



MEMORANDUM

TO: Members of the Authority

FROM: Tim Sullivan, Chief Executive Officer

DATE: April 13, 2022

RE: Food Security Planning Grant Program

Summary

The Members are asked to approve:

1. The creation of the Food Security Planning Grant Program – up to \$1,500,000 pilot program that will competitively award grants up to \$125,000 to municipal governments, county governments, and/or redevelopment agencies to improve food access and food security by leveraging distressed assets in New Jersey’s Food Desert Communities (as approved by the Board on February 9, 2022)¹.
2. Utilization of up to \$1,500,000 of funding from the Economic Recovery Act of 2020, as authorized under Section 127.d of P.L. 2020, c. 156, to capitalize the Food Security Planning Grant Program.
3. Delegation of authority to the Chief Executive Officer to approve individual applications to the Food Security Planning Grant program in accordance with the terms set forth in this memo and the attached program specifications
4. Delegated authority to the Chief Executive Officer to decline applications for solely non-discretionary reasons, and to approve Final Administrative Decisions upon recommendations of the Hearing Officer for appeals based on non-discretionary declinations.
5. Delegated authority to the Chief Executive Officer to accept up to \$1,500,000 in additional funds to expand the funding pool for this pilot program from any available governmental funding (State or County) and to impose additional requirements as may be required by law as a condition of accepting, provided that the requirements are consistent with the parameters of the program.

¹ <https://www.njeda.com/wp-content/uploads/2022/02/Food-Desert-Communities-Designation-Final-2-9-22.pdf>

Background

On January 7, 2021, Governor Phil Murphy signed the New Jersey Economic Recovery Act of 2020, P.L. 2020, c.156 (ERA) into law. The ERA presents a strong recovery and reform package that will address the ongoing economic impacts of the COVID-19 pandemic and position New Jersey to build a stronger and fairer economy that invests in innovation, in our communities, and in our small businesses the right way, with the protections and oversight taxpayers deserve. Tax incentives and other investment tools are critical to economic development, and when used correctly they can drive transformative change that uplifts communities and creates new opportunities for everyone.

One of the programs established under the ERA is the Food Desert Relief Act (FDRA), which directs the New Jersey Economic Development Authority (EDA or Authority) to address the food security needs of communities across New Jersey by providing up to \$40 million per year for six years to increase access to nutritious foods and develop new approaches to alleviate food deserts². Through the FDRA, the Authority will award tax credits to establish and retain new supermarkets and grocery stores in food desert communities; offer technical assistance on best practices for increasing the accessibility of nutritious foods; provide grants and loans for food retailers of all sizes to fund equipment costs and technology costs associated with providing fresh food, technology costs associated with supporting Supplemental Nutrition Assistance Program (SNAP) and Supplemental Nutrition Program for Women, Infants, and Children (WIC) payments; and support innovative initiatives to ensure food security.

The FDRA required the Authority, in consultation with the Departments of Community Affairs (NJCA) and Agriculture (NJDA), to designate up to 50 Food Desert Communities (FDCs) that have limited access to nutritious foods. On February 9, 2022, the Board formally adopted the 50 Food Desert Communities (FDCs) designation for the state of New Jersey, taking a critical step towards addressing challenges around food access, food availability and nutritional value³. The total population of New Jerseyans residing in Food Desert Communities exceeds 1.5 million individuals across a diverse range of communities in all 21 of New Jersey's counties.

On July 7, 2021, Governor Murphy signed P.L. 2021 c.160 amending P.L. 2020, c.156 and further improving the programs established under the ERA. In addition to the FDRA and other economic development programs specifically created or modified by the Act, Section 127.d of P.L. 2020, c. 156 also established the sum of \$5,000,000 to be used to award competitive grants for zoning and economic planning services in government-restricted municipalities or economic redevelopment plans for distressed assets in other municipalities.

² [New Jersey Economic Recovery Act - NJEDA](#)

³ <https://www.njeda.com/wp-content/uploads/2022/02/Food-Desert-Communities-Designation-Final-2-9-22.pdf>

Program Summary

To advance the goals of the FDRA consistent with the uses of the economic planning services funds, staff propose utilizing up to \$1,500,000 of the funds under Section 127.d of P.L. 2020, c. 156 to create a competitive planning grant program that will focus on leveraging distressed assets in designated FDCs in New Jersey (approved by the Board in February 2022) to improve food access and food security. The Food Security Planning Grant Program is the Authority's first pilot program to fund development of plans to improve food access specifically within the newly designated FDCs. NJEDA can leverage the findings and outcomes from such local plans as a tool for developing and deploying future comprehensive food security initiatives and economic development across the state while equipping municipalities with the tools to think about how to repurpose distressed assets.

Food access is not simply a health issue but also a community development issue. Many residents in low-income neighborhoods—rural, suburban, and urban—have limited access to fresh produce and other healthy foods. New Jersey faces a crisis of food insecurity that has only been exacerbated by the COVID-19 pandemic and its economic impacts on families across the state. A February 2022 survey by the U.S. Census Bureau found that nearly one in 11 New Jersey households reported not having enough to eat in the past seven days. Not having access to food, and more specifically nutritious food, has a direct impact on one's health. For this reason, access to nutritious, affordable, and culturally relevant food is a key component not only in a healthy, sustainable local food system, but also in vibrant, growing communities and aligns with building a stronger and fairer New Jersey. The Food Security Planning Grant Program is one tool that NJEDA will deploy to empower local government entities and redevelopment agencies to develop and submit plans to improve food access while transforming distressed assets that have presented a hindrance to economic growth. Local plans have the potential to address community needs, develop a community-driven approach to improve food access and develop distressed assets to promote local economic development.

For the Food Security Planning Grant program, a distressed asset shall be defined as a commercial building or series of buildings, its attachments, and appurtenances; or vacant land that is fully or partially vacant for at least one year, that due to deteriorated condition or appearance of its exterior (because of deferred maintenance such as deteriorated paint or overgrown vegetation, boarded up door and/or windows), that can be leveraged to improve food access and food security.

The Food Security Planning Grant Program will support the development of an action plan leveraging distressed assets located in FDCs across New Jersey to improve food access and food security. Grants will be competitively awarded based on applications that meet all applicable eligibility criteria and achieve a minimum of 55 points based on the evaluation criteria set forth in the program specifications, subject to the availability of funding. In the event that applications from eligible entities who meet the minimum requisite score exceed the amount of funding that is available, funding will be prioritized based on the highest scoring applications. There will be a limit of 1 grant award per qualifying Food Desert Community. However, if there is still funding available after the above restriction is satisfied, the Authority may award the remaining funding to additional applications within an already funded FDC based on the overall score of the applications, until all funds have been exhausted or until all eligible applicants have received a grant.

All applicants must submit a budget and budget justification with a 20% match which can include in-kind resources.

- The requested level of funding must be broken down by line items and clearly illustrated in the budget narrative
- The requested level of funding must be reasonable for proposed activities within the timeline

- A 20% match of grant amount required – Match can be either financial, or in-kind resources with demonstrated value greater than or equal to 20% of the grant amount as determined by the Authority.

Applicant Eligibility Requirements

Eligibility under the program will be limited to New Jersey municipal governments, county governments, and redevelopment agencies whose geographic catchment areas include an FDC. While the applicant may serve or have offices in a broader geographic area, proposals must be for a distressed asset located within the borders of an FDC⁴.

For the Food Security Planning Grant program, the proposed plan must be for an asset which meets the above-mentioned definition of a distressed asset, and the proposed plan must leverage a distressed asset within one of the 50 FDCs.

Along with their application, applicants must provide a letter of support from the Office of the Mayor or chief executive of the municipality where the asset is located and at least one stakeholder located within the boundaries of the FDC, detailed below in the ‘Application’ section. For a property owned by a New Jersey County, the applicant must provide a letter of support from the property owner or their designee for the proposed project; this must be signed by the Chief Executive of the government entity, independent agency or authority or their designee. For a property owned by a private individual or by a non-governmental for-profit or non-profit entity; the applicant is required to provide a letter of support signed by the owner, co-owner, corporate officer, or their designee. Proposals for directly owned New Jersey state land will not be considered. Eligible entities should have a tax clearance certificate from the New Jersey Division of Taxation or verification by the Authority from the Division of Taxation as to good standing as applicable.

A municipality, a county, or redevelopment agency may submit multiple applications in a lead role and can be included as a partner in additional applications where they play a non-lead role. A municipality, county, and redevelopment agency whose geographic catchment areas include an FDC can each submit a proposal but are encouraged to coordinate their applications.

To ensure that the Authority’s resources can be utilized as widely as possible across New Jersey, the Authority intends to award a maximum of one grant per FDC. For example, if a municipality applies for a distressed asset in Municipality X FDC, and the county applies for a different distressed asset in Municipality X FDC, a maximum of one award will be made within that FDC. However, in the event that there is still funding available after the above restriction is satisfied, the Authority may award the remaining funding to additional applications within an already funded FDC based on the overall score of the applications, until all funds have been exhausted or until all eligible applicants have received a grant.

Awards will be made to applicants with the highest scores of all eligible applicants, with a minimum qualifying score of 55 points.

Grant amounts will range from \$75,000 and \$125,000 and will be solely determined based on the FDC’s

⁴ Most FDCs are not inclusive of the entire municipality, only parts of a municipality. Potential applicants can see if potential distressed assets are located within the boundaries of an FDC by viewing the FDC map at <https://njca.maps.arcgis.com/apps/webappviewer/index.html?id=cd59d206f39c40a691d6ba38598134fb>

composite factor score⁵ where the distressed asset is located:

- Applicants with a distressed asset in an FDC with a Composite Food Desert Factor Score between 86.5 – 63.9 will be eligible to receive an award of \$125,000.
- Applicants with a distressed asset in an FDC with a Composite Food Desert Factor Score between 61.2 – 51.5 will be eligible to receive an award of \$100,000.
- Applicants with a distressed asset in an FDC with a Composite Food Desert Score between 51.2 -24.1 will be eligible to receive an award of \$75,000.

Eligible Grant Uses

The Food Security Planning Grant Program will support the development of an action plan focused on improving food access and food security in newly designated FDCs across New Jersey by leveraging distressed assets. Applicants must have identified a distressed asset within the borders of a FDC to be eligible for this grant.

The action plan for specific deliverables, must be completed within 9 months after the effective date of the grant agreement between EDA and recipient.

- Upon written request, Authority may authorize a three-month extension to the grant recipient's deadline for plan completion.

All applicants must submit:

- An overview on potential viable uses of the distressed asset property in an FDC
- A proposal to utilize the distressed assets to improve food access/security based on the community needs.
- A detailed timeline of activities that must be completed along with resources needed to accomplish the proposed plan
- A letter of support from the Office of the Mayor or the Chief Executive of the municipality where the asset is located
- At least one letter of support from a stakeholder located within the boundaries of the FDC (stakeholder defined in greater detail below)

The proposed plan may include but are not limited to strategies such as:

1. Identification and development of a community-based initiative/program or resource that improves access to affordable, fresh, and healthy produce and other food items
2. Determining cost-benefits of retrofitting, redeveloping or regreening the distressed asset as it relates to food access and food security
3. Developing a plan to drive economic growth for the locality by implementing innovations around food access and food security solutions
4. Creating greater social, economic, and environmental sustainability by identifying ways to grow, process and sell fresh produce
5. Stakeholder engagement and facilitation to identify community desires and needs pertaining to food access and food security
6. The identification of appropriate additional funding sources to support community led re-use of one or more properties to support food access and food security
7. Feasibility study for a supermarket or food retailer

⁵ Composite factor scores included in list of FDC designations found at: <https://www.njeda.com/wp-content/uploads/2022/02/New-Jersey-Food-Desert-Community-Designation-Methodology-Final-2-9-22.pdf>

Application Process

For each application, a lead applicant must be identified, which can only be a municipal government, county government, or a redevelopment agency, whose geographic catchment areas include an FDC. While the applicant may serve or have offices in a broader geographic area, proposals must be for a distressed asset located within the borders of an FDC. The lead applicant is the entity that is the sole recipient of grant funds and responsible for compliance with all terms of the grant agreement. The lead applicant will also serve as the primary point of contact with the Authority, submit any requests for fund disbursement, and be responsible for providing all required reports to the Authority.

Applicants may include a strategic partner or partners whose experience, knowledge, skills, and ability may provide an advantage in the development of the plan. The grant recipient is solely responsible for determining if and how the grant funds are distributed by the grant recipient to strategic partner(s).

Applications will be accepted for a 60-day period from the date the application is opened to the public, which will be communicated to all potential applicants via the Authority's website and social media accounts. Applications submitted after the application deadline will not be accepted or reviewed. EDA anticipates notifying each applicant within five business days of receipt if the application has been deemed complete. Applicants whose applications have been deemed incomplete for failure to meet the application requirements will be given five business days to cure any deficiencies. If at the end of the five-day period, the applicant has not cured the deficiencies, their application will be deemed incomplete, and they will be declined by staff under the proposed delegation of authority for non-discretionary declines.

Application Fees

A non-refundable fee of \$1000 shall accompany every application for Authority assistance.

Application and Scoring Criteria

The Food Security Planning Grant Program is a competitive grant program. It is not first-come, first-served. Applications must be submitted within 60 days of the application's release. To ensure competitiveness of the grant, a minimum score of 55 points, out of a maximum total score of 100, will be required. Only applications scoring at least the minimum score will be considered for award. The proposed plan must leverage a distressed asset within one of the 50 FDCs. Please refer to Attachment A for the program specifications including the scoring criteria.

- Highest Possible Score: 100 points
- Minimum Score to be considered for award: 55 points

Along with their application, applicants must provide a letter of support from the Office of the Mayor or the Chief Executive of the municipality where the asset is located and at least one stakeholder located within the boundaries of the FDC. Stakeholders can include organizations such as but not limited to community-based organizations, state or local universities, food advocacy groups, business associations, food retailers, foundations, and other entities working on initiatives focused on strengthening a community. In addition to the required letter of support from an entity within the FDC, applicants can submit additional letters of support from other stakeholders (who may or may not be located within the FDC) along with their application.

After all applications are reviewed for baseline eligibility, applications that successfully demonstrate

eligibility will proceed to be reviewed, evaluated, and scored by an internal EDA committee. Applications must meet or exceed the minimum score of 55 out of 100 to be eligible for recommendation to the Board for award. If funding is oversubscribed, recommended funding awards will be based on the highest scoring applications until all available funding is committed. If multiple applications are received for the same FDC, only the highest scoring application will be eligible to receive funding. However, in the event that there is still funding available after the above restriction is satisfied, the Authority may award the remaining funding to additional applications within an already funded FDC based on the overall score of the applications, until all funds have been exhausted or until all eligible applicants have received a grant.

All eligible applicants must propose an action plan that leverages an existing distressed asset within the FDC to improve food access and food security. All applicants will be required to complete an online grant application and will be evaluated for competitiveness based on the following scoring criteria:

Criteria # 1: Composite Food Desert Factor Score (5 to 10 points) – Points will be awarded based on the Composite Food Desert Factor Score where the distressed asset is located⁶.

- Composite Food Desert Factor Score between 86.5 – 63.9 = 10 points
- Composite Food Desert Factor Score between 61.2 - 51.5 = 7 points
- Composite Food Desert Factor Score between 51.2 – 24.1 = 5 points

Applications that do not include one or more of the following sections will be disqualified and considered ineligible regardless of other materials provided.

Criteria # 2: Plan Description/Specifications/Statement of Work (up to 20 points) – All applicants must provide a narrative outlining how they intend to use the distressed asset (as defined in the memo) to improve food access and food security. The proposed plan must leverage a distressed asset within one of the 50 FDCs. Statement of work must include, at minimum:

- Must identify current food security needs and challenges in the FDC
- Must identify opportunities for creating a viable and sustainable solution to address food access and food security in the community
- Emphasis on long term viability and adaptability of a given concept
- Identify and collaborate with other key stakeholders to create an inclusive plan

Criteria # 2 will be measured using the scale below:

- 1 -10 points – Element is present/shows minimal efficacy towards goals/objectives attainment
- 11 -15 points – Element is present/shows moderate efficacy towards goals/objectives attainment
- 16 – 20 points – Element is present/shows superior efficacy towards goals/objectives attainment

Criteria # 3: Work Plan (up to 20 points) – Applications demonstrating the ability to seamlessly execute the proposed plan will be given higher scores.

- Applicant must provide Specific Measurable Achievable Relevant Time-bound (SMART) objectives demonstrated clearly in the work plan with a timeline.
- Applicant must identify appropriate staff responsible for implementing each activity
- Applicant must describe goals/outcomes for each activity
- Clearly describe the length of time needed to implement each activity within the grant period

Criteria # 3 will be measured using the scale below:

⁶ Composite factor scores included in list of FDC designations found at: <https://www.njeda.com/wp-content/uploads/2022/02/New-Jersey-Food-Desert-Community-Designation-Methodology-Final-2-9-22.pdf>

- 1 -10 points – Element is present/shows minimal efficacy towards goals/objectives attainment
- 11 -15 points – Element is present/shows moderate efficacy towards goals/objectives attainment
- 16 – 20 points – Element is present/shows superior efficacy towards goals/objectives attainment

Criteria # 4: Organizational Capacity (up to 20 points) – The applicant is equipped to successfully complete the proposed plan in a timely manner. Factors considered but are not limited to:

- Applicant has experience that demonstrates their ability to work effectively on a collaborative project with a state or a federal agency or on a multi-stakeholder project. Applicant must provide at least one example of working successfully within the FDC and with other collaborators
- Applicant must clearly state how this project aligns with and will impact their overall efforts to address the diverse food security and food access needs of people that live within the FDC they serve

Criteria # 4 will be measured using the scale below:

- 1 -10 points – Element is present/shows minimal efficacy towards goals/objectives attainment
- 11 -15 points – Element is present/shows moderate efficacy towards goals/objectives attainment
- 16 – 20 points – Element is present/shows superior efficacy towards goals/objectives attainment

Criteria # 5: Community Engagement (up to 20 points) – Applicants must demonstrate a track record of:

- Partnership and engagement with various stakeholders across different sectors to address community needs. This can be demonstrated through letters of support and/or descriptions in the narrative section of the application.
- Applicant must demonstrate prior experience working with community members, stakeholders, and/or advocates in addressing food insecurity
- Efforts to ensure programs are built to promote social and economic equity
- Ability to consider and mitigate any past difficulties that created challenges for the given asset
- Engagement with various stakeholders across different sectors to address community needs. This can be demonstrated through letters of support and/or descriptions in the narrative section of the application.
- Applicant should demonstrate experience in community redevelopment with focus on equitable redevelopment projects, community focused adaptive reuse or innovative food distribution concepts (as applicable)

Criteria # 5 will be measured using the scale below:

- 1 -10 points – Element is present/shows minimal efficacy towards goals/objectives attainment
- 11 -15 points – Element is present/shows moderate efficacy towards goals/objectives attainment
- 16 – 20 points – Element is present/shows superior efficacy towards goals/objectives attainment

Criteria # 6: Budget and Budget Justification (up to 10 points) – Preference will go to applications with a clear and justified budget.

- The requested level of funding must be broken down by line items and clearly illustrated in the budget narrative
- The requested level of funding must be reasonable for proposed activities within the timeline
- Reference the 20% match

Criteria # 6 will be measured using the scale below:

- 1 - 3 points – Element is present/shows minimal efficacy towards goals/objectives attainment

- 4 - 7 points – Element is present/shows moderate efficacy towards goals/objectives attainment
- 8 - 10 points – Element is present/shows superior efficacy towards goals/objectives attainment

Grant Disbursement

The full amount of the grant award will be made over the course of two disbursements. The first disbursement, equal to 50% of the grant award, will be disbursed upon the effective date of the grant agreement. Second disbursement, equal to the remaining 50% of the grant funding will be made upon receipt of and review of a final plan and final report by the Authority. During the term of the grant, the grantee will be required to provide two reports to the Authority. The first will be a mid-term report on grant progress. This mid-term report must include, but is not limited to, a summary of activity related to planning and expenditure of funds. The final report must provide summary of grant expenditure, project activities, results and impacts, lessons learned and potential next steps to leverage the distressed asset to address food security of residents within the FDC.

The term of the grant is to be nine months from the effective date of grant agreement with an extension of three months at the sole discretion of the Authority.

If grantee fails to comply with requirements under grant agreement executed between the grantee and the Authority, the Authority may choose to terminate the grant agreement and upon such termination the grantee shall be required to repay the disbursed grant funding, in whole or in part, as adjusted by the Authority to account for any completed and accepted work.

Delegated Authority

Staff is requesting delegated authority to the Chief Executive Officer to approve individual applications. Delegated authority is appropriate for this program because the grant size is no more than \$125,000, which is comparable to other delegated authority. Staff is also requesting delegated authority to the Chief Executive Officer to decline applications for solely non-discretionary reasons, and to approve Final Administrative Decisions upon recommendation of the Hearing Officer for appeals based on related to these non-discretionary declinations.

Recommendation

The Members are asked to approve:

1. The creation of the Food Security Planning Grant Program – up to \$1,500,000 pilot program that will competitively award grants up to \$125,000 to municipal governments, county governments, and/or redevelopment agencies to improve food access and food security by leveraging distressed assets in New Jersey’s Food Desert Communities (as approved by the Board on February 9, 2022)⁷.
2. Utilization of up to \$1,500,000 of funding from the Economic Recovery Act of 2020, as authorized under Section 127.d of P.L. 2020, c. 156, to capitalize the Food Security Planning Grant Program.
3. Delegation of authority to the Chief Executive Officer to approve individual applications to the Food Security Planning Grant program in accordance with the terms set forth in this memo and the attached program specifications
4. Delegated authority to the Chief Executive Officer to decline applications for solely non-discretionary reasons, and to approve Final Administrative Decisions upon recommendations of the Hearing Officer for appeals based on non-discretionary declinations.
5. Delegated authority to the Chief Executive Officer to accept up to \$1,500,000 in additional funds to expand the funding pool for this pilot program from any available governmental funding (State or County) and to impose additional requirements as may be required by law as a condition of accepting, provided that the requirements are consistent with the parameters of the program.



Tim Sullivan, CEO

Prepared by: Rucha Gadre, Senior Advisor, Food Security + Innovation

Attachments:

1. Attachment A – Program Specifications – Food Security Planning Grant Program

⁷ <https://www.njeda.com/wp-content/uploads/2022/02/Food-Desert-Communities-Designation-Final-2-9-22.pdf>