

EXHIBIT B

EL PASO COUNTY HEALTHY FOOD FINANCING INITIATIVE PROGRAM GUIDELINES

The El Paso County Healthy Food Financing Initiative (“HFFI”) is a public-private partnership that offers grants and loans to businesses and non-profit organizations to support and accelerate the construction, establishment, rehabilitation, and/or expansion of food retail and food retail infrastructure that will increase access to healthy and affordable food for currently underserved residents in El Paso County.

PROGRAM ELIGIBILITY. Applicants and projects should meet the following minimum requirements.

- Applicant must demonstrate a plan to:
 - a. open a new retail outlet or expand an existing small or disadvantaged food enterprise primarily selling healthy and affordable food items;
 - b. improve an existing small or disadvantaged food enterprise’s ability to stock and sell a variety of healthy and affordable food that had previously been limited; or,
 - c. develop a real estate project that will lease space to a grocery store tenant that meets the criteria under sections a) or b) above.
- Applicant may be for-profit or not-for-profit and may be (but is not limited to) one of the following: regional grocery chain, national grocery chain, singular grocery retail outlet, food hub, farmer’s market, mobile market, other food retail models offering healthy and affordable food.
- Applicant’s primary business activities must take place within El Paso County and be located in or predominantly serve residents of an area with below average supermarket density or below average grocery sales.
- Projects must benefit low-to-moderate income residents in El Paso County:
 - a. Applicant must operate from a location within a census tract or service area where at least 51% of persons or households are low-to-moderate income; or,
 - b. Applicant must demonstrate its ability to create or retain permanent jobs, at least 51% of which will be made available to or held by persons categorized as low-to-moderate income.
- Retail applicants must demonstrate that at least 20% of current or future products sold or at least 30% of the food retail space will be used for the sale of healthy and affordable foods.

In addition to the minimum requirements outlined above, applicants are expected to:

- Improve access to healthy and affordable food for low-to-moderate income residents in El Paso County in currently underserved areas;
- Accept or demonstrate plans to accept SNAP and WIC;
- Demonstrate a plan for financial sustainability and/or profitability;
- Specify a defined location or service area;
- Demonstrate support from partners, vendors, and/or local residents and a commitment to providing a positive economic and social impact to the local community;

- Demonstrate willingness to work with local service providers to offer in-store nutrition education, SNAP and WIC enrollment, and health screenings.

ELIGIBLE ACTIVITIES

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

INELIGIBLE ENTITIES & ACTIVITIES. Ineligible entities include large department stores of which groceries are only one department, restaurants, cafes, bakeries, pharmacies with grocery sections, businesses with alcohol or tobacco sales as the primary source of revenue, and public entities. HFFI funds may not be used to refinance existing debt, pay tax arrearages or government fines, engage in political or religious activities, buy out any stockholder or equity holder in the borrower's business, nor to purchase instruments or investments for the sole purpose of a return on investment.

ADDITIONAL HFFI PROGRAM GUIDELINES:

- Grants will generally not exceed \$150,000;
- 30-50% of the proposed project's total cost should include financing or other owner's equity;
- All applications will undergo financial review and verification of credit worthiness;
- Applicants will be required to provide a funding drawdown schedule with key milestones.