



*VIRGINIA DEPARTMENT
OF AGRICULTURE AND
CONSUMER SERVICES*

**VIRGINIA FOOD ACCESS
INVESTMENT FUND ANNUAL REPORT**

By:

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Commissioner of Agriculture and Consumer Services

December 1, 2021

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EXECUTIVE SUMMARY

This report details the activities and accomplishments of the Virginia Food Access Investment Fund (Fund) and Virginia Food Access Investment Program (Program) covering the period from December 1, 2020, to November 30, 2021, as required by Chapters 956 and 957 of the 2020 Acts of Assembly. Chapters 956 and 957 established the Fund and the Program to combat food insecurity through a grant program aimed at encouraging grocery stores and other food retailers to address food deserts. Chapters 956 and 957 also required the establishment of an Equitable Food Oriented Development (EFOD) stakeholder work group to develop recommendations for design elements for the Program. A total of \$1.25 million from the general fund was allocated to VDACS in the 2020 biennial budget to operate the Program consistent with the provisions of Chapters 956 and 957, and an additional \$2 million was allocated for fiscal year (FY) 2021. A Program Coordinator was hired in January 2021 to administer the grant funds and provide technical assistance. The inaugural grant round opened on December 18, 2020, and closed on April 30, 2021. In May 2021, an evaluation committee recommended 15 applicants for VFAIF grant funding. The recommendations were approved, and Governor Northam announced the grant awardees on July 28, 2021.

Fiscal Year (FY)	FY 2020	FY 2021
Budget Allocation	\$1,125,000	\$2,000,000

Significant activities for the Fund and Program during this reporting period include the following:

- Opened the inaugural grant round on December 18, 2020;
- Hired a Program Coordinator on January 25, 2021;
- Selected Virginia Community Capital (VCC) as the Community Development Financial Institution (CDFI) to assist in administering the Program and carrying out the purposes of the Fund;
- Reviewed 52 total pre-proposals;
- Received 32 complete applications by April 30 deadline;
- Conducted 20 technical assistance phone calls for complete applications;
- Conducted six webinars;
- Formed and coordinated an Evaluation Committee to review applications and recommend projects for funding; and
- Coordinated the announcement of the 15 grant awardees by Governor Northam on July 28, 2021.

OVERVIEW

Section 36-156.5 of the Code of Virginia (Code) requires the Virginia Department of Agriculture and Consumer Services (VDACS), working with the selected community development financial institution that provides credit and financial services for underserved communities (CDFI), to report annually the number of projects funded; the geographic distribution of the projects; the costs of the Program; and the outcomes, including the number and type of jobs created and health initiatives associated with the Program. Additionally, § 36-156.6 of the Code requires VDACS, on or before December 1 of each year, to report to the Secretary of Commerce and Trade, the Governor, and the chairmen of the House Committee on Appropriations and the Senate Committee on Finance and Appropriations on such other matters regarding the Fund as VDACS may deem appropriate, including the amount of funding committed to projects from the Fund, or other items requested by any of the foregoing persons to whom such report is to be submitted.

The following are the requirements of the Fund and Program as established in § 36-156.3 et seq. of the Code:

- A. “The Fund shall be established on the books of the Comptroller. All funds appropriated for such purpose and any gifts, donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purposes of establishing collaborative and cooperative projects with public and private sector partners to improve food access in Virginia. The Fund shall be used to provide funding for the construction, rehabilitation, equipment upgrades, or expansion of grocery stores, small food retailers, or innovative food retail projects in underserved communities. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Commissioner of the Department of Agriculture and Consumer Services.”

- B. “[VDACS] shall establish a Program to provide grants funding the construction, rehabilitation, equipment upgrades, or expansion of grocery stores, small food retailers, or innovative food retail projects in underserved communities. [VDACS] shall select and work in collaboration with a CDFI to assist in administering the Program and carrying out the purposes of the Fund. The CDFI selected by [VDACS] shall have (i) a statewide presence in Virginia, (ii) experience in food-based lending, (iii) a proven track record of leveraging private and philanthropic funding, and (iv) the capability to dedicate sufficient staff to manage the Program. Working with the selected CDFI, [VDACS] shall establish monitoring and accountability mechanisms for projects receiving funding and shall report annually the number of projects funded; the geographic distribution of the projects; the costs of the Program; and the outcomes, including the number and type of jobs created and health initiatives associated with the Program.”

- C. “The Program shall:
 - 1. Identify food access projects that include grocery stores, small food retailers, and innovative food retail projects;

2. Provide grants for the purposes described in [paragraph B above];
3. Require that grant recipients (i) accept expenditures of benefits provided under the supplemental nutrition assistance program in accordance with the federal Food Stamp Act (7 U.S.C. § 2011 et seq.) and (ii) participate in a program that matches or supplements the benefits identified in clause (i), such as Virginia Fresh Match;
4. Provide technical assistance; and
5. Bring together community partners to sustain the Program.”

D. “[VDACS] shall develop guidelines to carry out the Program to meet the intent of the Fund. Up to 10 percent of the moneys in the Fund may be designated for the CDFI's administrative and operations costs to assist in administering and managing the Program, unless those costs are provided for in other budgets or in-kind resources.”

In addition, Chapters 956 and 957 of the 2020 Acts of Assembly included an enactment clause that requires:

“That [VDACS] shall establish an Equitable Food Oriented Development stakeholder work group to develop recommendations for design elements for the Virginia Food Access Investment Program created by this act.”

In establishing the Program and Fund, the General Assembly created a program with a specific focus on historically underserved and minority communities using the EFOD model (see Appendix I, pg. 14) to reduce food insecurity and expand access to healthy and affordable food. According to the U.S. Department of Agriculture, food insecurity is defined as inconsistent and insufficient access to food. In Virginia, Feeding America’s Map the Meal Gap estimates that approximately 842,870 adults and children experienced food insecurity in 2018. The COVID-19 pandemic has resulted in high levels of unemployment and decreases in economic status that are estimated to result in 22 percent of Virginians experiencing food insecurity.

Food insecurity is directly tied to health disparities. According to Governor Northam’s Roadmap to End Hunger, studies have shown that food insecurity correlates with decreased nutrient intake and increased mental health problems, diabetes, and hypertension. Nutrition programs can help overcome some of these issues by offering affordable access to fresh, healthy foods. The federal Supplemental Nutrition Assistance Program (SNAP) provides food-purchasing assistance for low- and no-income people. In addition, Virginia has the Virginia Fresh Match nutrition incentives program that doubles the value of SNAP vouchers that are spent at participating farmers’ markets and food stores. Virginia Fresh Match helps people access healthy and affordable fruits and vegetables while also supporting local farmers. Chapters 956 and 957 require that the Fund’s grant recipients (i) accept expenditures of benefits provided under SNAP in accordance with the federal Food Stamp Act (7 U.S.C. § 2011 et seq.) and (ii) participate in a program that matches or supplements SNAP benefits, such as Virginia Fresh Match.

ACTIVITIES

The following describes the activities of the Fund and Program from December 1, 2020, to November 30, 2021:

INAUGURAL GRANT ROUND

The inaugural grant round opened on December 18, 2020, and closed on April 30, 2021. During this period, interested applicants, including farmers, small food retailers, food cooperatives, non-profits, and other small businesses, submitted 52 pre-proposals and 32 complete applications. An Evaluation Committee was assembled to assist in the application evaluation process. The Evaluation Committee ultimately recommended 15 projects for awards totaling \$620,688.

PROGRAM COORDINATOR

The \$2,125,000 appropriated by the General Assembly to the Fund for FY 2020 and FY 2021 includes \$125,000 each fiscal year to fund a full-time Program Coordinator position, which was filled on January 25, 2021. The Program Coordinator (i) provides technical assistance to applicants, both during the application process and when applying for SNAP benefits; (ii) conducts extensive outreach and marketing to historically underserved communities; (iii) acts as grant administrator, tracking applications and ensuring that funding proposals meet their stated goals; (iv) and promotes healthy eating practices throughout the Commonwealth.

CDFI Partnership

Chapters 956 and 957 require that VDACS select and work in collaboration with a CDFI that provides credit and financial services for underserved communities. Up to 10 percent of the moneys in the Fund may be designated for the CDFI's administrative and operations costs to assist in administering and managing the Program, unless those costs are provided for in other budgets or in-kind resources. CDFIs are not-for-profit financial institutions that provide loans, lines of credit, and other financial services. They are licensed by the U.S. Treasury to serve particular target markets, either broad or specific, and often receive public sector or foundation grants to provide loans to projects that traditional banks would consider to be high risk. The role of the CDFI in the Program will be to provide back-end assistance, including tracking metrics, assessing success, and providing technical assistance to applicants and awardees.

VDACS prepared a Request for Proposal (RFP) to which CDFIs could apply. In order to meet the statutory requirements, any CDFI applying for a role in the Program must have: (i) a statewide presence in Virginia, (ii) experience in food-based lending, (iii) a proven track record of leveraging private and philanthropic funding, and (iv) the capability to dedicate sufficient staff to manage the Program. In addition to the statutory requirements, the work group suggested that the CDFI be familiar with EFOD principles and be minority-owned or have Black, Indigenous, or People of Color (BIPOC) representation on its Board.

VDACS played an active role in sharing the announcement of the RFP and proactively reached out to qualifying CDFIs in Virginia. At the close of the RFP period, all proposals were evaluated, and Virginia Community Capital (VCC) was selected to serve as the partner CDFI for the Program. VCC is a critical partner to VDACS in grant program administration, implementation, and support of the Fund's grant recipients. VCC assists grant recipients with business development resources

and connects them with financial resources, such as low-interest or no-interest loans, to provide additional sources of funding.

Outreach

To ensure accessibility and create a diverse pool of applicants, outreach regarding the inaugural grant round was conducted via the Fund's webpage, phone calls, email lists, webinars, and social media. Communications were shared with the Virginia Agricultural Development Officers network, economic development agencies, the EFOD Committee, the Virginia Fresh Match Network, the Virginia CDFI Coalition, the Black Church Food Security Network, the Virginia Tech Center for Food Systems and Community Transformation, Virginia Cooperative Extension, and community foundations across the Commonwealth. Due to Covid-19 restrictions, opportunities for in-person outreach was limited.

Application Process

The Fund's application period opened on December 18, 2020, and closed on April 30, 2021, for the inaugural grant round. During this time, interested applicants submitted proposals for projects requesting grant awards ranging from \$5,000 to \$50,000. The application process for the first round followed these steps:

1. Interested applicants submit a pre-proposal form that summarizes their project and indicates the grant amount they seek (Appendix II, pg. 15).
2. Program Coordinator sets up a call with the applicant to discuss their pre-proposal to ensure an understanding of the guidelines (Appendix III, pg. 16) and further determine eligibility.
3. If applicant is eligible, they are invited to complete a full application, which includes the Application Form (see Appendix IV, pg. 20), Budget Form (Appendix V, pg. 24), a work plan, resume, and letters of support.
4. Throughout this time, the applicant is offered multiple rounds of technical assistance, including tips for grant writing and review of their application.
5. Applicant submits the final application and all accompanying documents, including letters of support, by the application closing date.

Based on applicant feedback and lessons learned from the first grant round, the application process for the next grant round will vary slightly in format. These changes will include a shortened timeline that better aligns with the growing season and discrete windows of time for submitting application components. The proposed timeline is below:

1. December 1, 2021-January 21, 2022: Pre-proposal round opens. Pre-proposals can be submitted anytime within this window.
2. Once the pre-proposal has been discussed with program staff, technical assistance can be requested anytime until February 14, 2022.
3. Final applications will be due by 10 pm on Friday, February 22, 2022.
4. Grant awards announced April 1, 2022.

Evaluation Process

In order to create an equitable evaluation process, a culturally and geographically diverse Evaluation Committee was formed. The committee was composed of Stephen Versen and Sara

Santa Cruz (VDACS), Lauren DeSimone and Leah Fremouw (VCC), Dr. Marcus Comer (Virginia State University), Yely Montano (CASA in Action), and Leah Williams-Rumbley (Foodbank of Southeastern Virginia and the Eastern Shore).

The application period closed on April 30, 2021. After an internal staff evaluation to determine eligibility, 24 of the 32 completed applications were deemed suitable for evaluation by the committee. These 24 completed applications were assessed in three batches using the Program’s Evaluation Rubric (Appendix VI, pg. 26). On May 7, 2021, the Program Coordinator sent seven complete applications to the Evaluation Committee, followed by 10 more on May 14, 2021, and the final seven on May 20, 2021. On May 26, 2021, the Evaluation Committee convened for a two-hour virtual meeting to discuss the projects and their scores. During this meeting, committee members had the opportunity to ask questions for clarification and to explain their scores and comments. The meeting culminated in 15 projects being recommended for a total of \$620,688 in funding.

2021 Awardees

<i>Locality</i>	<i>Project Type</i>	<i>Funding Request</i>
Beans and Rice		
Pulaski County	Innovative Food Retailer	\$50,000
<p>Beans and Rice is a non-profit in Pulaski that focuses on community education and asset-building. Funding for this project will be used for staff time and transportation costs to support a mobile market that will operate four days per week and will increase fresh food access, local sourcing capacity, and local economic opportunities. Drivers will be identified and hired through a partnership with Pulaski Area Transit. Mobile market stops are determined in partnership with area churches, community members, and local governments, including the Pulaski County Department of Social Services, to ensure maximum benefit to food insecure residents.</p>		
Browntown Farms		
Brunswick County	Innovative Food Retailer	\$50,000
<p>Browntown Farms is a Black-owned Century Farm seeking to expand its produce handling capacity in order to support an innovative distribution program benefiting food insecure residents. Funding will support a new cold storage and aggregation facility for a number of local producers. This facility will support the creation of new markets through the implementation of Browntown Farms’ Barn-to-Door online ordering and delivery service, the goal of which is to increase fresh food access for community members who lack transportation. Browntown Farms focuses on culturally relevant foods and marketing techniques, and it sources 100 percent minority-grown produce.</p>		

Doña Fer		
Rockingham County	Small Food Retailer	\$22,046
<p>This project increases the availability of fresh food at a small grocery store serving the Latinx community in Harrisonburg. Customers have requested more culturally appropriate fresh foods, including milk, meat, and produce, and the store currently lacks the capacity to increase inventory. Funds will go toward a new cooler and the repair of an existing cooler to help meet community needs. Doña Fer Grocery Store is family owned and run, and it provides a comfortable and safe environment for Harrisonburg’s Latinx population. Many customers live nearby and lack access to transportation, therefore compounding the need for increased inventory at the store.</p>		
FRESHFARM		
Fairfax County	Innovative Food Retailer	\$50,000
<p>FRESHFARM is a non-profit that promotes sustainable agriculture and improves food access and equity in the Mid-Atlantic region. For this project, FRESHFARM is partnering with the Virginia Farmers Market Association to establish new fresh food mobile markets in food-insecure areas of Northern Virginia. The project is rooted in the creation of a pop-up food hub that will serve 3,000 households and generate roughly \$200,000 in revenue for Virginia producers. Additionally, this project will increase the number of partnerships with other mission-based organizations in Northern Virginia and expand the Market Share CSA to include a SNAP program for Northern Virginia residents. FRESHFARM is also the regional lead for Virginia Fresh Match. Funding will primarily support staff positions to implement this new service, while also leveraging an additional \$300,000 in funding.</p>		
Henry’s Produce and Market		
Scott County	Small Food Retailer	\$25,000
<p>Funding for this project will support the expansion of an existing grocery store featuring local foods by adding more retail and cooler space, as well as a fresh air market structure to support additional sales of locally grown produce. The new facility will also function as a community event space featuring local artists and musicians. This project will increase access to a variety of fresh produce in an underserved area and support local producers. Henry’s is a veteran-owned and community-driven retailer. Funds will be used to primarily support new cooler capacity.</p>		
Honaker Wholesale		
Russell County	Small Food Retailer	\$25,000

Honaker Wholesale is a small grocery and general goods store in rural Russell County, where the nearest other grocery options are at least a 25-minute drive away. The store fills a niche in the community by providing a limited variety of fresh, local products and accepting SNAP/EBT. Funding will support the purchase of a new large walk-in cooler that will enable volume purchases and storage of fresh products, thereby lowering costs and increasing the availability and variety of fresh food to customers in this underserved region of the state.

Jon Henry General Store

Shenandoah County	Small Food Retailer	\$25,000
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Jon Henry General Store is community-driven and offers one of Virginia’s only Fresh Match CSA programs for SNAP/EBT customers. Funding for this project will support expanded cooler capacity, enable an expansion of the Fresh Match CSA program, and allow for a greater variety of SNAP eligible foods to be stocked and a new Point of Sale (POS) system. This project will increase food access in an underserved area and support Virginia producers. Funds will be targeted towards new refrigeration, as those investments will have the greatest impact on improving food. .

Norfolk Food Ecosystem

City of Norfolk	Small Food Retailer	\$50,000
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St. Paul’s Community Development Corporation, a non-profit, is establishing the Norfolk Food Ecosystem and opening L.Y.F.E. Market in a food desert. There is a significantly lower life expectancy among the lower income populations in the redlined neighborhoods of St. Paul’s Quadrant, Huntersville, and Berkley, which are primarily poor and African American and which lack access to fresh food. This project will increase access to fresh food and also serve as a Fresh Food Pharmacy, providing health education and information about SNAP and Virginia Fresh Match. Funding will primarily be used for POS systems, administration, marketing, and Virginia-grown procurement.

Northside Food Access Coalition

City of Richmond	Innovative Food Retail	\$50,000
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Northside Food Access Coalition is a community-led organization that aims to increase fresh food access along the Brookland Park corridor in the City of Richmond, which has suffered from decades of disinvestment. The project converts an existing community-owned building into a cold storage facility and a new farmers’ market/CSA hybrid program serving the more than 35,000 area residents, 56 percent of whom experience low food access. Funding will also support a Community Food Fellow to engage local residents and work with minority farmers to support this new local food system. Farmers will deliver goods to the cold-storage facility on a weekly basis, while the food fellow and community volunteers manage produce sales and distribution to residents. The market will serve as a hub for small businesses and community organizations to connect and learn with Northside residents, and it will focus on holistic health

equity by providing blood pressure checks, nutrition education, and information about enrolling for health insurance.		
Project GROWS		
Augusta County	Innovative Food Retailer	\$49,642
<p>Project GROWS is an educational, non-profit organization with a mission to improve the health of children and youth in Staunton, Waynesboro, and Augusta County through garden-based education and access to healthy food. Project GROWS will use the funds to operate a mobile market that will increase fresh food access in a number of underserved communities in their service region. These include elderly and fixed-income communities, low income housing complexes, and afterschool programs. Funding will directly support a market manager, cargo van expenses, and community ambassadors. Project GROWS is also the regional lead for Virginia Fresh Match.</p>		
River Street Market Education		
City of Petersburg	Innovative Food Retailer	\$50,000
<p>River Street Market Education is the non-profit arm of Petersburg’s River Street Market. This project seeks to establish youth-led mobile markets and to create more local purchasing opportunities at the existing Petersburg farmers’ market. Funds will support this project in renting a local warehouse with cold storage for food aggregation and retail distribution. This will directly increase the amount of fresh local produce that can be purchased and distributed through the program. A stipend for a local artist is also included in the budget.</p>		
Shalom Farms		
City of Richmond	Innovative Food Retailer	\$49,000
<p>This project is a collaboration between non-profits Shalom Farms and the Richmond Food Justice Alliance and will support a community-led process to inform the establishment of new fresh food mobile markets serving the Mosby Court, Fairfield, and Creighton Court neighborhoods of Richmond. These historically marginalized areas have high rates of food insecurity. Funds will be used to staff the project and build on-site cold storage at a market location. In addition, there will be opportunities for neighborhood residents in skills development and entrepreneurship centered on community wealth-building, increased access to fresh food, and BIPOC leadership. Shalom Farms is the regional lead for Virginia Fresh Match.</p>		
Surry Marketplace		
Surry County	Grocery Store	\$50,000

This project will support the establishment of a new full-service grocery store in the Town of Surry, which is in the center of a major food desert. The locality has committed \$300,000 in funding for the project and secured an additional \$300,000 through the Obici Healthcare Foundation. In addition to increasing fresh food access, Surry Marketplace will feature an online ordering platform, a delivery service, and workforce development opportunities. This funding will be a critical part of the financing for this long-awaited project.

Tommy T’s Marketplace

Brunswick County	Small Food Retailer	\$25,000
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Tommy T’s Marketplace seeks to fill a void in the Lawrenceville food desert by revitalizing a vacant convenience store into a multi-purpose retail facility with an emphasis on providing healthy, fresh food options. Funding will support infrastructure, hiring local community members, and a mobile market component. Owned and operated by a Brunswick County native, this project will provide multiple benefits to the community, such as increased fresh food access and an opportunity for community wealth-building. Funds will be targeted towards new refrigeration, as those investments will have the greatest impact on improving food access.

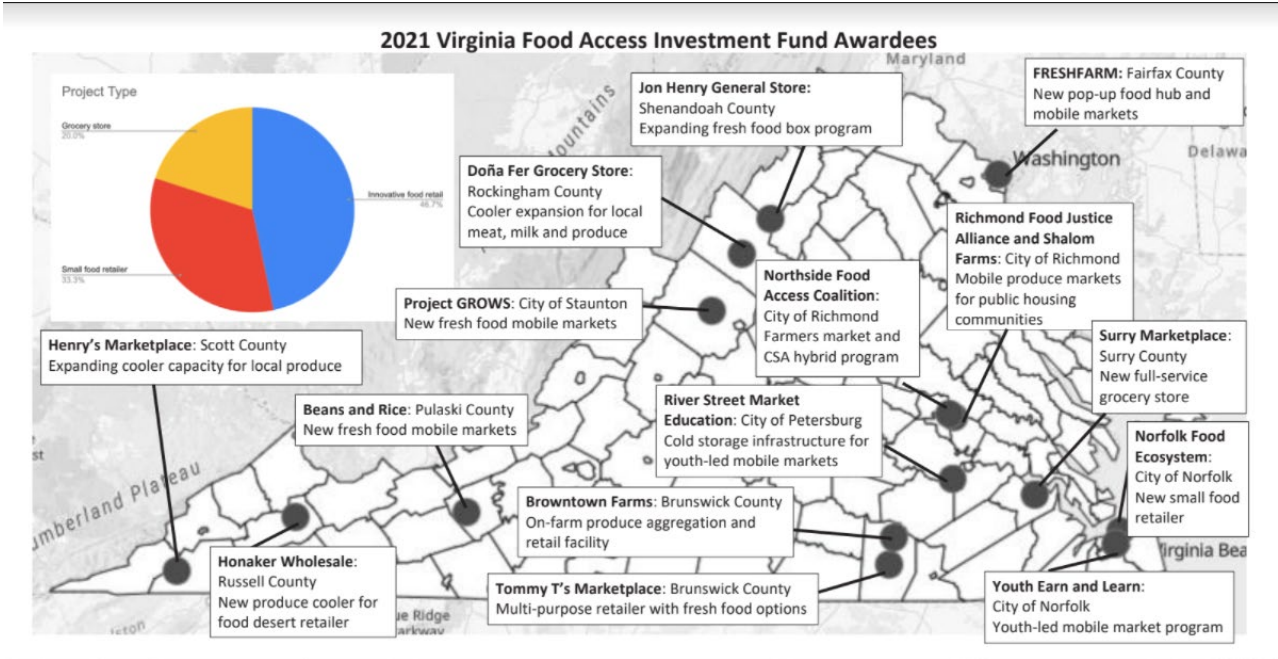
Youth Earn and Learn

City of Norfolk	Innovative Food Retailer	\$50,000
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This project expands a proven youth and community development model that focuses on job training and skills development to benefit historically marginalized youth and underemployed residents in the Norfolk area. Youth Earn and Learn is a non-profit that takes a multi-pronged approach to increasing food security, including through youth-led mobile markets and entrepreneurship training, local sourcing of fresh produce, and business literacy. Funding will support staff time, a mobile market vehicle, and a new POS system.

Awardee Distribution

Of the 15 awardees, nine have BIPOC leadership, eight are non-profits, and five are small food retailers. The map below displays the geographic diversity of projects:



Annual Reporting

The Memorandum of Agreement between VDACS and VFAIF awardees requires awardees to provide yearly data to the Program Coordinator. Reporting fields include:

1. Total sales of fresh food (produce, meat, milk, eggs, and honey)
2. Purchases of fresh food from Virginia farmers
3. SNAP/EBT Sales
4. Virginia Fresh Match usage (if active in the program)
5. Total employees (sum of individuals working >1,680 hr/yr and Full-Time Equivalent)
6. New capital investments (equipment, building improvements, business personal property)

This information is submitted to the Program Coordinator on the Annual Report Form (Appendix VII, pg. 31) each year of the two-year performance period.

APPENDIX I

EFOD CRITERIA

EFOD Criteria	INDICATORS OF EFOD	CONTRADICTION OF EFOD
Equity- and justice-first	Equity & justice are part of mission, unapologetically represent a historically marginalized community, clearly working on systems change, power change & accountability in operations; ongoing commitment to teaching/including larger transformation; involved in other organizing, advocacy, or policy work – it's not just about food	Language and mission is general or just development or food related (i.e. "all lives matter"); community transformation is an intention but not yet in practice
Place- and People-based	Embedded in a community or regional network with strong community identity; prioritize culture and artistic and cultural expression; a history of work in this community; leadership has historical connection to social justice in that community	Not connected to community; national or regional without accountability to particular community with distinct identity
Use market-based/ business strategies	Developing new markets and enterprises, creating real economic opportunities, sustainable	Exclusively education, policy, or awareness building; no direct service programming; solely community gardens, no sales or marketing aspect
Community leadership development/ community organizing	Board of Directors and top leadership is representative of the community organization serves, often People of Color-led; work is by & for community members; critical convener role in development projects, serving to maintain community sovereignty, local/county planning involvement	Community served has no real power, decision-making, living-wage jobs in organization
Community ownership	Building community-member assets, equity. often uses alternative economic structures and decision-making processes so community members can have ownership (i.e. co-ops); representative board membership	Outside capital, business owned by outside institutions or people; primarily job creation or training

EFOD.ORG

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APPENDIX II

PRE-PROPOSAL FORM

VFAIF Grant Pre-Proposal Application

I. Overview

Project Title:	
Project Start Date:	Anticipated End Date:
Requested Amount:	
Primary Contact Information	
Name:	
Title:	
Organization:	
Telephone:	
Email Address:	
Mailing Address:	
City, State, Zip:	

II. Project Description

Briefly summarize the proposed project. Be sure to address how the project meets the six mandatory VFAIF eligibility criteria (i.e. Is it: 1) a retail food business 2) with leadership from historically marginalized and vulnerable communities 3) improving food access 4) through community engagement 5) and accepting SNAP/Fresh Match 6) which sources which from Virginia farms). These mandatory requirements and additional considerations are detailed in the VFAIF Program Guidelines, which can be found on the VDACS website: <http://www.vdacs.virginia.gov/marketing-food-access-investment-fund.shtml>. Also, please explain the goods and services that the grant funds will be used to purchase.

APPENDIX III

GRANT GUIDELINES

Virginia Food Access Investment Fund Grant Guidelines

PROGRAM OVERVIEW

The Virginia Food Access Investment Fund (VFAIF) is a statewide program that focuses on equity and justice in local food systems by investing in new or expanding food retailers that address food access issues in the Commonwealth. VFAIF offers grants and loans to fund the business development, construction, rehabilitation, equipment upgrades, and expansion of grocery stores, small food retailers, and innovative food retail projects in historically marginalized communities.

Food acts as a common thread between history and culture, neighborhood empowerment and economic sustainability, and healthier lifestyles. The VFAIF program has been developed using the Equitable Food-Oriented Development model (EFOD), a development strategy that uses food and agriculture to create economic opportunities and healthy neighborhoods and that explicitly seeks to build community assets, pride, and power by and with historically marginalized communities.

For the purposes of this program, historically marginalized communities are defined as minority or underserved, as well as those experiencing low food access. In these communities, the objectives of this program are to:

- improve access to fresh foods and reduce food deserts across the Commonwealth;
- create wealth and leadership in historically marginalized communities;
- improve access to private capital in historically marginalized and vulnerable communities, including for Black, Indigenous, and People of Color ;
- assess, support, and transform existing or potential businesses into sustainable community-owned businesses;
- foster innovative solutions that uplift and share successful food business models; and
- reduce food insecurity, strengthen food systems, and improve health outcomes for historically marginalized communities.

VFAIF is administered by the Virginia Department of Agriculture and Consumer Services (VDACS) in partnership with a Community Development Financial Institution (CDFI), which is yet to be determined.

ELIGIBILITY

The VFAIF program is a unique opportunity that is focused on historically marginalized communities. Specifically, VFAIF and EFOD are focused on historically marginalized and

vulnerable communities which have been disproportionately affected by unequal investment and growth, including a lack of access to capital.

Applicants may be individuals, farms, nonprofits, organizations (faith-based or others), or for-profit businesses.

Eligible projects include the business development, construction, rehabilitation, equipment upgrades, or expansion of:

- Grocery stores that primarily sell meat, seafood, fruits, vegetables, dairy products, dry groceries, household products, sundries, and healthy food options
- Innovative food retail projects such as mobile markets or delivery models, including food trucks
- Small food retailers, such as small-scale stores, neighborhood stores, small groceries, farmers' markets, or corner stores
- Small, limited resource or socially disadvantaged farmers and ranchers; small, limited resource or socially disadvantaged farm co-ops, community gardens, restaurants or cafes with a direct food retail component or in partnership with a qualified food retailer, food hub, Supplemental Nutrition Assistance Program (SNAP) Community Supported Agriculture (CSA), and/or farm stand

Eligible uses of funding may include, but are not limited to, seed money or funds for implementation, such as site development or the purchase of equipment.

VFAIF will not fund stand-alone business entities without a food retail component or food retail partner, traditional food banks/food pantries, or the purchase of land.

MANDATORY REQUIREMENTS

Projects must meet the following requirements to be considered for funding:

- Be located in the Commonwealth of Virginia
- Have a retail component where consumers can purchase fresh meats, seafood, dairy, produce, and/or healthy food options
- Directly serve residents within underserved, low food access communities
- Demonstrate a history of community engagement, work in the community, and community support for the project
- Accept SNAP benefits and offer Virginia Fresh Match incentives
- Purchase a minimum of 25% of fresh products from Virginia's small, beginning, limited resource, Veteran, and/or socially disadvantaged farmers and ranchers (as designated by USDA/ERS ers.usda.gov)

ADDITIONAL CONSIDERATIONS

Prioritization will be given to projects that meet the following criteria:

- The entity receiving funds is owned or substantially led by individuals from historically marginalized and vulnerable communities, or is working in an active, ongoing partnership with these individuals, which must include shared leadership, decision-making, resources, and/or shared economic benefit
- Provide customer access, either by providing/coordinating transportation to the business or by providing a mobile market component that brings products to the community
- Integrate community culture and artistic expression in the business model
- Develop new markets and enterprises, creating real and sustainable economic opportunities
- Provide a path for financial sustainability and positive outcomes to the community, including education, leadership and youth development, employment of community residents, job training, or workforce development
- Demonstrate success in creating partnerships and/or efforts to leverage additional funding. Include a defined plan to create partnerships that allow the business to offset the cost of products sold to the consumer

APPLICATION PROCESS

The VFAIF application period will be announced annually. Grant award amounts will range from \$5,000 to \$50,000 per project, per year. Successful projects may apply for additional funding in subsequent years upon completion of the previous project (for instance, an applicant could receive \$10,000 to purchase refrigeration in year one and then apply for \$50,000 to expand processing capability in year two).

To apply, applicants must first complete the pre-proposal and schedule a call with VDACS program staff, followed by completion of the application. The grant review committee will review the application and assessment. Upon determining that the project meets the VFAIF criteria, the review committee will schedule an interview to discuss the project. Applicants should identify local community member(s) who can speak to the applicant's community engagement and work in the community and who can provide community support for the project plan. Successful applications will show a clear vision and plan, including a timeline and deliverables; will have a comprehensive budget; and will demonstrate a path to financial sustainability or profitability.

Grant Resources and Support:

The VDACS Food Access Program Coordinator, who primarily focuses on the administration of the Virginia Food Access Investment Fund and Program, will provide technical assistance and outreach to grant applicants to assist with the application process and grant implementation. The Coordinator will serve as the main point of contact for questions regarding how to complete the grant application, prepare the proposal, and participate in the grant interview process. The Coordinator will work alongside successful grant recipients to assist them in identifying and

partnering with other potential financial resources and to ensure they have or are able to accept SNAP benefits and the Virginia Fresh Match incentive. In addition, the Coordinator will work with partner food-based organizations to develop one-time and ongoing educational workshops and technical assistance to aid grant recipients in becoming sustainable and successful.

The Community Development Financial Institution (CDFI) serves as a critical partner to VDACS in grant program administration and implementation in support of VFAIF grant recipients. The CDFI will assist grant recipients with business development resources and connect them with financial resources, such as low-interest or no-interest loans, to provide additional sources of funding.

Please visit the [VDACS website](#) to locate information and services that can help you successfully develop and sustain your community-based business.

If you have any questions about the process or need help completing the application, please contact:

Sara Santa Cruz
Office of Agriculture Forestry and Development
sara.santacruz@vdacs.virginia.gov

APPENDIX IV

GRANT APPLICATION

**Virginia Food Access Investment Fund
Grant Application**

III. Overview

Project Title:	
Project Start Date:	Anticipated End Date:
Requested Amount:	
Primary Contact Information	
Name:	
Title:	
Organization:	
Telephone:	
Email Address:	
Mailing Address:	
City, State, Zip:	
Did you complete and submit a pre-proposal? <input type="checkbox"/> Yes <input type="checkbox"/> No	
Have you spoken with VFAIF program staff? <input type="checkbox"/> Yes <input type="checkbox"/> No	

IV. Project Description

Please provide a narrative describing your project. Clearly identify project goals in this section. Attach additional sheets if necessary.

V. Required Criteria

Please describe how your project currently meets or plans to meet the following required criteria.

1. Has a retail component where consumers can purchase fresh meats, seafood, dairy, produce, and/or healthy food options
2. Directly serves residents within underserved, low food access communities
3. Demonstrates a history of community engagement, work in the community, and community support for the project
4. Accepts SNAP benefits and offers Virginia Fresh Match incentives
5. Purchases a minimum of 25% of fresh products from Virginia's small, beginning, limited resource, Veteran, and/or socially disadvantaged farmers and ranchers (as designated by USDA/ERS ers.usda.gov)

Optional Criteria

Please describe how your project currently meets or plans to meet the following optional criteria.

1. Is owned or substantially led by individuals from historically marginalized and vulnerable communities, or is working in an active, ongoing partnership with these individuals, which must include shared leadership, decision-making, resources, and/or shared economic benefit
2. Provides customer access, either by providing/coordinating transportation to the business or by providing a mobile market component that brings products to the community
3. Integrates community culture and artistic expression in the business model
4. Develops new markets and enterprises, creating real and sustainable economic opportunities

5. Provides a path for financial sustainability and positive outcomes to the community, including education, leadership and youth development, employment of community residents, job training, or workforce development

6. Demonstrates success in creating partnerships and/or efforts to leverage additional funding

VI. Budget and Budget Narrative

Please use the attached budget form to show total project costs; include itemized information on project personnel and expenses. Provide a budget narrative below; outline specifics on the proposed use of funding and explain the details about the personnel and expenses that are itemized in the budget. Attach additional sheets if necessary.

VII. Work Plan

Project Activity	Who	Timeline (Month / Year)

VIII. Metrics and Outcomes

Please describe what success would mean for the project and how that success will be measured.

IX. Community Support

Successful applicants must demonstrate a history with and support from the local community. Please provide the name and affiliation of one or two community leaders who can accompany you during the interview portion of the grant process to speak to your experience with the community. Community leaders may be formal or informal. Including an individual on this application does not obligate you to bring this particular person to the interview; substitutions may be made at the time of scheduling.

Name	Affiliation

X. Resume

Please submit a resume with your application. If the applicant is an organization, business, or other entity, submit a resume for the primary contact person for this project.

APPENDIX V

BUDGET FORM

VFAIF Project Budget		
Project Category	Total Budget	VFAIF Request
Add lines as needed. Leave blank any items that do not apply.		
A. PERSONNEL: Personnel needed to complete the project activities. Add an additional line for each individual.		
Position title		
Position title		
TOTAL PERSONNEL	\$ -	\$ -
B. TRAVEL: Costs/mileage associated with expanding customer access. Allowable expenses could include mileage associated with a mobile marketplace or with a transportation service for customers.		
Description of travel		
Description of travel		
TOTAL TRAVEL	\$ -	\$ -
C. INFRASTRUCTURE: Costs associated with infrastructure improvements, such as construction, including contractor fees.		
Description of infrastructure cost		
Description of infrastructure cost		
TOTAL INFRASTRUCTURE	\$ -	\$ -
D. EQUIPMENT: Funding required for the purchase of equipment or equipment upgrades, such as cold storage.		
Description of equipment purchased		
Description of equipment purchased		
TOTAL EQUIPMENT	\$ -	\$ -
E. SUPPLIES/MATERIALS: All programmatic and office supplies, excluding capital expenditures.		
Description of supplies/materials purchased		
Description of supplies/materials purchased		
TOTAL SUPPLIES/MATERIALS	\$ -	\$ -

F. CONTRACTUAL: Costs for work performed by outside contractors, excluding contractors used for infrastructure improvements. Allowable expenses could include commissioning artwork from a local community artist.		
Description of contractual cost		
Description of contractual cost		
TOTAL CONTRACTUAL	\$ -	\$ -
G. PURCHASE OF VIRGINIA-GROWN PRODUCTS: Costs associated with meeting the requirement of purchasing 25% of fresh products from Virginia's small, socially disadvantaged, minority, and Veteran farmers.		
Description of Virginia-grown products purchased		
Description of Virginia-grown products purchased		
TOTAL PRODUCT PURCHASE	\$ -	\$ -
H. OTHER: Items not covered in the above categories.		
Description of other purchase		
Description of other purchase		
TOTAL OTHER	\$ -	\$ -
TOTAL	\$ -	\$ -

APPENDIX VI

EVALUATION RUBRIC

Mandatory Evaluation Criteria			Notes
Project Readiness to meet Mandatory Criteria			Please include any notes to clarify scoring (i.e. why a 2 vs. a 4).
Excellent	The applicant is currently selling fresh meats, seafood, dairy, produce, and/or healthy food options in an underserved community, and the project will quickly and easily improve food access in adherence with EFOD principals. The applicant accepts SNAP/EBT and Fresh Match, or can within 6 weeks.	5	
Good	The applicant has an existing business or organization with the plans, partnerships, experience and capacity to quickly implement a project that will improve food access in underserved communities in adherence with EFOD principles. The applicant accepts SNAP/EBT and Fresh Match, or can within six months. Stronger applicants will sell sooner, with focus on underserved and marginalized markets.	2-4	
Poor	The applicant has limited experience and demonstrated capacity to carry out the project. Project will take a long time (6-12+ months) to result in meaningful increased food access in underserved communities. Does not have a strong plan to quickly accept SNAP/EBT or Fresh Match.	1	

Mandatory Evaluation Criteria			Notes
Directly serves residents within underserved, low food access communities			Please include any notes to clarify scoring (i.e. why a 2 vs. a 4).
Excellent	Through this project, the applicant will directly and primarily serve an underserved, low food access community in a new and expanded way. (Timeframe: within 6 weeks for applicable projects).	5	
Good	Increasing food access in underserved communities is an important part of the applicant's project. Stronger applications will have a greater focus on underserved markets, reaching the truly underserved, and/or increasing the variety and quality of fresh food offerings. (Timeframe: within 6 months for applicable projects).	2-4	
Poor	The project would lead to a relatively modest increase in food access for underserved communities and/or increased food access is tangential to project.	1	

Mandatory Evaluation Criteria			Notes
Demonstrates a history of community engagement, work in the community, and community support for the project			Please include any notes to clarify scoring (i.e. why a 2 vs. a 4).
Excellent	The applicant has a clearly established history of work in the community. The project has demonstrated support from leaders, both formal and informal, in the community.	5	
Good	The applicant is relatively new to the community but is knowledgeable on issues central to the community; the applicant has engaged in outreach with local community leaders, both formal and informal, and has support for the project.	2-4	
Poor	The applicant has a limited history with, or no major connections with or to the community.	1	

Mandatory Evaluation Criteria			Notes
Project's likelihood of success			Please include any notes to clarify scoring (i.e. why a 2 vs. a 4).
Excellent	The applicant has demonstrated their ability to successfully implement the project and carry out the terms of the grant. This can include the applicant's past success in carrying out something similar, the support of strong partners, demonstrated funding and staff to implement the project, and other past actions or attributes.	5	
Good	The applicant is experienced and credible, but the project has a low likelihood of success, or the project is reasonable but there are concerns about the applicant's ability to successfully implement it and/or meet the terms of the grant.	2-4	
Poor	The applicant does not appear to have the needed capacity to implement the project and/or the project seems unlikely to be successful.	1	

Mandatory Evaluation Criteria			Notes
Purchases a minimum of 25% of fresh products from Virginia's small, beginning, limited resource, Veteran, and/or socially disadvantaged farmers and ranchers			Please include any notes to clarify scoring (i.e. why a 2 vs. a 4).
Excellent	The applicant currently purchases 25% or more of fresh products from Virginia's small, beginning, limited resource, Veteran, and/or socially disadvantaged producers. Strong applicants will demonstrate the existence of partnerships with producers, up to and including letters of support	5	

	indicating that farmers are providing sufficient fresh products.		
Good	The applicant has a clear plan to purchase 25% or more of fresh products from Virginia's small, beginning, limited resource, Veteran, and/or socially disadvantaged producers within 6 months. Strong applicants will demonstrate the development of partnerships with producers, up to and including letters of support indicating that farmers will be able to provide sufficient fresh products.	2-4	
Poor	The applicant has no clear plan to purchase fresh products from Virginia's small, beginning, limited resource, Veteran, and/or socially disadvantaged farmers and ranchers.	1	

Additional Evaluation Criteria			Notes
Is owned or substantially led by individuals from historically marginalized and vulnerable communities, or is working in an active, ongoing partnership with these individuals, to include shared leadership, decision-making, resources, and/or shared economic benefit, etc.			Please include any notes to clarify scoring (i.e. why a 2 vs. a 4).
Excellent	Applicant individuals or organizations are from historically marginalized and vulnerable communities or is majority-run and/or is actively partnered with individuals from these communities. For partnerships, the applicant must show that this is an active, ongoing partnership with shared decision-making and that the partner shares in the economic benefit.	5	
Good	The applicant individual or organization is not from a historically marginalized and vulnerable community or individuals from this community constitute a minority of leadership and/or the business plan includes a plan to partner with individuals or organizations from a historically marginalized and vulnerable community. For applicants intending to partner with these organizations or individuals, these organizations or individuals must already be identified and prepared to actively engage in the project.	1-4	
Poor	Applicant individuals or organization from historically marginalized and vulnerable communities are not part of the ownership or leadership, nor involved in the project in any meaningful way.	0	

Additional Evaluation Criteria			Notes
Integrates community culture and artistic expression in the business model			Please include any notes to clarify scoring (i.e. why a 2 vs. a 4).

Excellent	The applicant currently incorporates methods of expressing the culture, arts, and history of the community in its business plan. The applicant works with BIPOC community artists, storytellers, historians, and community leaders to inform the plan and to create artwork or other design elements that are relevant to the community.	3	
Good	The applicant has a plan to incorporate the culture, arts, and history of the community into its business plan within 6 months. The applicant plans to work with BIPOC community artists, storytellers, historians, and community leaders to inform the plan and to create artwork or other design elements that are relevant to the community.	1-2	
Poor	The applicant does not have a plan to incorporate the culture, arts, and history of the community into its business plan.	0	

Additional Evaluation Criteria			Notes
Supports new enterprises and creates wealth in underserved communities, creating real and sustainable economic opportunities for its members.			Please include any notes to clarify scoring (i.e. why a 2 vs. a 4).
Excellent	The project's success will directly lead to new, sustainable income opportunities for members of marginalized communities, creating community wealth overtime.	3	
Good	The project creates limited or indirect income and wealth building opportunities for marginalized communities and/or the project is not sustainable.	1-2	
Poor	The project offers no wealth building opportunities for marginalized communities.	0	

Additional Evaluation Criteria			Notes
Provides a path for financial sustainability and positive outcomes to the community, including education, leadership and youth development, employment of community residents, job training, or workforce development			Please include any notes to clarify scoring (i.e. why a 2 vs. a 4).
Excellent	The applicant has clearly identified benefit(s) to the community, such as reserving a certain number of jobs for residents and providing internships/training for youth. Strong applications will clearly demonstrate methods and timelines for attaining outcomes and will show how they are using models with proven success.	3	
Good	The applicant intends to add benefit(s) to the community to the business plan but has not yet fully identified the manner or timeline.	1-2	
Poor	The applicant provides no plan for adding community benefit(s) to the business plan.	0	

Additional Evaluation Criteria			Notes
Demonstrates success in creating partnerships and/or efforts to leverage additional funding (i.e. leverages additional resources)			Please include any notes to clarify scoring (i.e. why a 2 vs. a 4).
Excellent	The applicant has well established partnerships or a defined plan to create partnerships that will bring additional resources to help ensure the project's success. Strong applications will show that potential partners have already been identified and that they support the project. (Ready to work together within 6 weeks)	3	
Good	The applicant has tentative plans to create partnerships but does not have relationships in place or letters of support from potential partners. (Potential to work together within 6 months)	1-2	
Poor	The applicant has no plan to create partnerships.	0	

Additional Feedback		Notes
Please use this space for any additional feedback not captured in the scoring rubric. Use of additional criteria may shed light on an applicant's potential for success and include rating criteria such as: expressed passion for the project, potential for success, clarity of ideas, clear and concise use of resources, etc.		Please include any notes to clarify scoring (i.e. why a 2 vs. a 4).
Project passion: the applicant(s) have articulated the "why" of the project from a holistic standpoint, taking into account the community's wants and needs, the greater food ecosystem, and their place within it all	0-4	
Clearly articulated community support (as evidenced by letters of support, testimonials, or interviews) and developed relationships with key partners	0-4	

APPENDIX VII

ANNUAL REPORTING FORM

Company Name (locality):	
Primary Contact (name, phone, email):	
Project Address:	
Period of Performance: Aug 1, 2021 to June 30, 2023	
Description of Workplan:	
Timeline for Workplan Completion:	
Grant Award Amount	
Grant Fund Expended to Date (% of total award)	

Project Summary:

Mandatory Commitments:

SNAP/EBT Vendor ID	
Virginia Fresh Match ID or email documentation that you have applied.	
MarketMaker Page	
Trainings, Professional Development activities, etc. (title and date completed) - minimum of two per year	

Required Reporting:

Category	Baseline Year (8/1/20 – 7/31/21)	Year 1 (8/1/21 – 7/31/22)	Year 2 (8/1/22 – 7/31/23)
Total sales of fresh food (produce, meat, milk, eggs and honey)			
Purchase of fresh food from Virginia farmers			
SNAP/EBT Sales			
Virginia Fresh Match usage (if active in the program)			
Total Employees (sum of individuals working >1,680 hr/yr and Full-Time Equivalents)			
New Capital Investment in Business (equipment, building improvements, business personal property)			

Comments on Company Commitments (add background, caveats, etc. on information above, especially if mandatory requirements are not met or if information is missing or not entirely accurate):

Success Stories (please share any media coverage, stories of increased food access to underserved and marginalized communities, community engagement, partnerships, etc.):

Signatures:

Project:

Name: _____

Title: _____

Date: _____