



Healthy Stores Refrigeration Grant Program: Round Two Request for Proposal (RFP) for Cities, Counties and Nonprofits October 2019

Deadline extended to November 21, 2019 by 5pm PST due to wildfires.

The California Department of Food and Agriculture (CDFA) announces a second competitive grant proposal process for the Healthy Stores Refrigeration Grant Program. CDFA will fund energy-efficient refrigeration units in corner stores and small businesses in low-income or low-access (to full-service grocery stores) areas throughout the state to stock California-grown fresh produce, nuts and minimally processed foods for sale. The purpose of the program is to improve access to healthy food choices in the small retail environment for underserved communities, while promoting CA-grown agriculture.

Cities, counties and nonprofits may apply for up to 10% of a grant award to provide technical assistance to corner stores and small businesses. Technical assistance may be provided by the applicant or sub-contracted to another entity.

This program is established in California Food and Agricultural Code [section 49015](#) and funding was made available in the Budget Act of 2018.

Funding: Round Two of the Healthy Stores Refrigeration Grant Program will disburse up to \$1,700,000. This will be the final round of the pilot program.

Eligibility: Eligible applicants are corner stores (or their equivalents, such as neighborhood stores, bodegas, convenience stores, or mom and pop stores – all called “corner stores” for purposes of this grant) and small businesses; as well as cities, counties and nonprofits applying on behalf of corner stores. Nonprofits engaged in produce sales in low-income or low-access areas are also eligible to apply on the basis of their own direct sales operations.

This is a reimbursement grant program. If awarded a grant, applicants will purchase an energy-efficient refrigeration unit (or units) and submit an invoice with the receipt to CDFA and can expect to be reimbursed within 45 days after invoices are approved in most circumstances.

Proposals are due by 5 pm PST on November 21, 2019.

Definitions for this grant program: (per Food and Agricultural Code [section 49015](#))

Corner store: a small-scale store or grocery store, either independent or chain, that sells a limited selection of foods and other products and that is located in a low-income or low-access area in a rural, urban or suburban area. Corner stores do not need to be located on street corners.

Low-income area: a census tract in which the income of at least 20% of the population is at or below the federal poverty level by family size, or the median family income is at or below 80% of the median family income of surrounding census tracts.

Low-access area: a census tract in which there are significant barriers to accessing a supermarket or large grocery store, which may include, but are not limited to, a census tract where at least 500 persons or 33% of the population live more than one mile, for nonrural areas, or more than 10 miles, for rural areas, from a supermarket or large grocery store.

Small businesses: independently owned, with 100 or fewer employees, average annual gross receipts of \$15M or less and **must be authorized to accept EBT/SNAP/CalFresh benefits**.

Minimally processed foods: food not physically/chemically processed in a way that fundamentally alters the raw product; and food processed only to separate whole, intact food into component parts (such as fruit cups or bagged salads).

Refrigeration unit selection: Applicants may choose the units that work best for their needs within the below parameters. California has legislative mandates to reduce hydrofluorocarbon (HFC) i.e. refrigerant emissions. These parameters are aligned with or go beyond current CA HFC prohibitions.*

Allowable Equipment	Guideline
Stand-alone (also known as self-contained, plug-in, or plug-and-play) units	<p>Must use hydrocarbon refrigerants (R-290 or R-600a; propane or isobutane) to ensure energy efficiency and lowest global warming potential (GWP).</p> <p>Energy Star provides a list of Energy Star-certified hydrocarbon units with doors that are all eligible.**</p> <p>There are also other products and manufacturers meeting program criteria that are not Energy Star certified, including units without doors.</p> <p>It is applicants' responsibility to determine the refrigerant type and provide CDFA with the information. You may need to contact the manufacturer for this information in some cases.</p>
Walk-in coolers	<p>Must use refrigerants R-448A or R-449A, or any other refrigerants with a lower GWP than R-448A or R-449A, to optimize efficiency and minimize GWP.</p> <p>It is applicants' responsibility to determine the refrigerant type and provide CDFA with the information. You may need to contact the manufacturer for this information in some cases.</p>

Remote Condensing Units	<p>Must use refrigerants R-448A or R-449A, or any other refrigerants with a lower GWP than R-448A or R-449A, to optimize efficiency and minimize GWP.</p> <p>Microdistributed propane stand-alone units combined with a water loop or dry fluid cooler are also permitted.</p> <p>It is applicants' responsibility to determine the refrigerant type and provide CDFA with the information. You may need to contact the manufacturer for this information in some cases.</p>
New equipment	Equipment must be new. Used equipment tends to be less energy-efficient and may not comply with current CA GWP regulations.
Equipment in Appendix A	Appendix A includes a catalog of pre-vetted stand-alone equipment that manufacturers supplied in response to a request from the CA Air Resources Board (CARB) with CDFA for this program. It is NOT a comprehensive list of all eligible equipment. Other manufacturers and models meet grant criteria. However, the catalog may be a useful starting point for applicants seeking guidance.
Add-ons for energy efficiency, such as night covers for open cases	Should be included when relevant for best energy efficiency.
Other equipment, such as mobile carts, refrigerated trucks, larger refrigeration systems, or other	Applicants should describe why this type of equipment is needed in response to Question 12 and select the most energy-efficient and lowest GWP equipment available. CDFA and/or CARB can work with applicants to ensure regulatory compliance before proposal submission. Contact the Office of Farm to Fork for assistance (cafarmtofork@cdfa.ca.gov).

Unallowable Costs	
Freezers	Not allowable for this program
Mini-fridges or bar fridges	Not allowable for this program

Beer or liquor coolers	Not allowable for this program
Used equipment	Not allowable for this program
Units that do not utilize an approved refrigerant	Not allowable for this program
Refrigeration equipment for purposes other than the sale of CA-grown produce, nuts or minimally processed foods (for example, coolers to store ingredients for kitchen operations)	Not allowable for this program

*For more information on current regulations, see [Current Hydrofluorocarbon Prohibitions](#).

**For Energy Star-certified, stand-alone hydrocarbon units with doors, see [Energy Star Certified Stand-Alone Hydrocarbon Units with Doors](#). Note that the database search terms can be changed to vary the volume, number of doors, etc.

Equipment choices that do not meet grant parameters may be grounds for proposal rejection.

Grant amounts: there are no grant minimum or maximum amounts. Funding will be awarded as available to competitive proposals.

Allowable equipment expenses: this grant program covers the refrigeration equipment; relevant freight or shipping charges; taxes; and any associated costs for delivery and installation included in the equipment purchase transaction in one invoice. Installation as a separate equipment expense is allowable only for remote condensing units and should be included as a line item cost in Question 13 when relevant. If providing extra assistance with installation for other types of units, cities, counties and nonprofits may include those costs in the technical assistance budget item. Store infrastructure upgrades to accommodate new equipment, such as electrical upgrades, are not allowable expenses for this program.

Applicants may wish to look into [California FreshWorks](#) and the [Small Business Energy Efficiency Program](#) for low-cost financing/additional funding sources that may cover store upgrades not allowable through the Healthy Stores Refrigeration Grant Program.

Applicants may apply for one year or multi-year funding through March 2022. Healthy

Technical assistance: Technical assistance (TA) services may include but are not limited to: assisting stores and small businesses to select, purchase and install refrigeration units; market research determining which qualifying items customers desire; help procuring, stocking, merchandising or marketing the qualifying items; consulting on profitability of produce sales; or assistance obtaining permitting, licensing or authorization to accept nutrition benefits. Technical assistance can consist of staff time and costs of creating printed materials promoting the CA-grown produce, nuts or minimally processed foods for sale, such as signage or pricing information. The technical assistance budget item can include indirect costs associated with staffing and printed materials. CDFA has not supplied an indirect cost rate. Applicants including indirect costs as part of TA should add an indirect costs line to the TA detail in response to Question 14 in the proposal form. If the organization's indirect rate exceeds 10%, applicants must submit their indirect rate policy as a separate attachment. Again, the total TA amount cannot exceed 10% of the total request.

Nonprofits applying on the basis of their own direct sales in low-income or low-access areas should indicate that TA is not applicable and will not be penalized in scoring.

Cities, counties and nonprofits are encouraged to use their own eligibility guidelines, selection criteria and project terms with partnering corner stores and small businesses that do not conflict with Healthy Stores Refrigeration Grant Program parameters established in this RFP – and to leverage other funding sources for healthy retail projects.

Proposals are due by 5 pm PDT on Thursday, November 21, 2019. Late proposals will not be accepted. Grant proposals must be submitted electronically to cafarmtofork@cdfa.ca.gov. All proposal questions must be answered. Submitted proposals will only be considered if the required proposal form is complete and attached along with any additional attachments in **one email submission**. Please use “Healthy Stores Refrigeration Grant Program Proposal” in the subject line. Attachments may be submitted in Microsoft Word (doc/docx), Adobe (pdf) or Microsoft Excel (xls/xlsx) format. Mailed and faxed proposals will not be accepted. Applicants will receive a confirmation email within two business days of submission. Please contact the Office of Farm to Fork if a confirmation email is not received.

Grant timeline and process:

Release Request for Grant Proposal: October 2, 2019

Grant proposals due: November 21, 2019, 5:00 pm PST

Anticipated Awards Announcement: December 2019

Grantees may purchase equipment only after grant agreements are fully executed, which generally takes 90 days to complete.

Invoices for refrigeration units must be submitted to CDFA within 60 days of purchase.

Invoices for technical assistance may be submitted quarterly or monthly throughout the grant term. Again, reimbursement can generally be expected from CDFA within 45 days after invoices are approved in most cases.

Compliance and reporting:

CDFA must be notified of any changes to the proposed plan in advance, including changes to the address where equipment will be located and any equipment changes, both of which must be approved by CDFA prior to purchase. CDFA cannot reimburse for equipment that does not meet guidelines and reserves the right to decline to reimburse invoices that reflect changes not previously approved.

Recipients are required to participate in program evaluation activities. Once awarded a grant, recipients will be asked to provide additional information for program evaluation purposes. A CDFA representative or designee will work with recipients to address questions and obtain data; and business customers may be interviewed. Site visits may be conducted. Grantees must also submit a written report after one year answering questions including produce sale information and any challenges to implementation.

Recipients must comply with all state and local regulations. Documentation that businesses hold required permits may be requested.

Proposal review and evaluation:

CDFA will conduct an initial administrative review of proposals to determine whether all proposal requirements have been met. Misrepresentations in the proposal are grounds for rejection. Proposals that have met all proposal requirements will receive a technical review to evaluate the merits of the grant request based on the published scoring criteria.

Appeal rights:

Any discretionary action taken by the Office of Farm to Fork may be appealed to CDFA's Office of Hearings and Appeals within ten (10) days of receiving notification. The appeal must be in writing and signed by the responsible party named on the grant proposal or his/her authorized agent. It must state the grounds for the appeal and include any supporting documents and a copy of the Office decision being challenged. The submission must be sent to the California Department of Food and Agriculture Office of Hearings and Appeals, 1220 N Street, Suite 315, Sacramento CA 95814 or emailed to CDFA.LegalOffice@cdfa.ca.gov. Appeals not received in this timeframe will be denied.

CDFA reserves the right to ask applicants clarifying questions about their proposals and to work with selected applicants to modify their proposals.

There are two concurrent RFPs. This is the RFP for cities, counties and nonprofits.

Proposal questions:

Applicants must answer every question. If a question is not applicable, please write “n/a” in response.

- 1. Applicant type (city; county; city and county; nonprofit):**
- 2. Applicant contact information, including legal name of organization or entity, address, website, email and phone number:**
- 3. Main contact for this grant:**
Name:
Organization:
Professional title:
Email:
Phone:
- 4. Please provide DUNS number, if available, or write n/a.**
- 5. Describe the population you will serve through this program: include estimated number of people reached (i.e. customers of the corner stores or small businesses); location(s) including neighborhood income information; demographics; grocery store availability; and any other relevant details, such as traffic or foot traffic patterns or other.**
- 6. Please describe your experience with healthy small retail work; OR, if a new project is envisioned, describe your project plan. If this is a new program**

without established relationships in the field, please identify an organization or a person with expertise to provide peer support.

- 7. Describe the partnerships in place to accomplish this project and each entity's role. If you will be developing new partnerships, describe the relevant relationships that facilitate this effort, such as with other community-based organizations and/or with corner stores or small businesses.**
- 8. Please list all stores and/or small businesses you intend to work with for this project, including names, addresses, contact information and whether they accept SNAP/CalFresh/EBT. Describe your current relationships with each store/small business. If you intend to conduct new outreach, please explain how you will conduct outreach.**
- 9. If applying to provide technical assistance, describe the services you will offer.**
- 10. Where will stores or small businesses procure the CA-grown produce? Please describe any existing procurement/distribution methods and/or the plan for this project.**
- 11. If this project fits into a broader scope of related work for your organization, please briefly describe the overall scope and goals, other sources of funding, and any plans for evaluation.**
- 12. If requesting multiple types of units, explain the location and purpose for each (for example: two units to sell produce in a corner store; one cart to sell from a farm stand; and one refrigerated truck to bring produce from a farm to corner stores). If requesting any units other than stand-alone, such as carts, trucks or other, describe why this equipment is needed and any energy efficiency measures you will take.**
- 13. Detail refrigeration equipment requested, specifying type, make, model and refrigerant used as well as number of units requested and total costs. Note that applicants must work with corner stores and small businesses to determine the exact types of units desired. Applicants who plan new outreach**

if awarded a grant must provide their best projection of the units they intend to use and projected cost – and any future equipment changes must be vetted by CDFA in advance. The grant award will be an “up-to” amount that grantees will invoice against.

Each type of equipment should be a different line item. Applicants may also submit an Excel spreadsheet attachment. Include any energy efficiency additions such as night covers.

(For guidance on eligible units, see the [Energy Star database](#) and the catalog of pre-vetted equipment choices in Appendix A for guidance on stationary equipment that meets energy efficiency and global warming potential standards. You may contact the Office of Farm to Fork with questions.)

EQUIPMENT REQUESTED

Type of equipment (e.g.: stand-alone unit)	Make	Model	Refrigerant used	#of units	Cost
TOTALS	n/a	n/a	n/a		

14. If applying for technical assistance, please detail the line items (applicants may also submit an Excel spreadsheet to accompany their narrative). As a reminder, technical assistance for this grant can total up to 10% of the total amount requested. (If applying to include indirect costs, add as a separate line item in the chart below. CDFA has not specified an indirect rate for this program. If the organization’s indirect rate exceeds 10%, please also submit the organization’s indirect rate policy as a separate attachment, showing the costs included and the basis for the indirect rate calculation.)

Personnel – list title, wage rate, % FTE, and total cost requested for each employee or contractor	Total Cost
Fringe benefits rate – list % rate and total \$ amount for each employee/position title	
Travel – specify destination, employee(s) traveling, type of expense, unit of measure, number of units, cost per unit	
Publication/Printing Costs – specify types of publications	
Total Technical Assistance Cost	

15. List the grand total up-to amount you are requesting, including refrigeration units, any equipment add-ons for energy efficiency purposes, and any technical assistance expenses proposed (for up to 10% of the grant total only):

16. Are you seeking a one-year grant or a multi-year grant (ending by March 2022)?

17. Where did you learn about this opportunity? *Answers to this question will not affect award decisions.

18. Would you like to be connected to one or more healthy retail programs in other locations that can share promising practices related to introducing refrigeration units to small stores to sell produce? CDFA cannot guarantee a match but may be able to facilitate networking. *Answers to this question will not affect award decisions.

Scoring: 100 total points possible when technical assistance is included in the proposal; 85 total points possible when technical assistance is not applicable

Neighborhood/population served: low-income, with low-access to full-service grocery stores. 20 points.

- Highest need locations and populations based on income, proximity to grocery stores, and other demographic information will be prioritized. This will be based on publicly available information including census data based on store locations as well as information provided in the proposal.

Track record of success OR strong project plan including peer support or mentorship:
20 points

Partnerships/relationships: **20 points**

Technical assistance provision, if relevant: **15 points**

Distribution plan: **15 points**

Energy efficiency: **10 points**

- Stand-alones with closed doors meeting refrigerant guidelines will earn full points for energy efficiency.
- Open units without doors cannot earn full points for energy efficiency.
- Energy efficiency measures such as night covers for open cases should be utilized as relevant per unit type.

Questions? Email cafarmtofork@cdfa.ca.gov with questions about this RFP. Questions and answers will be anonymized and posted in Frequently Asked Questions on the program website for all potential applicants to review.