

HFFI FUND

\$591,404.00

RECOMMENDED

\$ 99,435.00

(50,000.00)

UTHealth Service Agreement

\$ 49,435.00

Balance to Carry Over

Thank you!

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