



# AMPAC

## HEALTHY FOOD ENTERPRISE LOAN PROGRAM (AHFELP)

### Funding for Businesses Providing Fresh Food to Los Angeles County Communities

**Eligible Business:** Producers, processors, distributors or retailers of food inventory with a high percentage of perishable or healthy food, including community markets, meat or fish stores; corner discount stores, take-out restaurants, street vendors, mobile markets, farmers, value-add processors, produce distributors, food vending machines, etc. Traditional restaurants are not likely targets for the program.

#### Eligible Uses:

**Loan Range:** \$1,000 - \$50,000

**Interest Rate** Rates tied to WSJ prime up to six points; minimum 6.5%. Rates will be fixed for the term of the loan

**Term:** One year to five years

**Application Fee:** \$100 application fee and \$25 credit check (per guarantor)

**Special Note:** The application fee, less any out of pocket expenses, will be reimbursed in the event the application is not approved. Application fees will not be refunded under any circumstances if the borrower declines the loan after it has been approved. The borrower will be responsible for legal fees, title and other related processing fees; a portion of such fees may be financed within the loan up to the maximum loan amount.

**SPECIAL CONSIDERATION** – Businesses that serve pre-school age children from 0-5 years of age will receive special consideration. Businesses must demonstrate service opportunities for children ages 0-5.

**TECHNICAL ASSISTANCE** – All borrowers participating in the program will receive technical assistance from experience providers and must sign a Memorandum of Understanding to take advantage of technical assistance to support their long term success.

#### LOAN PARAMETERS

The AHFELP may be used for:

Working capital for inventory and receivable financing, hiring and training new workers and marketing; down payment for larger loan proceeds, business and equipment acquisition, debt refinance, facility improvements, and other business costs that assist the business to implement healthy food options.

**Note:** Loans for businesses that demonstrate the minimum debt coverage ratio of 1.0x may be required to show a secondary source of repayment. A qualified co-signer may be used, but also must be a guarantor on the loan.



**For information contact  
AmPac Tri-State CDC  
at 909-915-1706**

or visit our website at [www.ampac.com](http://www.ampac.com)  
to begin the process.

You may also email your questions  
at any time at [info@ampac.com](mailto:info@ampac.com)

#### REQUIREMENTS Eligible businesses must:

- Have been in business for six months and be profitable; projections must reflect profitability
- Possess a reliable credit history
- Have not filed bankruptcy or foreclosure in the past 12 months
- Be current on all payments within the last 12 months
- Exhibit a steady cash flow with the ability to support the monthly payment (or projections that demonstrate repayment ability)
- Demonstrate minimum 1.0 debt coverage ratio
- Collateral if available; loans will NOT be decline if there is no collateral if positive and strong cash flow is demonstrated.

