

**HEALTHY FOOD FINANCING INITIATIVE GRANT AGREEMENT
BETWEEN MCCOMBS GROCERY AND MEAT MARKET AND EL PASO COUNTY**

This Healthy Food Financing Initiative Grant Agreement ("Agreement") is made and entered by and between the County of El Paso, Texas ("County") and McCombs Grocery and Meat Market a General Partnership ("Grantee"). The County and Grantee shall be referred to as "Party" individually and "Parties" collectively.

WHEREAS, the County has adopted a Healthy Food Financing Initiative ("HFFI") to promote local economic development and stimulate business and commercial activity within the County of El Paso as well as increase access to healthy and affordable food by encouraging the development and expansion of healthy and affordable food retail and infrastructure in underserved areas, pursuant to Chapter 381 of the Texas Local Government Code ("Chapter 381") and the Texas Constitution Article III, Section 52-a; and

WHEREAS, the County has authority under Chapter 381 to make loans or grants of public funds for the purposes of promoting local economic development and stimulating business and commercial activity within the County of El Paso; and

WHEREAS, the County determines that a grant of funds to Grantee will serve the public purpose of promoting local economic development and enhancing business and commercial activity within the County of El Paso; and

WHEREAS, Chapter 381 authorizes the Commissioners Court to contract with another entity for the administration of the program; and

WHEREAS, the County has concluded and hereby finds that this Agreement embodies an eligible program and promotes economic development in the County of El Paso, and as such, meets the requisites under Chapter 381 of the Texas Local Government Code and further, is in the best interest of the County and Grantee.

NOW, THEREFORE, in consideration of the mutual benefits and promises contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1 TERM. This Agreement will become effective ("Effective Date") on the last date of execution by the undersigned parties and will remain in effect until the third anniversary of the Effective Date.

2 CONSIDERATION. Grantee agrees that in consideration of County's performance of the responsibilities listed below in sections 5 & 6, Grantee shall perform the duties assigned to it in sections 5 & 6. Grantee agrees that it has accepted this exchange of promises as good and valuable consideration and that County relied on Grantee's promise to perform its responsibilities under sections 5 & 6 of this Agreement in deciding whether County would perform. County agrees that in consideration of Grantee's promise to perform and actual performance of the responsibilities listed below in sections 5 & 6, County shall perform the duties assigned to it in

sections 5 & 6. County agrees that it has accepted this exchange of promises as good and valuable consideration.

3. ADMINISTRATION OF THE PROGRAM. The County has adopted a Healthy Food Financing Initiative ("HFFI") to increase access to healthy and affordable food by encouraging the development and expansion of healthy and affordable food retail and infrastructure in underserved areas of the County. Under the HFFI, the County has engaged The University of Texas Health Science Center at Houston ("UTHealth") to serve as the food access partner to the HFFI. As the food access partner, UTHealth procures, reviews, and recommends applicants for funding to the County; monitors and evaluates projects funded under the HFFI; reports to the County regarding the progress, status, and impact of projects funded under the HFFI. As such, the Grantee shall respond to any reporting requirements from both the County and UTHealth.

4. GRANT. The following shall describe the grant made by the County to the Grantee under the HFFI Program and to increase access to healthy and affordable food retail and retail infrastructure in underserved areas of the County ("Grant").

5. RESPONSIBILITIES:

5.1 County agrees to:

a) Pay HFFI grant funds ("Grant") in an amount of one hundred eighteen thousand dollars (\$118,000) for the facility upgrades and renovation project ("Project") upon the full execution of this agreement for construction, marketing, and advertising of the shed and new retail outlet as outlined on **Exhibit A**. The Grantee understands and agrees that it will comply with all recommendations as set out on **Exhibit C**. Specifically, but not limited, to reporting requirements of quotes, invoices, and receipts to the County as it relates to "Remodel/Installation" on **Section 1**. In the event Grantee fails to submit quote on vendor's letterhead prior to start of work or fails to submit immediately within calendar __9__ days of when that specific work was completed a receipt on the vendor's letterhead, the Grantee will be subject to the claw back provisions as set out on **Subsection 6.3** of the agreement.

b) Monitor, through UTHealth, Grantee's compliance with the terms and conditions of this Agreement through the Term of this Agreement.

5.2 Grantee agrees to:

a) For any purchase or service in excess of \$10,000.00 dollars, or any work performed pursuant to the Project's "Remodel/Installation" budget as identified in **Exhibit A**, the Grantee must provide the County a quote on the vendor's letterhead. This provision does not apply to Grantee's hiring of its employees.

b) Comply with the terms and conditions of this Agreement through the Term of this Agreement.

c) Provide the services as further described on **Exhibit A** in accordance with guidelines described on **Exhibit B**;

- d) Follow all recommendations proposed by PeopleFund CDFI as described on **Exhibit C**.
- e) Allow the County and UTHealth access to the Project's physical location(s) for the purpose of ensuring compliance with this Agreement at any time during operating hours. Failure to allow the County and UTHealth to the Project's physical location(s) to monitor progress and compliance with this Agreement shall be deemed a breach of contract and the County shall be entitled to repayment by Grantee of the Funds in compliance with section 6 of this Agreement.
- f) Coordinate with the County and UTHealth to promote the HFFI;
- g) Authorize the County and UTHealth to discuss the merits and status of the Project through communications and press releases;
- h) Perform all duties hereunder in good faith and avoid any conflicts of interest in the performance of its obligations hereunder; and
- i) Provide complete and accurate records and accounts to UTHealth, including documents, correspondence and other evidence pertaining to costs and expenses of this Agreement, and reflecting all matters and activities covered by this Agreement.
- j) Coordinate with UTHealth to implement in-store services such as nutrition education, SNAP and WIC enrollment, and health screenings.
- k) Grantee shall submit quarterly reports to UTHealth from the execution of this Agreement to end the Agreement term. These quarterly reports shall include:
- i. Status update of project in narrative form;
 - ii. Approved budget spenddown;
 - iii. Receipts, invoices, and other financial statements related to all expenditures using Grant funds;
 - iv. If available:
 - 1) Number of additional square feet of food access;
 - 2) Estimated number of people served;
 - 3) Number of new jobs created and retained;
 - 4) Gross sales/average weekly;
 - 5) Gross sales of healthy and affordable food/average weekly;
 - 6) Percentage of overall sales that are healthy and affordable foods;
 - 7) SNAP sales;
 - 8) Percentage of sales that are SNAP sales;

- 9) WIC sales;
- 10) Percentage of sales that are WIC sales;
- 11) Number of customers weekly (number of ticket sales);
- 12) Any Project-specific sales-related data as requested by UTHealth.

l) The Grantee shall furnish to the UTHealth such progress reports in such form and quantity as UTHealth and the Grantor may from time to time require, including, but not limited to, status reports of the project, project account statements, certificates, approvals, proposed budgets, invoices, copies of all contracts executed and proposed, employment placements, follow-up reports and any and all other information relative to the Agreement as may be requested. The County and UTHealth shall have the right to make reasonable inspections to monitor the Grantee's performance under this Agreement.

m) In the event that the County determines that the Grantee has not furnished such reports as required by this Agreement, UTHealth or the County, by giving written notice to the Grantee, may demand repayment of all or part of the Grant, and may withhold the repayment of the Grant until such time as the required reports are submitted.

6. REPAYMENT OF FUNDS, PAYMENT PROVISIONS, AND FISCAL RESPONSIBILITIES.

6.1. Under no circumstances shall the County be liable for any expenditure exceeding the amount stated in this Agreement or amendments hereto.

6.2. The County shall have the right to disapprove any expenditure made by the Grantee which is not in accordance with the terms of this Agreement, including Exhibits, and the County may adjust payment to the Grantee accordingly or require repayment of the Grant by the Grantee accordingly.

6.3. Notwithstanding anything in this Agreement to the contrary, the County will be entitled (i) to recoup compensation of whatever kind paid to Grantee under this Agreement by the County at any time to the extent permitted under this Agreement or to the extent permitted by applicable law, (ii) to require repayment of any sums or amounts which were received by the Grantee in the event the County believes in good faith that the Grantee has breached any terms of this Agreement including, but not limited to confidentiality, representations the Grantee has made and makes to the County and UTHealth and in the terms of this Agreement. By accepting the Grant pursuant to this Agreement, Grantee authorizes such claw back and agrees to comply with any County request or demand for such recoupment. If repayment of funds is authorized under this provision and the County makes a written demand on Grantee for repayment of the funds, Grantee must repay the funds in full within 30 days, unless the County agrees in writing to allow for a longer repayment period. Repayment shall be made to the County of El Paso and delivered to the Economic Development Department, Care of Economic Development Director, at 500 E. San Antonio, Suite 312, El Paso, Texas 79901.

6.4. Costs allocated to program administration shall be used for the expenses set forth in the Project Budget in Exhibit A or as otherwise revised in accordance with the amendment provisions of this Agreement.

6.5. No funds provided under this Agreement shall be used for the repayment of debt not incurred as the direct result of the Project, 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.

6.6. The funds paid to Grantee in accordance with this Agreement shall be deposited by the Grantee in a bank or other financial institution in a separate and special expenditures account, to be maintained within its existing accounting system or set independently; identifiable by reference to the County, project name, or contract number ("Project Account"). Said account shall be insured by the FDIC.

6.7. The Grantee shall charge to the Project Account all approved costs of the Project. All such costs, including activities contributed by the Grantee or other and charged to the Project Account, shall be supported by properly executed vouchers or other records indicating in proper detail the nature and propriety of the charge.

6.8. Conditions for Repayment of Grant Funds

a) Misuse or Failure to Use Funds. The Grantee agrees that it will use the Grant, or as much as may be necessary, to carry out the Project in accordance with the terms of this Agreement. If after all or any part of the Grant has been paid to the Grantee and the Grantee shall fail to carry out the requirements in this Agreement, the Grantee shall repay the County the Grant.

b) If the Grantee does not use all or a portion of the Grant paid under the terms of this Agreement for purposes of and in accordance with this Agreement, the Grantee shall be liable to the County for the amount of funds unused or improperly used and shall return the Grant to the County.

c) In the event the County shall be entitled to repayment of all or a portion of the Grant, the repayment shall include all interest, income, accumulations and the monetary equivalent of any appreciation in value of any property (real, personal or mixed) purchased with the funds granted them. A check shall be written, payable to El Paso County, and forwarded to the County for: (I) the principal and (2) the total of any such interest, income, accumulations or appreciation in value.

7. REPRESENTATIONS

The Grantee makes the following warranties and representations:

7.1. The Grantee has been duly formed and is validly existing as an entity in good standing under the laws of the State of Texas, with power and authority to own its properties and to conduct its business as such properties are presently owned and such

business is presently conducted. As of the date of its execution, the Grantee has no tax liabilities or other County obligations.

7.2. The Grantee's obligations pursuant to these provisions are ongoing from and after the Effective Date of the Agreement through the termination date. Accordingly, the Grantee shall have an obligation to inform the County if, at any time during the term of the Agreement, it becomes delinquent in the payment of taxes, or other County obligations, or if it is suspended from conducting business by the County, the federal government, or any other state or governmental entity. Such notification shall be made within 15 days of the date of suspension or debarment. The failure of the Grantee to notify the County of its suspension or debarment by the County, any other state, or the federal government shall constitute an event of default of the Agreement with the County.

7.3.1 Grantee certifies that within the last five (5) years Grantee or any affiliates of the Grantee and the Grantee's executive officers or owners of 5 percent or more interest in the Grantee ("Grantee Related Parties") have not:

- a) been indicted or convicted of a crime involving moral turpitude or business honesty or integrity in any jurisdiction;
- b) been suspended, debarred or otherwise disqualified from entering into any contract with any governmental agency;
- c) had any business license or professional license suspended or revoked;
- d) had any sanction or finding of fact imposed as a result of a judicial or administrative proceeding related to fraud, extortion, bribery, bid rigging, embezzlement, misrepresentation or anti-trust; and
- e) been, and is not currently, the subject of a criminal investigation by any federal, state, or local prosecuting or investigative agency and/or civil anti-trust investigation by any federal, state or local prosecuting or investigative agency.

7.3.2. The Grantee's obligation pursuant to all representations in this Agreement is ongoing from and after the effective date of the Agreement through the termination date. Accordingly, the Grantee shall have an obligation to immediately notify the County in writing if at any time during the term of the Agreement if becomes aware of any event which would cause the Grantee's representations to change. Grantee acknowledges that the County may, in its sole discretion, terminate the Agreement for cause if it learns that any of the certifications made herein are currently false due to intervening factual circumstances or were false or should have been known to be false when entering into the contract.

7.3.3. For violation of any of terms of this Agreement, the County may terminate this Agreement, claim liquidated damages in an amount equal to the value of anything received in breach of this Agreement, claim damages for all additional costs and expenses incurred in obtaining another contractor to complete performance under this Agreement,

and suspend Grantee from doing business or receiving future grants or funding with the County. These rights and remedies are cumulative, and the use or non-use of anyone shall not preclude the use of all or any other. These rights and remedies are in addition to those the County may have under law, statute, regulation, or otherwise.

8. SEVERABILITY: If any provision of this Agreement is held to be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired.

9. GOVERNING LAW AND VENUE: This Agreement shall be construed in accordance with the laws of the State of Texas. If any action, whether real or asserted, at law or in equity, is brought on the basis of this Agreement, venue for such action shall lie in state courts or district court located in El Paso County, Texas.

10. INSURANCE. Grantee warrants and represents that it shall maintain at its own expense throughout the term of this Agreement such policies of comprehensive general liability insurance, professional liability insurance, workers compensation insurance and any other policies which shall be necessary to insure Grantee against any claim or claims arising in connection with the Project.

11. IMMUNITY. The County does not waive its sovereign immunity by entering into this Agreement and shall fully retains all immunities and defenses provided by law or otherwise with respect to any action based on or occurring as a result of this Agreement.

12. ASSIGNMENT. This Contract shall be binding upon and inure to the benefit of the County, the Grantee, and their respective successors and assigns, except that the Grantee may not assign or transfer its rights hereunder without the prior written consent of the County. Approval of an assignment does not establish any legal relationship between the County and any other third party, and under no circumstances shall the County be held liable for any act or omission committed pursuant to such an assignment.

13. LIABILITY AND INDEMNIFICATION.

13.1. LIABILITY - GRANTEE SHALL BE LIABLE AND RESPONSIBLE FOR ANY AND ALL PROPERTY LOSS, PROPERTY DAMAGE AND/OR PERSONAL INJURY, INCLUDING DEATH, TO ANY AND ALL PERSONS, OF ANY KIND OR CHARACTER, WHETHER REAL OR ASSERTED, TO THE EXTENT CAUSED BY THE NEGLIGENT ACT(S) OR OMISSION(S), MALFEASANCE OR INTENTIONAL MISCONDUCT OF ANY THIRD PARTY OR GRANTEE, ITS OFFICERS, AGENTS, SERVANTS OR EMPLOYEES OR BY A CONDITION OF THE PROPERTY, GRANTEE LOCATIONS, OR IMPROVEMENTS THEREON.

13.2. GENERAL INDEMNIFICATION - GRANTEE HEREBY COVENANTS AND AGREES TO INDEMNIFY, HOLD HARMLESS AND DEFEND COUNTY, ITS OFFICERS, AGENTS, SERVANTS AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS OR LAWSUITS OF ANY KIND OR

CHARACTER, WHETHER REAL OR ASSERTED, FOR EITHER PROPERTY DAMAGE OR LOSS (INCLUDING ALLEGED DAMAGE OR LOSS TO VENDOR'S BUSINESS AND ANY RESULTING LOST PROFITS) AND/OR PERSONAL INJURY, INCLUDING DEATH, TO ANY AND ALL PERSONS, ARISING OUT OF OR IN CONNECTION WITH THIS AGREEMENT, TO THE EXTENT CAUSED BY THE NEGLIGENT ACTS OR OMISSIONS OR MALFEASANCE OF GRANTEE, ITS OFFICERS, AGENTS, SERVANTS OR EMPLOYEES OR BY A CONDITION OF THE PROPERTY, GRANTEE LOCATIONS, OR IMPROVEMENTS THEREON.

This section shall survive the expiration or termination of this Agreement.

14. RECORDS AND AUDIT. The Grantee, using accepted procedures, shall maintain at its principal office or place of business complete and accurate records and accounts including documents, correspondence and other evidence pertaining to costs and expenses of this Agreement, and reflecting all matters and activities covered by this Agreement.

At any time during normal business hours and as often as the County or UTHealth deems necessary, the Grantee shall make available for inspection by the County or UTHealth all of its records with respect to all matters covered by this Agreement and will permit the County or UTHealth to audit, examine and make copies of such records.

All required records shall be maintained by the Grantee for a period of five (5) years from the date of termination of this Agreement, except in those cases where unresolved audit questions may require maintaining some or all records for a longer period. In such event, records shall be maintained until all pending matters are resolved.

15. NO THIRD PARTY BENEFICIARY. For purposes of this Agreement, the Parties specifically agree that the Agreement only affects matters between the Parties to this Agreement, and is in no way intended by the Parties to benefit or otherwise affect any third person or entity.

16. COMPLIANCE WITH ALL LAWS. All activities authorized by this Agreement shall be performed in accordance with applicable statutes, regulations, conditions, directives, guidelines and such additional requirements as may be attached hereto as Exhibit B or as otherwise provided by the County. The Grantee acknowledges that this Agreement is subject to all requirements set forth herein and further agrees that it will comply with future requirements determined by the County, as necessary. The County may cancel or terminate this Agreement and all money due or paid under this Agreement may be forfeited or be required to be repaid for a violation of this provision.

17. INDEPENDENT CONTRACTOR. The Parties do not intend to enter into a legal partnership, as that term is used to describe a legal entity and to involve joint and several liabilities. Grantee shall operate hereunder as an independent contractor and not as an officer, agent, servant or employee of County. Likewise, County shall operate hereunder as an independent contractor and not as an officer, agent, servant or employee of the Grantee. Neither

Party shall be responsible under the Doctrine of Respondent Superior for the acts and omissions of the officers, members, agents, servants, employees, or officers of the other.

18. INTEREST OF PARTIES AND OTHERS. No officer, member, employee, independent contractor or elected official of the County or UTHealth and no member of its governing body who exercises any functions or responsibilities in the review or approval of activities being performed under this Agreement shall participate in any decision relating to this Agreement which affects his/her personal interest or the interest of any corporation, partnership or association in which he/she is directly or indirectly interested. Nor shall any such officer, member, elected official or employee of the County or UTHealth or any member of its governing body have any interest direct or indirect in this Agreement or the proceeds thereof.

The Grantee covenants that the Grantee (including directors, officers, members and employees of the Grantee) presently has no interest and shall not acquire any interest, directly or indirectly, which would conflict in any manner or degree with the performance of activities required to be performed under this Agreement. The Grantee further covenants that no person having any such interest shall be employed in the performance of activities for this Agreement.

The Grantee represents and warrants that no elected state official or any employee of the County or UTHealth or a member of such elected state official's or the County's or UTHealth's employee's immediate family (parent, spouse, domestic partner, child, brother or sister, daughter-in-law or son-in-law, or grandchild), or any entity in which any such person shall have an ownership interest of 5% or greater, or in which entity such person shall have a controlling interest, has received or will receive a direct or indirect pecuniary benefit from or as a result of the full execution of this Agreement. Further, the Grantee represents and warrants that it has not and will not enter into any contract for goods or services with the persons enumerated above using any funds made available to Grantee under this Agreement.

19. TERMINATION. County may terminate this Agreement at any time, by providing Grantee with 10 calendar days' written notice of termination. The County may terminate this Agreement at any time for its convenience or for any other reason if it determines that termination is in its best interests, or is otherwise appropriate, by giving 10 calendar days' written notice to the Grantee of such termination and specifying the effective date thereof. Termination pursuant to this section shall not be applicable to funds that the Grantee is legally or contractually obligated to pay as a result of project activities entered into prior to the date that it receives written notice of termination. All Grant monies not legally or contractually obligated, plus accrued interest, shall be returned to the County on or before the effective date of termination and all project records shall be made available to the Grantor.

20. PUBLIC INFORMATION ACT. The Parties agree that the County is a governmental body for purposes of the Public Information Act, codified as Chapter 552 of the Texas Government Code and as such is required to release information in accordance with the Public Information Act. Grantee agrees that it has marked any information that it considers to be confidential, proprietary, and/or trade secret in its bid/proposal. County agrees to provide notice to Grantee in accordance with the Public Information Act in the event the County receives a

request for information under the Public Information Act for information that the Grantee has marked as confidential, proprietary, and/or trade secret.

21. ENTIRE AGREEMENT. This Agreement, when signed by all the Parties hereto, constitutes the full and complete understanding and agreement of the Parties of its express terms as provided above. No provision of this Agreement shall be construed in any manner so as to create any rights in third parties not party to this Agreement. It shall be interpreted solely to define specific duties and responsibilities between the County and the Grantee and shall not provide any basis for claims of any other individual, partnership, corporation, organization or municipal entity.

22. AMENDMENTS AND MODIFICATIONS. This Agreement and any provision hereof may only be amended by an instrument in writing signed by the County and the Grantee.

23. NOTICE. Any notices required under this agreement shall be sufficient if sent by Certified

Mail, Return Receipt Requested, at the following addresses:

COUNTY: El Paso County Economic Development Department
Attn: Economic Development Director
500 E. San Antonio, Suite 312
El Paso, Texas 79901

GRANTEE: McCombs Grocery and Meat Market
Attn: Victor Mario Mancha
9440 McCombs Suite 3
El Paso, TX 79924

24. NONWAIVER OF REMEDIES. No delay or failure on the part of the County in exercising any right, power or privilege hereunder shall affect such right, power or privilege; nor shall any single or partial exercise thereof or any abandonment, waiver, or discontinuance of steps to enforce such a right, power or privilege preclude any other or further exercise thereof, or the exercise of any other right, power, or privilege. The rights and remedies of the County hereunder are cumulative and concurrent and not exclusive of any rights or remedies which it might otherwise have. The County shall have the right at all times to enforce the provisions of this Contract in accordance with the terms hereof notwithstanding any conduct or custom on the part of the County in refraining from so doing at any time or times. The failure of the County at any time or times to enforce its rights under such provisions, in accordance with the same, shall not be construed as having created a custom in any way or manner contrary to specific provisions of this Agreement or as having in any way or manner modified or waived the same.

25. SIGNATURE AUTHORITY. The person signing this Agreement hereby warrants that he or she has the legal authority to execute this Agreement on behalf of his or her respective party, and that such binding authority has been granted by proper order, resolution, ordinance, or

other authorization of the entity. The other party is fully entitled to rely on this warranty and representation in entering into this Agreement.

[SIGNATURE PAGE FOLLOWS]

EXECUTED on the dates identified below.

COUNTY OF EL PASO:

By _____

Ricardo A. Samaniego, El Paso County Judge

Date: July _____, 2024

APPROVED AS TO CONTENT:

By _____

Roberto Ransom, County Economic Development Director

By _____

Assistant County Attorney

McCombs Grocery and Meat Market

By _____

Victor Mario Mancha, Owner

Date: _____

EXHIBIT A

McCombs Grocery and Meat Market

GRANTEE PROJECT DESCRIPTION

In 2010, McCombs Grocery and Meat Market opened at its current location and continues to be local and family owned. McCombs Grocery & Meat Market provides and offers fresh fruits, vegetables and meats along with canned and packaged basic food products. The project will upgrade HVAC throughout the store to better support their ability to stock fresh produce. Budgeted items include produce show case, freezer, signage, staff, front desk renovation, and more. The busy store serves customers who predominantly pay with SNAP/EBT.

EXPECTED PROJECT BUDGET

PROJECT EXPENSES	AMOUNT
Additional Employee, 1 Full Time employee @ 14/hr x 40 hours per week	\$29,120.00
Painting and resurfacing walls	\$6,000.00
Outside Sign	\$6,000.00
1 AC Unit	\$12,000.00
Front Desk Renovation	\$6,000.00
1 Produce Show Case	\$13,900.00
Two Door Frozen Freezer	\$4,420.00
8ft Meat Display	\$9,190.80
12Ft Meat Display	\$11,050.00
Freight and taxes for meat and produce case (\$3610.00+ \$3,344.11)	\$6,954.11
3 Refrigerated Merchandiser (\$2,550.00 each plus freight and tax)	\$9,430.88
Marketing and advertising healthy food options	\$3,934.21
Total Grant	118,000.00

EXPECTED 12-MONTH TIMELINE

PROJECT MILESTONE TIME	TIME
Award Agreement Execution	Start Date
Hire and train new employees	Month 1-3
Construction and renovations HVAC upgrades	Month 1-4
Order new equipment	Month 1-5
Complete renovations and install new equipment	Month 6-8
Marketing and advertising healthy food options	Month 9-12
Monitoring and evaluation	End of term

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

- a. Pre-Development
- b. Site Assembly & Improvement
- c. Construction & Rehabilitation
- d. Equipment
- e. Staffing
- f. Staff Training
- g. Security
- h. Inventory & Working Capital
- i. 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.

EXHIBIT C

PeopleFund CDFI has conducted a financial assessment of the Project and has recommended the following terms, which Grantee is required to implement and comply with:

Section 1:

For any purchase or service in excess of \$10,000.00 dollars, or any work performed pursuant to the Project's "Remodel/Installation" budget as identified in Exhibit A, the Grantee shall provide the County a quote on the vendor's letterhead, prior to contractor beginning work on the Project. Grantee is also responsible for providing the County, a receipt on the vendor's letterhead for the completed work on the Project. This provision shall not apply to the hiring of Healthy Harvest Farm's employees.