Community Development
Financial Institutions Fund

The Healthy Food Financing Initiative
Financial Assistance Awards

FY 2011
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Overview
The Healthy Food Financing Initiative

The Healthy Food Financing Initiative (HFFI) represents the federal government’s first coordinated step to eliminate food deserts – low-income urban and rural areas in the United States with limited access to affordable and nutritious food – by promoting a wide range of interventions that expand the supply of and demand for healthy foods. These activities may include increasing the distribution of agricultural products, developing and equipping grocery stores, and strengthening the producer-to-consumer relationship.

HFFI is a multi-agency initiative with components being coordinated by the U.S. Department of the Treasury’s Community Development Financial Institutions Fund (CDFI Fund), the U.S. Department of Agriculture, and the U.S. Department of Health and Human Services. The CDFI Fund will award $25 million of funding to CDFIs in fiscal year (FY) 2011 under its cornerstone Community Development Financial Institutions Program (CDFI Program), and anticipates supporting an additional $250 million or more of private sector financing of healthy food activities through the New Markets Tax Credit Program (NMTC Program).

The CDFI Program provides Financial Assistance (FA) and Technical Assistance (TA) to certified and emerging Community Development Financial Institutions (CDFIs) – financial institutions that specialize in serving low-income individuals and communities. In FY 2011, the Healthy Food Financing Initiative served as a supplemental funding opportunity under the CDFI Program for eligible CDFIs that expressed an interest in expanding their healthy food-focused financing activities and had received FA awards. These institutions were required to complete supplemental HFFI-specific application materials, and were evaluated through a competitive review process. In September 2011, 12 CDFIs were selected to receive awards totaling $25 million.

The NMTC Program attracts investment capital to low-income communities by permitting individual and corporate investors to receive a tax credit against their federal income tax return in exchange for making equity investments in specialized financial institutions called Community Development Entities (CDEs). A CDE is an organization certified by the CDFI Fund that acts as a financial intermediary through which investment capital flows from an investor to qualified businesses and real estate projects located in low-income communities. The CDFI Fund allocates tax credits to CDEs through an annual competitive application process, and will be awarding up to $3.5 billion of allocation authority to CDEs in early 2012.

For more information about the CDFI Program, the NMTC Program, the Healthy Food Financing Initiative, or any of the CDFI Fund’s other programs, please visit:

www.cdfifund.gov
List of Award Recipients
## List of Award Recipients

<table>
<thead>
<tr>
<th>Awardee Name</th>
<th>City</th>
<th>State</th>
<th>Total Award</th>
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<tr>
<td>Appalachian Community Enterprises</td>
<td>Cleveland</td>
<td>GA</td>
<td>$500,000</td>
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<tr>
<td>ASI Federal Credit Union</td>
<td>Harahan</td>
<td>LA</td>
<td>$3,000,000</td>
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<td>Coastal Enterprises</td>
<td>Wiscasset</td>
<td>ME</td>
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<td>Cooperative Fund of New England</td>
<td>Amherst</td>
<td>MA</td>
<td>$2,000,000</td>
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<td>IFF</td>
<td>Chicago</td>
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<td>$500,000</td>
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<tr>
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<td>Lowcountry Housing Trust</td>
<td>Charleston</td>
<td>SC</td>
<td>$500,000</td>
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<tr>
<td>NCB Capital Impact</td>
<td>Arlington</td>
<td>VA</td>
<td>$3,000,000</td>
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<td>Opportunity Finance Network</td>
<td>Philadelphia</td>
<td>PA</td>
<td>$3,000,000</td>
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<td>Reinvestment Fund, The</td>
<td>Philadelphia</td>
<td>PA</td>
<td>$3,000,000</td>
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<tr>
<td>Western Massachusetts Enterprise Fund</td>
<td>Holyoke</td>
<td>MA</td>
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Highlights of Award Round
FY 2011 Healthy Food Financing Initiative Financial Assistance Awards

Awardee Highlights

The CDFI Fund has completed its fiscal year (FY) 2011 funding round of the Healthy Food Financing Initiative (HFFI) under the CDFI Program. The CDFI Fund received applications from 20 eligible organizations requesting $49.6 million in Healthy Food Financing Initiative Financial Assistance (HFFI-FA). The CDFI Fund made 12 awards totaling $25 million to organizations located in nine states.

Key Statistics of Awardees

- Grants totaling $25 million were awarded to 12 CDFIs.
- Eleven loan funds and one credit union received awards.
- Of the awards granted, 10 were under the Core award category and two were awarded under the Small and Emerging CDFI Assistance (SECA) category.
- Six awardees primarily serve major urban markets, four primarily serve minor urban markets, and two primarily serve rural areas.

Healthy Food Financing Initiative Financial Assistance Awards Highlights

Overview

The Healthy Food Financing Initiative is an interagency initiative involving the U.S. Department of the Treasury, the U.S. Department of Agriculture, and the U.S. Department of Health and Human Services. HFFI represents the federal government’s first coordinated step to eliminate “food deserts” – low-income urban and rural areas in the United States with limited access to affordable and nutritious food – by promoting a wide range of interventions that expand the supply of and demand for nutritious foods, including increasing the distribution of agricultural products; developing and equipping grocery stores; and strengthening producer-to-consumer relationships.

Through the Healthy Food Financing Initiative, the CDFI Fund has provided $25 million of Financial Assistance awards to 12 CDFIs. These CDFIs will use the funds to enhance their capacity to make investments in a range of healthy food projects serving food deserts, including, but not limited to: grocery stores, mobile food retailers, farmers markets, cooperatives, corner stores, bodegas, or stores that sell other food and non-food items along with a full range of healthy foods.
Financial Assistance Award Types
The CDFI Fund invests in CDFIs using flexible tools such as equity investments, loans, grants, and deposits, depending on institutional needs. HFFI-FA awards are made in the form of grants, which will enable the CDFIs to leverage private capital to respond to demand for affordable healthy food financial products and services in economically distressed markets.

Aggregate Request and Award Amounts by Category Type
The CDFI Fund is making HFFI-FA grants under the “Core” and “Small and Emerging CDFI Assistance” (SECA) categories of the CDFI Program. The categories enable the CDFI Fund to support CDFIs at differing levels of capacity. SECA awardees have been in operation for five years or less or have assets of less than $5 million (less than $250 million for community development banks and less than $10 million for credit unions and venture capital funds). All other awardees are considered Core. Table 1 shows aggregate request and award amounts by applicant category type.

<table>
<thead>
<tr>
<th>Applicant Type</th>
<th># Requests</th>
<th># Awards</th>
<th>$ Requested</th>
<th>$ Awarded</th>
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<tr>
<td>Core</td>
<td>16</td>
<td>10</td>
<td>$45,800,000</td>
<td>$24,000,000</td>
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<tr>
<td>SECA</td>
<td>4</td>
<td>2</td>
<td>$3,800,000</td>
<td>$1,000,000</td>
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<td><strong>Total</strong></td>
<td><strong>20</strong></td>
<td><strong>12</strong></td>
<td><strong>$49,600,000</strong></td>
<td><strong>$25,000,000</strong></td>
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Primary Market Diversity Among HFFI-FA Awardees
The FY 2011 HFFI-FA awardees serve diverse markets: major urban, minor urban, and rural. As shown in the following graph, six (50 percent) of the awardees primarily serve major urban markets, four (33 percent) primarily serve minor urban areas, and two (17 percent) primarily serve rural areas.

Geographic Diversity
FY 2011 HFFI-FA awardees are headquartered in nine states: California, Georgia, Illinois, Louisiana, Massachusetts (three awards), Maine, Pennsylvania (two awards), South Carolina, and Virginia.
Awardee Profiles
California
Low Income Investment Fund
San Francisco, CA
Award: $3,000,000
Contact: Nancy O. Andrews - (415) 772-9094
Low Income Investment Fund (LIIF) is a certified CDFI established in 1984. LIIF provides lending products and development services for affordable housing developments and community facility projects that benefit low-income populations in California, New York, Washington, D.C., and Massachusetts. LIIF will use its FY 2011 Healthy Food Financing Initiative award to provide financing and technical assistance to food markets located in or planning to locate in low- to moderate-income communities that lack access to affordable, healthy food.

Georgia
Appalachian Community Enterprises
Cleveland, GA
Award: $500,000
Contact: Grace A. Fricks - (706) 348-6609
Appalachian Community Enterprises (ACE) is a non-profit, certified CDFI micro lender established in 2000. ACE is located in northern Georgia and provides financial products and services and development services to low- and moderate-income borrowers and communities. ACE will use its FY 2011 Healthy Food Financing Initiative award to finance healthy food providers in 90 U.S. Department of Agriculture-recognized food desert census tracts across 10 counties in the Atlanta area.

Illinois
IFF
Chicago, IL
Award: $3,000,000
Contact: Trinita Logue - (312) 596-5117
IFF is a certified CDFI established in 1988 that provides long-term, below-market lending for community facilities and affordable housing for a Low-Income Targeted Population in Illinois, Indiana, Missouri, and Wisconsin. IFF will use its FY 2011 Healthy Food Financing Initiative award to fund a pipeline of retail projects in communities that lack healthy food access.
Louisiana

ASI Federal Credit Union
Harahan, LA
Award: $3,000,000
Contact: Sarah Taylor - (504) 733-1733 x79206

ASI Federal Credit Union (ASI) is a certified CDFI established in 1961. ASI offers financial and development services, as well as automobile, credit card, small business, and first mortgage loans to a Low-Income Targeted Population and Other Targeted Population of African-Americans and Latinos in Louisiana. ASI will use its FY 2011 Healthy Food Financing Initiative award to create a revolving loan fund which will strengthen the healthy food distribution network in the New Orleans area.

Maine

Coastal Enterprises Inc.
Wiscasset, ME
Award: $3,000,000
Contact: Ronald L. Phillips - (207) 882-7552

Coastal Enterprises Inc. (CEI) is a certified CDFI established in 1977. The organization works primarily in Maine and provides financing and development services to support microenterprises and small businesses, including natural resource-based sectors, and to develop affordable housing and community facilities. CEI will use its FY 2011 Healthy Food Financing Initiative award to support its Rural Healthy Food Access initiative, a program designed to increase the availability and affordability of fresh, healthy and local foods for residents of low-income communities.

Massachusetts

Cooperative Fund of New England
Amherst, MA
Award: $2,000,000
Contact: Rebecca C. Dunn - (910) 395-6008

Cooperative Fund of New England (CFNE) is a certified CDFI that was established in 1975 and serves a target market of low-income people within the six New England states, as well as portions of eastern upstate New York. CFNE offers financial products, development services, and technical assistance. The organization will use its FY 2011 Healthy Food Financing Initiative award to increase healthy food access in New England and eastern New York State. CFNE's Healthy Food/Cooperative Communities initiative combines financing, specialized development services, and data collection and measurement to increase low-income consumers’ utilization of and membership in food co-ops.
Local Enterprise Assistance Fund  
Brookline, MA  
Award: $500,000  
Contact: Gerardo J. Espinoza - (617) 232-1551  
Local Enterprise Assistance Fund (LEAF) is a certified CDFI established in 1982. The organization offers business loans to cooperatives and social enterprises run by Low-Income Targeted Population members across the nation. LEAF will use its FY 2011 Healthy Food Financing Initiative award to support the expansion of the lending to community-owned grocery stores.

Western Massachusetts Enterprise Fund Inc.  
Holyoke, MA  
Award: $500,000  
Contact: Christopher L. Sikes - (413) 420-0183 x104  
Western Massachusetts Enterprise Fund Inc. (WMEF) is a certified CDFI established in 1987. WMEF offers business loans to microenterprises and small businesses throughout its five county target market in western and central Massachusetts. WMEF will use its FY 2011 Healthy Food Financing Initiative award to increase access to pre-development grants for technical assistance or other pre-development soft costs.

Pennsylvania  
Opportunity Finance Network  
Philadelphia, PA  
Award: $3,000,000  
Contact: Gregory Schiefelbein - (215) 320-4314  
Opportunity Finance Network (OFN) is a certified CDFI established in 1984. OFN provides training, technical assistance, financial services, and financing at an intermediary level to CDFIs across the United States. OFN will use its FY 2011 Healthy Food Financing Initiative award for financing capital towards direct loans to healthy food projects in partnership with member CDFIs; low-cost, long-term loans to member CDFIs that will in turn finance healthy food projects in their immediate pipeline; and subordinated participation loans to healthy food projects.
Reinvestment Fund Inc., The
Philadelphia, PA
Award: $3,000,000
Contact: Michael Crist - (215) 574-5817
The Reinvestment Fund (TRF) is a certified CDFI established in 1983 serving distressed communities in the mid-Atlantic region. TRF offers a range of financial products such as loans for affordable housing, commercial real estate, community facilities, and supermarkets. TRF will use its FY 2011 Healthy Food Financing Initiative award to increase capital available to healthy food projects, in particular supermarket financing and predevelopment loans.

South Carolina
Lowcountry Housing Trust
North Charleston, SC
Award: $500,000
Contact: Michelle A. Mapp - (843) 973-3596
Lowcountry Housing Trust (LHT) is a certified CDFI established in 2004. LHT provides financing capital and technical assistance to non-profits and affordable housing developers throughout the greater Charleston, South Carolina metropolitan area. The organization will use its FY 2011 Healthy Food Financing Initiative award to provide subordinate financing for healthy food commercial developments.

Virginia
NCB Capital Impact
Arlington, VA
Award: $3,000,000
Contact: Terry D. Simonette - (703) 647-2301
NCB Capital Impact is a certified CDFI established in 1983. The organization provides financing, development services, and policy solutions to low-income communities with a long term vision of a world where high-quality health care, housing, and education are accessible and attainable for all. NCB Capital Impact will use its FY2011 Healthy Food Financing Initiative award to provide bridge loans, specialized terms and innovative financing to support healthy food projects.